

# **Indiana Public Retirement System**

**Teachers' Pre-1996 Defined Benefit Account  
Report on Allocation of Pension Amounts**

**For the Year Ended June 30, 2020**

**Indiana Public Retirement System**

**Teachers' Pre-1996 Defined Benefit Account  
Report on Allocation of Pension Amounts**

**Year Ended June 30, 2020**

---

**Table of Contents**

	<b>Page</b>
Independent Auditor's Report	1 – 2
Schedule of Non-Employer Allocation	3
Schedule of Non-Employer Pension Amounts	4 – 5
Schedule of Employer Allocation of Special Funding Situation Pension Amounts	6 – 14
Notes to the Schedules of Non-Employer Allocation and Non-Employer Pension Amounts and Employer Allocation of Special Funding Situation Pension Amounts	15 – 19



## Independent Auditor's Report

Board of Trustees  
Indiana Public Retirement System

RSM US LLP

### Report on the Schedules

We have audited the accompanying Schedule of Non-Employer Allocation of the Indiana Public Retirement System Teachers' Pre-1996 Defined Benefit Account (Plan) as of and for the years ended June 30, 2020 and 2019 and the related Notes. We have also audited the total for all entities of the columns titled beginning net pension liability, ending net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense (specified non-employer column totals) included in the accompanying Schedule of Non-Employer Pension Amounts of the System as of and for the year ended June 30, 2020 and the related notes. We have also audited the Schedule of Employer Allocation of Special Funding Situation Pension Amounts of the Plan, including the weighted proportionate share factor and the total for all entities of the columns titled employer's share of non-employer contributing entity contributions, employer's share of pension expense, and net pension liability associated with employer (specified special funding situation column totals) included in the Schedule of Employer Allocation of Special Funding Situation Pension Amounts as of and for the year ended June 30, 2020, and the related notes, collectively the Schedules (Schedules).

### Management's Responsibility for the Schedules

Management is responsible for the preparation and fair presentation of these Schedules 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 the Schedules that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on the Schedule of Non-Employer Allocation, the specified non-employer column totals included in the Schedule of Non-employer Pension Amounts and the Schedule of Employer Allocation of Special Funding Situation Pension Amounts, including the weighted proportionate share factor and the specified special funding situation column totals included in the Schedule of Employer Allocation of Special Funding Situation Pension Amounts based on our audits. We conducted our audits 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 Schedule of Non-Employer Allocation, the specified non-employer column totals included in the Schedule of Non-employer Pension Amounts and the Schedule of Employer Allocation of Special Funding Situation Pension Amounts, including the weighted proportionate share factor and the specified special funding situation column totals included in the Schedule of Employer Allocation of Special Funding Situation Pension Amounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedule of Non-Employer Allocation, the specified non-employer column totals included in the Schedule of Non-employer Pension Amounts and the Schedule of Employer Allocation of Special Funding Situation Pension Amounts, including the weighted proportionate share factor and the specified special funding situation column totals included in the Schedule of Employer Allocation of Special Funding Situation Pension Amounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedule of Non-Employer Allocation, the specified non-employer column totals included in the Schedule of Non-employer Pension

amounts and the Schedule of Employer Allocation of Special Funding Situation Pension Amounts, including the weighted proportionate share factor and the specified special funding situation column totals included in the Schedule of Employer Allocation of Special Funding Situation Pension Amounts, 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 Schedule of Non-Employer Allocation, the specified non-employer column totals included in the Schedule of Non-employer Pension Amounts and the Schedule of Employer Allocation of Special Funding Situation Pension Amounts, including the weighted proportionate share factor and the specified special funding situation column totals included in the Schedule of Employer Allocation of Special Funding Situation Pension Amounts 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 Schedule of Non-Employer Allocation, the specified non-employer column totals included in the Schedule of Non-employer Pension Amounts and the Schedule of Employer Allocation of Special Funding Situation Pension Amounts, including the weighted proportionate share factor and the specified special funding situation column totals included in the Schedule of Employer Allocation of Special Funding Situation Pension Amounts.

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

### **Opinions**

In our opinion, the Schedules referred to above present fairly, in all material respects, the non-employer allocation as of and for the years ended June 30, 2020 and 2019, and the total for the non-employer entity of the columns titled beginning net pension liability, ending net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense included in the accompanying Schedule of Non-Employer Pension Amounts as of and for the year ended June 30, 2020 and the employer allocation, by weighted proportionate share factor as of and for the year ended June 30, 2020 and the total for the employer entities of the columns titled employer's share of the total non-employer contributing entity contributions, total employer's share of pension expense, and total net pension liability associated with employer included in the accompanying Schedule of Employer Allocation of Special Funding Situation Pension Amounts as of and for the year ended June 30, 2020, in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the Indiana Public Retirement System as of and for the year ended June 30, 2020, and our report thereon, dated December 10, 2020, expressed an unmodified opinion on those financial statements.

### **Restriction on Use**

Our report is intended solely for the information and use of the management and the Board of Trustees of Indiana Public Retirement System, and System employers and their auditors and is not intended to be, and should not be, used by anyone other than these specified parties.

*RSM US LLP*

Indianapolis, Indiana  
March 17, 2021

**Indiana Public Retirement System**

**Teachers' Pre-1996 Defined Benefit Account  
 Schedule of Non-Employer Allocation  
 As of and for the Years Ended June 30, 2020 and 2019**

	2020		2019	
	Contributions	Proportionate Share Factor	Contributions	Proportionate Share Factor
<b>Non-Employer Contributing Entity</b>				
State of Indiana	\$ 971,132,000	1.00	\$ 943,900,000	1.00
<b>Total TRF Pre-1996 Defined Benefit</b>	<b>\$ 971,132,000</b>	<b>1.00</b>	<b>\$ 943,900,000</b>	<b>1.00</b>

See Notes to the Schedules of Non-Employer Allocation and Non-Employer Pension Amounts and Employer Allocation of Special Funding Situation Pension Amounts.

