



STATE OF INDIANA

OFFICE OF THE TREASURER

RICHARD MOURDOCK

317-232-6386
WWW.IN.GOV/TOS

Fiscal Year 2008

July 1, 2007—June 30, 2008

Revised October 2009

October 31, 2008

The Honorable Mitchell E. Daniels, Jr.
State of Indiana
Indiana Statehouse, Ste. 206
Indianapolis, Indiana 46204

Dear Governor Daniels:

In accordance with Indiana Code Section 4-8.1-2-14, I hereby submit the Annual Financial Report of the Office of the Treasurer of State for the State of Indiana.

The following information is a summary of the business transactions for the State's general fund and all other funds managed by this office for the Fiscal Year, July 1, 2007 to June 30, 2008.

Sincerely,

Richard E. Mourdock
Indiana Treasurer of State

Table of Contents

<u>Item</u>	<u>Page</u>
<u>Treasurer of State's Office</u>	
Letter from the Treasurer	1
History of the Office	2
Treasurer of State Staff	3
<u>Boards and Fund</u>	
Indiana Board for Depositories	4
Indiana Bond Bank	5-6
Indiana Education Savings Authority	7
Indiana Wireless Enhanced 911 Advisory Board	8
<u>Financial Statements</u>	
Treasurer of State	9-14
Indiana Board for Depositories	15
Indiana Bond Bank	16

Dear Fellow Hoosiers:

Fiscal Year 2008 marked my first full fiscal year as Indiana's 53rd Treasurer of State. During Fiscal Year 2008, Indiana's Treasury continued to experience strong investment performance. Through sound and prudent investing, the State achieved over \$300 million in interest on its portfolio. In addition, the Daniels Administration's continued emphasis on sound budgeting and control of State spending has kept State finances well in the black. The State's overall average daily balance of funds reached an all-time high of \$7.7 billion during Fiscal Year 2008.

The State also continues to benefit from the \$3.1 billion in lease proceeds from the Indiana Toll Road received in July 2006. The Major Moves Construction Fund and Next Generation Trust Fund continue to earn impressive amounts of interest. During this fiscal year alone, Indiana has earned a staggering \$135 million in total interest earnings on these funds. This money has already begun to help fund much-needed transportation infrastructure across Indiana.

I am also happy to report that Fiscal Year 2007 was an excellent year for the Indiana Bond Bank (IBB), Indiana Educational Savings Authority (IESA), Indiana Wireless Enhanced 911 Board (Wireless Board), and the Indiana Board for Depositories (BFD). As Treasurer of State, I am responsible for the oversight of the day-to-day functions of these entities.

The IBB issued nearly \$1.3 billion in short-term and long-term debt on behalf of local government entities through their Advance Funding Program, the Hoosier Equipment Lease Purchase (HELP), and Special Program Bonds. These programs assisted nearly 150 local governmental entities and provided savings to local taxpayers throughout the State of Indiana.

The IESA saw enormous growth during this time in the State's CollegeChoice 529 Investment Plan (Plan). The Plan has grown to over 125,000 participants and over \$770,000,000 in total assets. With the addition of a new state tax credit of up to \$1,000 in 2007, I am confident that more Hoosier families will begin to save for their child's future and the Plan will continue to grow.

The Wireless Board continues to make Indiana a national leader in providing emergency services to its wireless users. Indiana's system is second to none in the nation with approximately 99% of Hoosier wireless subscribers having access to emergency 9-1-1 services through their cellular phones.

Finally, this fiscal year saw the successful launch of Indiana's newly created local government investment pool, known as TrustINdiana. This pool provides local government entities with an entirely liquid, alternative investment option for their public funds at a competitive daily rate. TrustINdiana ended the fiscal year with over \$443 million in assets.

I am proud of the work my staff and I have done so far on behalf of Hoosier taxpayers. I continue to be reminded daily that every dollar my office earns in interest income for the State is one less dollar that taxpayers will have to pay in taxes to fund government services. I will continue working hard to maximize the earnings on the money entrusted to my office by the citizens of Indiana.