Indiana Public Retirement System

Teachers' Pre-1996 Defined Benefit Account  
 Schedule of Non-Employer Pension Amounts  
 As of and for the Year Ended June 30, 2020  
 and Beginning Net Pension Liability as of July 1, 2019

Non-Employer Contributing Entity	Beginning Net Pension Liability	Ending Net Pension Liability	Deferred Outflows of Resources - Debit			
			Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes of Assumptions	Total Deferred Outflows of Resources
State of Indiana	\$ 10,630,018,922	\$ 10,307,551,857	\$ -	\$ 35,462,818	\$ -	\$ 35,462,818
<b>Total TRF Pre-1996 Defined Benefit</b>	<b>\$ 10,630,018,922</b>	<b>\$ 10,307,551,857</b>	<b>\$ -</b>	<b>\$ 35,462,818</b>	<b>\$ -</b>	<b>\$ 35,462,818</b>

See Notes to the Schedules of Non-Employer Allocation and Non-Employer Pension Amounts and Employer Allocation of Special Funding Situation Pension Amounts.

Deferred Inflows of Resources - Credit				Pension Expense	
Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	Changes of Assumptions	Total Deferred Inflows of Resources		
\$ -	\$ -	\$ -	\$ -	Total Pension Expense	
\$ -	\$ -	\$ -	\$ -	\$	538,944,742
\$ -	\$ -	\$ -	\$ -	\$	538,944,742

**Teachers' Pre-1996 Defined Benefit Account**  
**Schedule of Employer Allocation of Special Funding Situation Pension Amounts**  
**As of and for the Year Ended June 30, 2020**

<b>Submission Unit #</b>	<b>Weighted Proportionate Share Factor</b>	<b>Employer's Share of Non-employer Contributing Entity Contributions</b>	<b>Employer's Share of Pension Expense</b>	<b>Net Pension Liability Associated with Employer</b>
1005	0.0011828	\$ 1,148,655	\$ 637,464	\$ 12,191,772
1006	0.0016403	1,592,948	884,031	16,907,477
1007	0.0024084	2,338,874	1,297,995	24,824,708
2013	0.0320934	31,166,928	17,296,569	330,804,385
2016	0.0100870	9,795,808	5,436,336	103,972,276
2017	0.0035639	3,461,017	1,920,745	36,735,084
2018	0.0051993	5,049,207	2,802,135	53,592,054
3011	0.0007891	766,320	425,281	8,133,689
3013	0.0124690	12,109,045	6,720,102	128,524,864
4005	0.0022513	2,186,309	1,213,326	23,205,391
5003	0.0025700	2,495,809	1,385,088	26,490,408
6003	0.0030291	2,941,656	1,632,518	31,222,605
6013	0.0025993	2,524,263	1,400,879	26,792,420
6015	0.0013849	1,344,921	746,385	14,274,929
7001	0.0021967	2,133,286	1,183,900	22,642,599
8006	0.0009260	899,268	499,063	9,544,793
8009	0.0015351	1,490,785	827,334	15,823,123
9001	0.0052652	5,113,204	2,837,652	54,271,322
9002	0.0008941	868,289	481,870	9,215,982
9003	0.0018535	1,799,993	998,934	19,105,047
10000	0.0030601	2,971,761	1,649,225	31,542,139
10013	0.0013257	1,287,430	714,479	13,664,721
10016	0.0109108	10,595,827	5,880,318	112,463,637
10017	0.0000141	13,693	7,599	145,336
11015	0.0044159	4,288,422	2,379,926	45,517,118
12001	0.0009574	929,762	515,986	9,868,450
12002	0.0009596	931,898	517,171	9,891,127
12003	0.0007899	767,097	425,712	8,141,935
12004	0.0026349	2,558,836	1,420,066	27,159,368
13009	0.0013080	1,270,241	704,940	13,482,278
14009	0.0023693	2,300,903	1,276,922	24,421,683
14010	0.0007676	745,441	413,694	7,912,077
14011	0.0009617	933,938	518,303	9,912,773
14025	0.0000735	71,378	39,612	757,605
15018	0.0015540	1,509,139	837,520	16,017,936
15020	0.0026308	2,554,854	1,417,856	27,117,107
16001	0.0021443	2,082,398	1,155,659	22,102,483
16002	0.0023534	2,285,462	1,268,353	24,257,793
17001	0.0021985	2,135,034	1,184,870	22,661,153
17004	0.0015936	1,547,596	858,862	16,426,115
17006	0.0034590	3,359,146	1,864,210	35,653,822
18005	0.0005772	560,537	311,079	5,949,519
18008	0.0006041	586,661	325,577	6,226,792
18012	0.0093792	9,108,441	5,054,871	96,676,590
18014	0.0005946	577,435	320,457	6,128,870
18015	0.0010729	1,041,928	578,234	11,058,972

(Continued)



**Teachers' Pre-1996 Defined Benefit Account**  
**Schedule of Employer Allocation of Special Funding Situation Pension Amounts**  
**As of and for the Year Ended June 30, 2020**

<b>Submission Unit #</b>	<b>Weighted Proportionate Share Factor</b>	<b>Employer's Share of Non-employer Contributing Entity Contributions</b>	<b>Employer's Share of Pension Expense</b>	<b>Net Pension Liability Associated with Employer</b>
18016	0.0017609	\$ 1,710,066	\$ 949,028	\$ 18,150,568
18017	0.0025460	2,472,502	1,372,153	26,243,027
19016	0.0012701	1,233,435	684,514	13,091,622
19017	0.0017707	1,719,583	954,309	18,251,582
19019	0.0011911	1,156,715	641,937	12,277,325
19020	0.0038476	3,736,527	2,073,644	39,659,337
20015	0.0031520	3,061,008	1,698,754	32,489,403
20018	0.0038940	3,781,588	2,098,651	40,137,607
20019	0.0052965	5,143,601	2,854,521	54,593,948
20020	0.0029151	2,830,947	1,571,078	30,047,544
20021	0.0015637	1,518,559	842,748	16,117,919
20022	0.0017364	1,686,274	935,824	17,898,033
20023	0.0117039	11,366,032	6,307,755	120,638,556
21010	0.0051109	4,963,359	2,754,493	52,680,867
21011	0.0000034	3,302	1,832	35,046
22001	0.0121353	11,784,978	6,540,256	125,085,234
23001	0.0008115	788,074	437,354	8,364,578
23002	0.0008122	788,753	437,731	8,371,794
23003	0.0010980	1,066,303	591,761	11,317,692
24015	0.0027197	2,641,188	1,465,768	28,033,449
25006	0.0006675	648,231	359,746	6,880,291
25007	0.0018425	1,789,311	993,006	18,991,664
26013	0.0019239	1,868,361	1,036,876	19,830,699
26014	0.0019344	1,878,558	1,042,535	19,938,928
26015	0.0012992	1,261,695	700,197	13,391,571
26016	0.0003935	382,140	212,075	4,056,022
27011	0.0062447	6,064,428	3,365,548	64,367,569
27014	0.0015563	1,511,373	838,760	16,041,643
27015	0.0019539	1,897,495	1,053,044	20,139,926
27016	0.0014819	1,439,121	798,662	15,274,761
28000	0.0000023	2,234	1,240	23,707
28002	0.0008824	856,927	475,565	9,095,384
28004	0.0013881	1,348,028	748,109	14,307,913
28005	0.0009453	918,011	509,464	9,743,729
28006	0.0012279	1,192,453	661,770	12,656,643
28007	0.0007222	701,352	389,226	7,444,114
28008	0.0001692	164,316	91,189	1,744,038
29008	0.0053919	5,236,247	2,905,936	55,577,289
29009	0.0102988	10,001,494	5,550,484	106,155,415
29012	0.0020738	2,013,934	1,117,664	21,375,801
29013	0.0072171	7,008,757	3,889,618	74,390,633
29014	0.0029508	2,865,616	1,590,318	30,415,524
29015	0.0011029	1,071,061	594,402	11,368,199
30012	0.0007699	747,675	414,934	7,935,784
30013	0.0040318	3,915,410	2,172,917	41,557,988
30014	0.0022918	2,225,640	1,235,154	23,622,847

(Continued)

**Teachers' Pre-1996 Defined Benefit Account**  
**Schedule of Employer Allocation of Special Funding Situation Pension Amounts**  
**As of and for the Year Ended June 30, 2020**

<b>Submission Unit #</b>	<b>Weighted Proportionate Share Factor</b>	<b>Employer's Share of Non-employer Contributing Entity Contributions</b>	<b>Employer's Share of Pension Expense</b>	<b>Net Pension Liability Associated with Employer</b>
30015	0.0025027	\$ 2,430,452	\$ 1,348,817	\$ 25,796,710
30016	0.0000474	46,032	25,546	488,578
31001	0.0003705	359,804	199,679	3,818,948
31006	0.0027204	2,641,867	1,466,145	28,040,664
31008	0.0022773	2,211,559	1,227,339	23,473,388
32004	0.0037451	3,636,986	2,018,402	38,602,812
32005	0.0018629	1,809,122	1,004,000	19,201,938
32006	0.0036695	3,563,569	1,977,658	37,823,562
32007	0.0039686	3,854,034	2,138,856	40,906,550
32008	0.0011822	1,148,072	637,140	12,185,588
32010	0.0010679	1,037,072	575,539	11,007,435
33001	0.0008093	785,937	436,168	8,341,902
33005	0.0011877	1,153,413	640,105	12,242,279
33007	0.0012242	1,188,860	659,776	12,618,505
33008	0.0009336	906,649	503,159	9,623,130
33010	0.0053437	5,189,438	2,879,959	55,080,465
34001	0.0016199	1,573,137	873,037	16,697,203
34002	0.0011328	1,100,098	610,517	11,676,395
34003	0.0018926	1,837,964	1,020,007	19,508,073
34005	0.0081437	7,908,608	4,389,004	83,941,610
34007	0.0015153	1,471,556	816,663	15,619,033
35015	0.0063125	6,130,271	3,402,089	65,066,421
36001	0.0002857	277,452	153,977	2,944,868
36008	0.0004964	482,070	267,532	5,116,669
36013	0.0039386	3,824,900	2,122,688	40,597,324
36014	0.0019092	1,854,085	1,028,953	19,679,178
37006	0.0014094	1,368,713	759,589	14,527,464
37010	0.0028787	2,795,598	1,551,460	29,672,350
38011	0.0036901	3,583,574	1,988,760	38,035,897
39003	0.0014143	1,373,472	762,230	14,577,971
39004	0.0035689	3,465,873	1,923,440	36,786,622
39005	0.0006945	674,451	374,297	7,158,595
40001	0.0044525	4,323,965	2,399,651	45,894,375
41003	0.0056760	5,512,145	3,059,050	58,505,664
41005	0.0035867	3,483,159	1,933,033	36,970,096
41006	0.0004293	416,907	231,369	4,425,032
41007	0.0014257	1,384,543	768,374	14,695,477
41009	0.0010969	1,065,235	591,168	11,306,354
41010	0.0025468	2,473,279	1,372,584	26,251,273
41011	0.0034142	3,315,639	1,840,065	35,192,044
41012	0.0008181	794,483	440,911	8,432,608
42001	0.0018410	1,787,854	992,197	18,976,203
42002	0.0012378	1,202,067	667,106	12,758,688
42003	0.0033320	3,235,812	1,795,764	34,344,763
43005	0.0061560	5,978,289	3,317,744	63,453,289
43006	0.0034249	3,326,030	1,845,832	35,302,334