Respectfully,

Richard E. Mourdock
Treasurer of State

History of the Indiana State Treasurer's Office

The Treasurer of State's Office was created by the first state constitution in 1816. David Crosby Lane became the first State Treasurer in November 1816 in Corydon, the State's first capitol. The state capitol was later moved to Indianapolis, and in 1888, Julius A. Lemke was the first Treasurer to occupy offices in the current Statehouse. In 1970, the Treasurer's term was extended from two years to four years, with no person eligible to serve more than eight years, (two successive terms), in any twelve year period.

When created in 1816, the Treasurer of State's Office was responsible for collecting all public revenue through the county treasurers. The Treasurer was to keep correct and separate account of all monies received and paid out by the State. In 1933, the Department of Revenue was created and designated as the agency responsible for the collecting of all state taxes.

Since 1933, the primary responsibility of the Treasurer of State's Office has been the investing and safekeeping of all state monies. Today, the Treasurer of State's Office manages an investment portfolio of over \$7 billion comprised of receipts from the state general fund and over 74 trust funds. As part of the investment program, the Treasurer maintains deposits in the form of certificates of deposit and repurchase agreements in 200 banks, savings and loans, and credit unions across Indiana.

The Treasurer has day-to-day authority over the operations of the following boards and quasi-governmental entities: Chairman of the Indiana Bond Bank, Chairman of the Indiana Education Savings Authority, Chairman of the Indiana Wireless Enhanced 911 Advisory Board, Trustee of the Indiana State Police Pension Fund, and the Secretary/Investment Manager of the Indiana Board for Depositories. In addition, the Treasurer serves as Vice Chairman of the Indiana Housing and Community Development Authority and a member of the following boards and commissions: Indiana Arts Commission Cultural Trust Administrative Board, Indiana Deferred Compensation Committee, Indiana Board of Finance, Grain Indemnity Corporation, Indiana Business Community Credit Corporation, Indiana Finance Authority, Indiana Heritage Trust Committee, and the Underground Storage Tank Financial Assurance Board. Finally, the Treasurer serves as the administrator for the State's local government investment pool.

Indiana's State Treasurers

Daniel Crosby Lane	D-R	1816-1822
Samuel Merrill	R-W	1822-1834
Nathan B. Palmer	D	1834-1841
George H. Dunn	W	1841-1844
Royal Mayhew	D	1844-1847
Samuel Hannah	W	1847-1850
James P. Drake	D	1850-1853
Elijah Newland	D	1853-1855
William R. Nofsinger	R	1855-1857
Aquilla Jones	D	1857-1859
Nathaniel F. Cunningham	D	1859-1861
Jonathan S. Harvey	R	1861-1863
Matthew L. Brett	D	1863-1865
John I. Morrison	R	1865-1867
Nathan Kimball	R	1867-1871
James B. Ryan	D	1871-1873
John B. Glover	R	1873-1875
Benjamin C. Shaw	D	1875-1879
William Fleming	D	1879-1881
Roswel S. Hill	R	1881-1883
John J. Cooper	D	1883-1887
Julius A. Lemcke	R	1887-1891
Albert Gall	D	1891-1895
Frederick J. Scholz	R	1895-1899
Leopold Levy	R	1899-1903
Nathaniel U. Hill	R	1903-1907
Oscar C. Hadley	R	1907-1911
William H. Vollmer	D	1911-1915
George A. Bittler	D	1915-1917
Uz McMurtrie	R	1917-1921
Ora J. Davies	R	1921-1925
Bernhardt H. Urbahns	R	1925-1926
Grace Urbahns	R	1926-1931
William Storen	D	1931-1935
Peter F. Hein	D	1935-1939
Joseph M. Robertson	D	1939-1941
James M. Givens	R	1941-1945
Frank T. Mills	R	1945-1949
F. Shirley Wilcox	D	1949-1951
William L. Fortune	R	1951-1953
John Peters	R	1953-1957
Adolph L. Fossler	R	1957-1959
Jack A. Haymaker	D	1959-1961
Robert E. Hughes	R	1961-1965
Jack L. New	D	1965-1967
John K. Snyder	R	1967-1971
Jack L. New	D	1971-1979
Julian L. Ridlen	R	1979-1987
Marjorie H. O'Laughlin	R	1987-1995
Joyce Brinkman	R	1995-1999
Tim Berry	R	1999-2007
Marjorie H. O'Laughlin	R	2007
Richard E. Mourdock	R	2007-

Richard E. Mourdock took office as the 53rd State Treasurer on February 10, 2007.