(Continued)

**Teachers' Pre-1996 Defined Benefit Account**  
**Schedule of Employer Allocation of Special Funding Situation Pension Amounts**  
**As of and for the Year Ended June 30, 2020**

<b>Submission Unit #</b>	<b>Weighted Proportionate Share Factor</b>	<b>Employer's Share of Non-employer Contributing Entity Contributions</b>	<b>Employer's Share of Pension Expense</b>	<b>Net Pension Liability Associated with Employer</b>
43007	0.0018406	\$ 1,787,466	\$ 991,982	\$ 18,972,080
43011	0.0016568	1,608,971	892,924	17,077,552
44001	0.0018496	1,796,206	996,832	19,064,848
44002	0.0015362	1,491,853	827,927	15,834,461
44003	0.0021187	2,057,537	1,141,862	21,838,610
45005	0.0012381	1,202,359	667,267	12,761,780
45013	0.0069168	6,717,126	3,727,773	71,295,275
45014	0.0012746	1,237,805	686,939	13,138,006
45016	0.0023706	2,302,166	1,277,622	24,435,082
45017	0.0146598	14,236,601	7,900,822	151,106,649
45018	0.0026559	2,579,229	1,431,383	27,375,827
45019	0.0029850	2,898,829	1,608,750	30,768,042
45020	0.0039854	3,870,349	2,147,910	41,079,717
45022	0.0008531	828,473	459,774	8,793,372
45025	0.0049712	4,827,691	2,679,202	51,240,902
45026	0.0025160	2,443,368	1,355,985	25,933,800
45027	0.0215996	20,976,063	11,640,991	222,638,997
45028	0.0023988	2,329,551	1,292,821	24,725,755
45029	0.0071512	6,944,759	3,854,102	73,711,365
45030	0.0048540	4,713,875	2,616,038	50,032,857
45031	0.0014295	1,388,233	770,422	14,734,645
45032	0.0019048	1,849,812	1,026,582	19,633,825
45033	0.0000006	583	323	6,185
46001	0.0001501	145,767	80,896	1,547,164
46003	0.0001577	153,148	84,992	1,625,501
46004	0.0000006	583	323	6,185
46008	0.0005095	494,792	274,592	5,251,698
46009	0.0000862	83,712	46,457	888,511
46014	0.0006428	624,244	346,434	6,625,694
46018	0.0000502	48,751	27,055	517,439
46020	0.0020234	1,964,988	1,090,501	20,856,300
46021	0.0068663	6,668,084	3,700,556	70,774,743
46022	0.0074046	7,190,844	3,990,670	76,323,298
47011	0.0018222	1,769,597	982,065	18,782,421
47013	0.0061275	5,950,611	3,302,384	63,159,524
48014	0.0016151	1,568,475	870,450	16,647,727
48016	0.0128360	12,465,450	6,917,895	132,307,736
48017	0.0020667	2,007,039	1,113,837	21,302,617
48020	0.0021863	2,123,186	1,178,295	22,535,401
48021	0.0026831	2,605,644	1,446,043	27,656,192
49002	0.0051161	4,968,408	2,757,295	52,734,466
49004	0.0143355	13,921,663	7,726,042	147,763,910
49005	0.0132397	12,857,496	7,135,467	136,468,894
49006	0.0132846	12,901,100	7,159,665	136,931,703
49007	0.0062357	6,055,688	3,360,698	64,274,801
49008	0.0114691	11,138,010	6,181,211	118,218,343

(Continued)

**Teachers' Pre-1996 Defined Benefit Account**  
**Schedule of Employer Allocation of Special Funding Situation Pension Amounts**  
**As of and for the Year Ended June 30, 2020**

<b>Submission Unit #</b>	<b>Weighted Proportionate Share Factor</b>	<b>Employer's Share of Non-employer Contributing Entity Contributions</b>	<b>Employer's Share of Pension Expense</b>	<b>Net Pension Liability Associated with Employer</b>
49009	0.0106344	\$ 10,327,406	\$ 5,731,354	\$ 109,614,629
49010	0.0021801	2,117,165	1,174,953	22,471,494
49011	0.0432443	41,995,925	23,306,277	445,742,868
49012	0.0018562	1,802,615	1,000,389	19,132,878
49015	0.0052972	5,144,280	2,854,898	54,601,164
49016	0.0003459	335,915	186,421	3,565,382
49017	0.0000181	17,577	9,755	186,567
49018	0.0000535	51,956	28,834	551,454
50003	0.0012314	1,195,852	663,657	12,692,719
50004	0.0012172	1,182,062	656,004	12,546,352
50007	0.0008628	837,893	465,002	8,893,356
50009	0.0007436	722,134	400,759	7,664,696
50010	0.0030937	3,004,391	1,667,333	31,888,473
50011	0.0006396	621,136	344,709	6,592,710
51004	0.0005970	579,766	321,750	6,153,608
51006	0.0010495	1,019,203	565,623	10,817,776
51008	0.0004074	395,639	219,566	4,199,297
52001	0.0010132	983,951	546,059	10,443,612
52003	0.0022207	2,156,593	1,196,835	22,889,980
52004	0.0022438	2,179,026	1,209,284	23,128,085
52005	0.0012471	1,211,099	672,118	12,854,548
53012	0.0026733	2,596,127	1,440,761	27,555,178
53013	0.0102571	9,960,998	5,528,010	105,725,590
54014	0.0028791	2,795,986	1,551,676	29,676,473
54015	0.0021036	2,042,873	1,133,724	21,682,966
54016	0.0017162	1,666,657	924,937	17,689,820
55003	0.0002677	259,972	144,276	2,759,332
55004	0.0050209	4,875,957	2,705,988	51,753,187
55005	0.0035473	3,444,897	1,911,799	36,563,979
55006	0.0000145	14,081	7,815	149,460
55008	0.0012693	1,232,658	684,083	13,083,376
56009	0.0009589	931,218	516,794	9,883,911
56010	0.0014552	1,413,191	784,272	14,999,549
57006	0.0034159	3,317,290	1,840,981	35,209,566
57007	0.0024636	2,392,481	1,327,744	25,393,685
57009	0.0010928	1,061,253	588,959	11,264,093
58002	0.0008564	831,677	461,552	8,827,387
59008	0.0008846	859,063	476,751	9,118,060
59010	0.0007738	751,462	417,035	7,975,984
59011	0.0016493	1,601,688	888,882	17,000,245
59012	0.0001098	106,630	59,176	1,131,769
60008	0.0025309	2,457,838	1,364,015	26,087,383
61000	0.0009790	950,738	527,627	10,091,093
61005	0.0000000	-	-	-
61006	0.0000000	-	-	-
61007	0.0014207	1,379,687	765,679	14,643,939

(Continued)

**Teachers' Pre-1996 Defined Benefit Account**  
**Schedule of Employer Allocation of Special Funding Situation Pension Amounts**  
**As of and for the Year Ended June 30, 2020**

<b>Submission Unit #</b>	<b>Weighted Proportionate Share Factor</b>	<b>Employer's Share of Non-employer Contributing Entity Contributions</b>	<b>Employer's Share of Pension Expense</b>	<b>Net Pension Liability Associated with Employer</b>
62002	0.0002443	\$ 237,248	\$ 131,664	\$ 2,518,135
62003	0.0015991	1,552,937	861,827	16,482,806
62004	0.0010407	1,010,657	560,880	10,727,069
63013	0.0021875	2,124,351	1,178,942	22,547,770
64001	0.0009898	961,226	533,448	10,202,415
64005	0.0001761	171,016	94,908	1,815,160
64007	0.0003162	307,072	170,414	3,259,248
64008	0.0009739	945,785	524,878	10,038,525
64009	0.0014142	1,373,375	762,176	14,576,940
64010	0.0001526	148,195	82,243	1,572,932
64011	0.0067796	6,583,887	3,653,830	69,881,079
64013	0.0063354	6,152,510	3,414,431	65,302,464
64014	0.0000217	21,074	11,695	223,674
64015	0.0026579	2,581,172	1,432,461	27,396,442
64016	0.0047104	4,574,420	2,538,645	48,552,692
64017	0.0014399	1,398,333	776,027	14,841,844
65001	0.0016914	1,642,573	911,571	17,434,193
65002	0.0002347	227,925	126,490	2,419,182
65003	0.0035522	3,449,655	1,914,440	36,614,486
65004	0.0000053	5,147	2,856	54,630
66001	0.0009835	955,108	530,052	10,137,477
66002	0.0014295	1,388,233	770,422	14,734,645
67010	0.0011761	1,142,148	633,853	12,122,712
67013	0.0016198	1,573,040	872,983	16,696,172
67014	0.0013079	1,270,144	704,886	13,481,247
67015	0.0014656	1,423,291	789,877	15,106,748
67016	0.0000374	36,320	20,157	385,502
67017	0.0000621	60,307	33,468	640,099
68003	0.0004216	409,429	227,219	4,345,664
68006	0.0010317	1,001,917	556,029	10,634,301
68007	0.0010393	1,009,297	560,125	10,712,639
68008	0.0015684	1,523,123	845,281	16,166,364
68011	0.0005698	553,351	307,091	5,873,243
69006	0.0017618	1,710,940	949,513	18,159,845
69007	0.0009141	887,712	492,649	9,422,133
69008	0.0038974	3,784,890	2,100,483	40,172,653
69011	0.0014162	1,375,317	763,254	14,597,555
69012	0.0008447	820,315	455,247	8,706,789
69014	0.0002605	252,980	140,395	2,685,117
69015	0.0000107	10,391	5,767	110,291
69016	0.0000965	93,714	52,008	994,679
70015	0.0026885	2,610,888	1,448,953	27,711,853
71003	0.0051666	5,017,451	2,784,512	53,254,997
71004	0.0083139	8,073,894	4,480,733	85,695,955
71006	0.0011921	1,157,686	642,476	12,287,633
71007	0.0017833	1,731,820	961,100	18,381,457

(Continued)

**Teachers' Pre-1996 Defined Benefit Account**  
**Schedule of Employer Allocation of Special Funding Situation Pension Amounts**  
**As of and for the Year Ended June 30, 2020**