Treasurer of State Staff

Treasurer of State Richard E. Mourdock

Statehouse Staff

Jim Holden

Chief Deputy Treasurer & General Counsel

Michael Frick

Deputy Treasurer & Portfolio Manager

Duane Jasheway

Chief Accountant

Anne Wolf

Administrator, State Police Pension Fund

Christopher Conner

Director, Communications & Special Projects

Kelly Mitchell

Director, Local Government Investment Pool

Shauna Cooper

Scheduler & Administrative Assistant

Indiana Government Center South Staff

Kimberly Logan

Deputy Treasurer

Linda Bischoff

Head Cashier

Laura Whyde

Cashier

Shaelyn Lorentz

Cashier

Christina Bough

Document Supervisor

Indiana Board for Depositories

Public Deposit Insurance Fund

The Public Deposit Insurance Fund (PDIF) was created in 1937 to insure the deposits of public monies in Indiana's banks, similar to the way the FDIC insures individual depositor's accounts. PDIF funds are managed and invested by Treasurer Richard Mourdock in his capacity as the Secretary-Investment Manager for the Indiana Board for Depositories (BFD). Treasurer Mourdock staffs, administers, manages, and directs the affairs and activities of the Board in accordance with the policies set out by the Board.

The purpose of the BFD is to insure the safekeeping and prompt payment of all public funds deposited in any approved depository through the prudent management of the PDIF. The IBD is separate from the State in its corporate and sovereign capacity.

The PDIF is funded by assessments payable by every depository that has public funds. The BFD may waive this assessment if, in its discretion, it determines the assets of the fund are equal to the reserve for losses. The BFD has waived this assessment since 1985. The BFD has the authority to invest, reinvest, and exchange investments of the PDIF in excess of the cash balance in certain securities set out in the Indiana Code 5-13-12.

As of June 30, 2008, there are 200 financial institutions which have been designated as approved depositories in Indiana and able to accept public fund deposits. At the end of Fiscal Year 2007, the assets of the PDIF totaled \$314,601,000, and an actuarial study found that the current balance is large enough for the PDIF to be deemed actuarially sound.

Indiana Board for Depositories

Governor Mitchell E. Daniels, Jr.
Chairman

Auditor of State Tim Berry
Vice Chairman

Treasurer of State Richard Mourdock
Secretary & Investment Manager

Bruce A. Hartman
State Board of Accounts

Richard J. Rice
Department of Financial Institutions

Calvin Bellamy
Krieg Devault, LLP

Dan Doan
Old National Bancorp

John R. Cunningham
Fidelity Federal Bancorp

Christopher J. Murphy III
First Source Bank

Board for Depositories Staff

R. Merrick White
Network Director

Shannon Thompson
Office Manager

Indiana Board for Depositories
One North Capitol Avenue, Suite 444
Indianapolis, Indiana 46204-2026
(317) 232-5257
www.in.gov/deposit

Indiana Bond Bank

In keeping with Treasurer Richard Mourdock's commitment to increasing utilization of the Indiana Bond Bank (IBB), it was another busy and successful year of providing tax savings for Indiana's local governmental jurisdictions. In Fiscal Year 2008, the IBB issued \$1,377,405,000 in short-term and long-term debt on behalf of local government entities.

Created by the General Assembly in 1984, the IBB services local units of government with their short-term and long-term financing needs. The primary purpose of the IBB is to assist local government entities in the process of issuing debt by operating as a financing conduit. The IBB purchases the bonds and warrants of various communities, and it, in turn, issues its own obligation in the financial markets. The conduit process allows local communities to take advantage of economies of scale by obtaining lower costs of borrowing and therefore saving taxpayer dollars. The Treasurer of State serves as Chairman of the IBB. In addition, the director of the Indiana Finance Authority and five members appointed by the governor also serve on the IBB as mandated by state statute.