<b>Submission Unit #</b>	<b>Weighted Proportionate Share Factor</b>	<b>Employer's Share of Non-employer Contributing Entity Contributions</b>	<b>Employer's Share of Pension Expense</b>	<b>Net Pension Liability Associated with Employer</b>
71014	0.0225693	\$ 21,917,769	\$ 12,163,606	\$ 232,634,230
72007	0.0015208	1,476,898	819,627	15,675,725
72008	0.0023101	2,243,412	1,245,016	23,811,476
73009	0.0013292	1,290,829	716,365	13,700,798
73010	0.0005258	510,621	283,377	5,419,711
73013	0.0031672	3,075,769	1,706,946	32,646,078
73014	0.0014007	1,360,265	754,900	14,437,788
73015	0.0001530	148,583	82,459	1,577,055
73016	0.0004482	435,261	241,555	4,619,845
74010	0.0015862	1,540,410	854,874	16,349,839
74011	0.0016842	1,635,581	907,691	17,359,979
75010	0.0005988	581,514	322,720	6,172,162
75011	0.0014719	1,429,409	793,273	15,171,686
75012	0.0014955	1,452,328	805,992	15,414,944
76002	0.0005436	527,907	292,970	5,603,185
76004	0.0030212	2,933,984	1,628,260	31,141,176
76005	0.0011952	1,160,697	644,147	12,319,586
77011	0.0021367	2,075,018	1,151,563	22,024,146
77012	0.0015949	1,548,858	859,563	16,439,514
78001	0.0012655	1,228,968	682,035	13,044,207
79001	0.0082758	8,036,894	4,460,199	85,303,238
79002	0.0097686	9,486,600	5,264,736	100,690,351
79003	0.0029490	2,863,868	1,589,348	30,396,970
80003	0.0009366	909,562	504,776	9,654,053
80004	0.0021553	2,093,081	1,161,588	22,215,867
81001	0.0011541	1,120,783	621,996	11,895,946
82001	0.0272935	26,505,591	14,709,688	281,329,167
83001	0.0009059	879,748	488,230	9,337,611
83002	0.0020214	1,963,046	1,089,423	20,835,685
84001	0.0186552	18,116,662	10,054,122	192,289,441
84002	0.0006440	625,409	347,080	6,638,063
85001	0.0015512	1,506,420	836,011	15,989,074
85002	0.0032500	3,156,179	1,751,570	33,499,544
85003	0.0015590	1,513,995	840,215	16,069,473
85005	0.0002317	225,011	124,873	2,388,260
86005	0.0013753	1,335,598	741,211	14,175,976
87001	0.0103225	10,024,510	5,563,257	106,399,704
88004	0.0013496	1,310,640	727,360	13,911,072
88006	0.0010114	982,203	545,089	10,425,058
88008	0.0020704	2,010,632	1,115,831	21,340,755
88010	0.0002434	236,374	131,179	2,508,858
89001	0.0015066	1,463,107	811,974	15,529,358
89002	0.0012964	1,258,976	698,688	13,362,710
89003	0.0009112	884,895	491,086	9,392,241
89004	0.0069709	6,769,664	3,756,930	71,852,913
89005	0.0011077	1,075,723	596,989	11,417,675

(Continued)

**Teachers' Pre-1996 Defined Benefit Account**  
**Schedule of Employer Allocation of Special Funding Situation Pension Amounts**  
**As of and for the Year Ended June 30, 2020**

<b>Submission Unit #</b>	<b>Weighted Proportionate Share Factor</b>	<b>Employer's Share of Non-employer Contributing Entity Contributions</b>	<b>Employer's Share of Pension Expense</b>	<b>Net Pension Liability Associated with Employer</b>
90001	0.0014890	\$ 1,446,016	\$ 802,489	\$ 15,347,945
90002	0.0022761	2,210,394	1,226,692	23,461,019
90003	0.0009211	894,510	496,422	9,494,286
90004	0.0004108	398,941	221,399	4,234,342
91005	0.0009578	930,150	516,201	9,872,573
91006	0.0023816	2,312,848	1,283,551	24,548,466
91009	0.0010257	996,090	552,796	10,572,456
91010	0.0005574	541,309	300,408	5,745,429
92011	0.0000219	21,268	11,803	225,735
92014	0.0010399	1,009,880	560,449	10,718,823
92015	0.0000397	38,554	21,396	409,210
92016	0.0022690	2,203,499	1,222,866	23,387,835
96001	0.0000830	80,604	44,732	855,527
97002	0.0000009	874	485	9,277
97003	0.0000041	3,982	2,210	42,261
97006	0.0000652	63,318	35,139	672,052
97007	0.0000039	3,787	2,102	40,199
97008	0.0000796	77,302	42,900	820,481
97011	0.0000232	22,530	12,504	239,135
97016	0.0000026	2,525	1,401	26,800
97018	0.0000050	4,856	2,695	51,538
97019	0.0002781	270,072	149,881	2,866,530
97020	0.0000009	874	485	9,277
97021	0.0000594	57,685	32,013	612,269
97022	0.0000171	16,606	9,216	176,259
97023	0.0000009	874	485	9,277
97025	0.0000013	1,262	701	13,400
97026	0.0000480	46,614	25,869	494,762
97030	0.0000557	54,092	30,019	574,131
97034	0.0000398	38,651	21,450	410,241
97035	0.0000003	291	162	3,092
97036	0.0000593	57,588	31,959	611,238
97038	0.0000002	194	108	2,062
97045	0.0000005	486	269	5,154
97049	0.0000425	41,273	22,905	438,071
97054	0.0000002	194	108	2,062
97056	0.0000239	23,210	12,881	246,350
97057	0.0001052	102,163	56,697	1,084,354
97058	0.0000472	45,837	25,438	486,516
97060	0.0000344	33,407	18,540	354,580
97061	0.0000011	1,068	593	11,338
97062	0.0000007	680	377	7,215
97063	0.0000000	-	-	-
97064	0.0000811	78,759	43,708	835,942
97069	0.0000000	-	-	-
97070	0.0000009	874	485	9,277

(Continued)

**Teachers' Pre-1996 Defined Benefit Account**  
**Schedule of Employer Allocation of Special Funding Situation Pension Amounts**  
**As of and for the Year Ended June 30, 2020**

<b>Submission Unit #</b>	<b>Weighted Proportionate Share Factor</b>	<b>Employer's Share of Non-employer Contributing Entity Contributions</b>	<b>Employer's Share of Pension Expense</b>	<b>Net Pension Liability Associated with Employer</b>
97071	0.0000918	\$ 89,150	\$ 49,475	\$ 946,233
97072	0.0000584	56,714	31,474	601,961
97073	0.0000089	8,643	4,797	91,737
97078	0.0000580	56,326	31,259	597,838
97080	0.0000247	23,987	13,312	254,597
97083	0.0001278	124,111	68,877	1,317,305
97085	0.0000286	27,774	15,414	294,796
97090	0.0000297	28,843	16,007	306,134
98001	0.0000946	91,869	50,984	975,094
98002	0.0004415	428,755	237,944	4,550,784
98004	0.0000221	21,462	11,911	227,797
98008	0.0000675	65,551	36,379	695,760
98009	0.0000244	23,696	13,150	251,504
98012	0.0000070	6,798	3,773	72,153
99000	0.0065966	6,406,169	3,555,203	67,994,797
99019	0.0101379	9,845,239	5,463,768	104,496,930
99021	0.0009786	950,350	527,411	10,086,970
99022	0.0050422	4,896,642	2,717,467	51,972,738
99023	0.0002694	261,623	145,192	2,776,854
<b>Total</b>	<b>1.0000000</b>	<b>\$ 971,132,000</b>	<b>\$ 538,944,742</b>	<b>\$ 10,307,551,857</b>

See Notes to the Schedules of Non-Employer Allocation and Non-Employer Pension Amounts and Employer Allocation of Special Funding Situation Pension Amounts.



## **Indiana Public Retirement System**

### **Teachers' Pre-1996 Defined Benefit Account**

#### **Notes to the Schedules of Non-Employer Allocation and Non-Employer Pension Amounts and Employer Allocation of Special Funding Situation Pension Amounts Year Ended June 30, 2020**

---

#### **Summary**

The purpose of this report is to provide the non-employer contributing entity and the participating employers of the Teachers' Pre-1996 Defined Benefit Account Plan the information needed for their financial statements as it relates to reporting for GASB Statement No. 68. As of the measurement date, the Schedule of Non-Employer Allocation and Non-Employer Pension Amounts provide the non-employer contributing entity with its proportionate share of the collective net pension liability, collective deferred outflows and inflows of resources, and collective pension expense. The collective net pension liability as of the previous measurement date is provided as a beginning balance. Collective deferred outflows and inflows of resources, and collective pension expense include the non-employer contributing entity's proportionate share of plan level amounts such as differences between expected and actual experience, the net difference between projected and actual investment earnings on pension plan investments and changes in assumptions. Additionally, the Schedule of Employer Allocation of Special Funding Situation Pension Amounts provide the participating employers with the amount of the non-employer contributing entity's net pension liability, collective pension expense and non-employer contributions associated with each participating employer.

#### **Plan Description**

The Teachers' Pre-1996 Defined Benefit Account (Plan) is a pay-as-you-go, cost-sharing, multiple-employer defined benefit pension plan administered by the Indiana Public Retirement System (INPRS). Membership is closed to new entrants. For additional details about this plan, refer to Note 1 – Descriptions of System and Funds in the Comprehensive Annual Financial Report located on the System's webpage.

#### **Basis of Presentation**

The Schedule of Employer Allocation of Special Funding Situation Pension Amounts present amounts that are elements of the financial statements of the Plan or of its participating employers and the State of Indiana as a non-employer contributing entity. Accordingly, it does not be a complete presentation of the financial position or changes in financial position of the Plan or its participating employers or the State of Indiana. The accompanying Schedule was prepared in accordance with accounting principles generally accepted in the United States of America. Such preparation requires management of INPRS to make several estimates and assumptions related to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

#### **Special Funding Situation**

GASB Statement No. 68 states that special funding situations are defined as circumstances in which a non-employer entity is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity or entities and the amount of contribution is not dependent upon one or more events unrelated to pensions. Based on this definition, the Plan does have a special funding situation, as the State of Indiana, is a non-employer contributing entity legally responsible for making contributions that are used to provide pension benefits to members of the pension plan on-behalf of the Plan's participating employers. The non-employer Contributing Entity's contributions are appropriated to cover the State's actuarial liability for each member covered by the Teachers' Pre-1996 Defined Benefit Account by the State of Indiana in accordance with IC 5-10.4-2-4. Contributions from a participating employer may occur in specific cases when an active member is paid from federal funds. These contributions are based on a rate which was estimated to be the normal cost for the period covered and all future contributions toward pension benefits are the responsibility of the non-employer contributing entity.

## Indiana Public Retirement System

### Teachers' Pre-1996 Defined Benefit Account

#### Notes to the Schedules of Non-Employer Allocation and Non-Employer Pension Amounts and Employer Allocation of Special Funding Situation Pension Amounts Year Ended June 30, 2020

---

#### **Special Funding Situation (Continued)**

Due to the fact that participating employers do not contribute directly to the past unfunded liability of the Plan, there is no actuarially measured net pension liability, deferred outflows of resources or deferred inflows of resources to report on the participating employers' respective financial statements. However, the notes to the financial statements must disclose the portion of the non-employer contributing entity's total proportionate share of the collective net pension liability associated with them as an employer in the Plan. In addition, each employer must recognize their share of pension expense as well as revenue in an amount equal to the non-employer contributing entity's total proportionate share of the collective pension expense associated with the employer.

#### **Basis of Allocation**

##### Non-employer:

In determining the proportionate share of the net pension liability and corresponding pension amounts for a cost-sharing plan, the basis should be consistent with the manner in which contributions to the Plan are determined, excluding those to separately finance specific liabilities of an individual employer. The System has determined that the actual contributions made to the Plan during the fiscal year are appropriate as they are representative of future contributions.

##### Special Funding Situation:

The basis to determine participating employer's proportionate share of the various pension related amounts associated with the Special Funding Situation is a weighted calculation using a combination of wages reported by employers relative to the collective wages of the Plan, and benefits paid to retirees of employers relative to total benefits paid by the Plan. The weighted calculation is determined by the non-retirees and retirees respective of net pension liabilities as reported by the actuary based on the Plan's census data as of 2020. This method provides a more equitable distribution between employers with active employees and employers with no active employees of the pension amounts. For 2020 the weighted calculation is 28.3% for wages and 71.7% for benefits paid.