The 2008 Advance Funding Program purchased the tax-anticipation warrants of 110 taxing districts in the State of Indiana totaling nearly \$518,585,000. The consistently active size of the Advance Funding Program is due in part to competitive interest rates, standardized documentation, cash-flow projection assistance, and arbitrage rebate assistance. In keeping with the successful history of the program, entities received a competitive all-inclusive rate of 2.39%.

The Hoosier Equipment Lease Purchase (HELP) program allows local communities to acquire equipment at cash prices and utilize tax-exempt interest rates. In 2008, 17 communities were assisted through the HELP program totaling approximately \$6.4 million. Items financed included: computers, 9-1-1 equipment, heavy duty trucks, and other essential equipment. The lease terms are flexible and typically range from two to five years.

The IBB also issued special program gas revenue bonds or prepaid gas bonds in the amount of \$308,570,000, which assisted three units of local government. The prepaid gas program assists entities in the prepayment and cost savings associated with the purchase of natural gas.

The IBB also refunded \$10,500,000 of IBB bonds on behalf of Tri-County Conservative District.

Indiana Bond Bank Board of Directors

Treasurer of State Richard Mourdock
Chairman

Clark H. Byrum
Vice Chairman

Russell Breeden, III
Blue Rivers Bancshares, Inc.

Russell Lloyd, Jr.
Former Mayor City of Evansville

Jennifer Alvey
Indiana Finance Authority

C. Kurt Zorn
Indiana University

Marni McKinney
First Indiana Bank

Indiana Bond Bank Staff

Dan Hugel
Executive Director

Ron Mangus
Program Operations Director

Cindy Burres
Executive Assitant

Indiana Bond Bank
10 West Market Street, Suite 2980
Indianapolis, Indiana 46204
Phone: (317) 233-0888
Website: www.in.gov/bond

Indiana Bond Bank

Advance Funding Program, Series A

Fiscal Year						
	2003	2004	2005	2006	2007	2008
Number Of Participants	170	173	126	110	114	110
Dollar Amount Issued	\$ 866,435,000	\$ 842,275,000	\$ 537,050,000	\$ 296,440,000	\$ 459,335,000	\$ 518,585,000

Indiana Education Savings Authority

In his role as Chairman of the Indiana Education Savings Authority Board (IESA), Treasurer Mourdock has been a leader in enhancing the State's CollegeChoice 529 Savings Plans (Plans). Due to his leadership and the most advantageous tax benefit in the nation, the Plans have grown to over 125,000 accounts with assets totaling over \$770,000,000.

Treasurer Mourdock's main objective for the CollegeChoice 529 Savings Plans is to provide an opportunity for *all* Hoosiers to begin saving for college. To assist in this endeavor, the IESA Board named UPromise Investments, LLC as program manager for the new and enhanced CollegeChoice 529 Direct Savings Plan and the CollegeChoice Advisor 529 Savings Plan.

Both Plans have a number of enhancements and services for participants. The IESA is proud to offer a number of new investment options that include age-based options and individual portfolios in both the direct and advisor platforms. Along with new investment options, the Plans have reduced fees to ensure affordability and have enhanced client services on the website. Finally, Treasurer Mourdock continues to promote the generous 20% state tax credit available to all Hoosiers. Treasurer Mourdock is proud to endorse this credit, as it's considered one of the top tax advantaged Plans in the entire country.

Treasurer Mourdock also recognizes the importance of acknowledging students that exhibit leadership qualities in their schools and communities. To encourage the importance of saving early and encouraging financial literacy, the IESA provides a number of scholarship opportunities throughout the year by partnering with local organizations, events, and schools.

The IESA is also proud to partner with the Evansville Otters and the Fort Wayne Wizards in various programs targeted towards young Hoosiers. Scholarships are awarded at the participating ballparks based upon their specific program requirements.

The IESA was created by the Indiana General Assembly to promote programs that encourage saving for educational expenses. In 1997, the IESA created an IRS 529 Qualified Tuition Plan to give families a convenient, tax advantaged way to invest for their student's post high school educational expenses.