#### **Collective Net Pension Liability**

The components of the collective net pension liability of the non-employer contributing entity at June 30, 2020 are as follows:

	<u>2020</u>
Total pension liability	\$ 13,968,702,829
Plan fiduciary net position	<u>3,661,150,972</u>
Net pension liability	<u><u>\$ 10,307,551,857</u></u>

#### **Actuarial Assumptions**

The collective total pension liability for the June 30, 2020 measurement date was determined by actuarial valuations as of June 30, 2020, and based on the assumptions utilized at the time of the valuations as reported within the System's Comprehensive Annual Financial Report (Annual Report) as of June 30, 2020. For details, please refer to Note 8 of the System's June 30, 2020 Annual Report, which can be found on the INPRS website at:

<https://www.in.gov/inprs/annualreports.htm>

## Indiana Public Retirement System

### Teachers' Pre-1996 Defined Benefit Account

#### Notes to the Schedules of Non-Employer Allocation and Non-Employer Pension Amounts and Employer Allocation of Special Funding Situation Pension Amounts Year Ended June 30, 2020

---

#### **Actuarial Assumptions (Continued)**

As a result of the 2014-2019 Experience Study completed in February 2020, there were changes to many assumptions from the June 30, 2019 valuation made in 2020. Details concerning the Experience Study on the INPRS webpage can be found at:

[https://www.in.gov/inprs/files/INPRSExperienceStudy\\_2020.pdf](https://www.in.gov/inprs/files/INPRSExperienceStudy_2020.pdf)

Actuarial Assumptions that changed which impact the liability are as follows:

- The future salary increase assumption changed from a table ranging from 2.50 percent to 12.50 percent to a table ranging from 2.75% to 12.00%.
- The mortality assumption changed from the RP-2014 White Collar Mortality Table with Social Security Administration generational projection scale from 2006 to the Pub-2010 Public Retirement Plans Mortality Tables with a fully generational projection of mortality improvements using SOA Scale MP-2019. Specific mortality table variants and adjustments are used for different subpopulations.
- The retirement assumption was updated based on recent experience and was updated from an age-based table split by regular retirement, rule of 85 retirement, and early retirement to an age-based table dependent on eligibility for a reduced benefit or unreduced benefit. Additionally, for actives who are eligible for early retirement (reduced benefit), 30% are now assumed to commence benefits immediately and 70% are assumed to commence benefits at unreduced retirement eligibility. Previously, all active retirements were assumed to commence benefits immediately.
- The termination assumption was updated based on recent experience. The age-based table and service-based tables which were used previously were replaced by one service-based table.
- The disability assumption was updated based on recent experience.
- The marital assumption was updated based on recent experience. 80% of male members and 75% of female members are assumed to be married or to have a dependent beneficiary. Previously, 100% of members were assumed to be married or to have a dependent beneficiary. Additionally, for female members, the assumption for their spouse's age changed from 2 years older to 3 years older.
- The load placed on the final average earnings to account for additional wages received upon termination, such as severance pay or unused sick leave, decreased from \$400 to \$200.

The following major assumptions remain the same after the experience study:

- Funding at a long-term rate of return of 6.75%, net of administrative and investment expenses.
- Inflation at 2.25% per year.
- Cost of Living Increases: A service based 13<sup>th</sup> check will be paid in the 2020 and 2021 fiscal years. Thereafter, the following COLAs, compounded annually, are assumed: 0.4% beginning on January 1, 2022, 0.5% beginning on January 1, 2034, and 0.6% on January 1, 2039.

## Indiana Public Retirement System

### Teachers' Pre-1996 Defined Benefit Account

#### Notes to the Schedules of Non-Employer Allocation and Non-Employer Pension Amounts and Employer Allocation of Special Funding Situation Pension Amounts Year Ended June 30, 2020

---

#### **Actuarial Assumptions (Continued)**

The changes in the collective net pension liability for June 30, 2020 are calculated as set forth in the following table:

	<u>June 30, 2020</u>
Net pension liability - beginning	\$ 10,630,018,922
Total pension expense	538,944,742
Change in deferred outflows of resources	35,462,818
Change in deferred inflows of resources	76,613,305
Non-employer contributions	(971,132,000)
Employer contributions from federal funds	(2,355,930)
Net pension liability - ending	<u>\$ 10,307,551,857</u>

#### **Amortization of Collective Deferred Outflows and Inflows of Resources**

Annual changes to the net pension liability (asset) resulting from differences between expected and actual experience with regard to economic and demographic factors, and from changes of assumptions about future economic or demographic factors or other inputs are deferred and amortized over the average of the expected service lives of all Plan participants.

The average expected remaining service lives of the members of the pension plan are determined by taking the calculated total future service years of the Plan divided by the number of people in the Plan including retirees. The total future service years of the Plan are determined using the mortality, termination, retirement and disability assumptions associated with the Plan.

	<u>Years</u>
June 30, 2020	1
June 30, 2019	1

The average expected remaining service lives is used to amortize all deferred outflows and inflows of resources, except for the difference between expected and actual investment earnings, which is amortized over five years.

#### **Collective Pension Expense**

The components of the collective pension expense, for the period ended June 30, 2020, comprises the following:

	<u>2020</u>
Service cost	\$ 33,749,389
Interest on the total pension liability	933,927,084
Projected earnings on plan investments	(246,798,520)
Miscellaneous expenses	(25,121)
Pension plan administrative expenses	5,341,285
Recognition of outflow (inflow) of resources due to amortization	(187,249,375)
Total pension expense	<u>\$ 538,944,742</u>

**Indiana Public Retirement System**

**Teachers' Pre-1996 Defined Benefit Account**

**Notes to the Schedules of Non-Employer Allocation and Non-Employer Pension Amounts  
and Employer Allocation of Special Funding Situation Pension Amounts**

**Year Ended June 30, 2020**

---

**Additional Actuarial Information**

Additional financial and actuarial information required for GASB Statement No. 68 disclosures are available in the Plan's valuation report located on the INPRS website.

<https://www.in.gov/inprs/actuarialvaluation.htm>