Indiana Education Savings Authority

**Treasurer of State
Richard Mourdock**
Chairman

Stanley Jones
Vice Chairman
Commissioner for Higher Education

Dr. Suellen Reed
Superintendent of Public Instruction
Secretary

Ryan Kitchell
Office of Management & Budget

Kevin Brinegar
Indiana Chamber of Commerce

John Hammond
Ice Miller, LLP

Brenda Horn
Ice Miller, LLP

Tony Maidenberg
Independent Colleges of Indiana

Sean Frick
Global Aero Logistics, Inc.

IESA Staff

Jodi Golden
Executive Director

Indiana Education Savings Authority
One North Capitol Avenue, Suite 444
Indianapolis, Indiana 46204-2026
Phone: 317-232-5259
Website: www.in.gov/iesa

Indiana Wireless Enhanced 911 Advisory Board

The Indiana Wireless Enhanced 911 Advisory Board (Wireless Board) was established by the Indiana General Assembly in 1998 in response to a Federal Communications Commission (FCC) order mandating the availability of wireless enhanced emergency 911(E9-1-1) service.

Treasurer Richard Mourdock serves as Chairman of the Wireless Board, which is comprised of representatives from the wireless telephone carrier industry and local government public safety entities. The Wireless Board is responsible for the oversight of wireless E9-1-1 and routing wireless E9-1-1 calls to the proper public safety agency location. All 92 counties in Indiana are receiving wireless E9-1-1 calls.

In compliance with the FCC order and Indiana statute, the Wireless Board also ensures that local governments recover costs associated with the provision of wireless E9-1-1 via a monthly subscriber surcharge. The wireless carrier recovery cost was removed from the statute, and the monthly user fee was reduced to \$.50 in January 2006.

Indiana is a national leader in the deployment of this life-saving technology. Currently, 10 wireless carriers provide E9-1-1 service to subscribers in all 92 Indiana counties, and it represents approximately 99% of Hoosier wireless subscribers and covers 99% of Indiana's population. The Wireless Board is building for the future, because the wireless telecom environment is an explosion of change. Indiana was one of five agencies selected to participate in the US-DOT Next Generation Proof of Concept 9-1-1 project. Indiana was the only site where existing infrastructure was used as an integral part of the program with no special accommodation needed to fully integrate with the project. The Wireless Board operates a next generation wireless E9-1-1 network in cooperation with an Indiana company named INdigital. Indiana's E9-1-1 network connects all public safety answering positions (PSAPs) that take wireless E9-1-1 calls to a scalable, reliable, and redundant network that will serve the future needs of Hoosiers. The first phase of this project has been completed with all PSAPs being connected to the wireless E9-1-1 network.

Wireless phone users pay a monthly \$.50 surcharge in order to help fund the upgrades necessary to meet the FCC's regulations. This fee became a part of Wireless Board's Telephone System Fund, which is dispersed to county 911 authorities for E9-1-1 system enhancements. As of June 30, 2007, local governments have received more than \$143.9 million in monthly distributions, and wireless carriers have collected more than \$56.3 million in cost reimbursements as well.

Indiana Wireless Enhanced 911 Advisory Board

**Treasurer of State
Richard Mourdock**
Chairman

Brad Meixell
Clark County 911

Harold Williams
Jasper County Sheriff

Lori Forrer
Cass County 911

Larry Jones
Verizon Wireless

Mike Schulte
Centennial Wireless

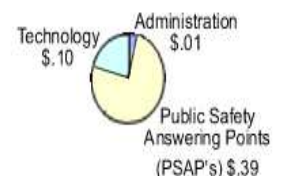
Jerry Branock
AT&T Mobility

Indiana Wireless Enhanced 911 Advisory Board Staff

Ken Lowden
Executive Director

**Indiana Enhanced Wireless
911 Board**
10 West Market Street, Suite 2980
Indianapolis, Indiana 46204-2982
Phone: 317-234-2507

Allocation of \$.50 Monthly Surcharge



TREASURER OF STATE
Fiscal Year 2008 Investment Summary
Schedule A – Cash Basis

<u>Fund Name</u>	<u>Average Daily Balance</u>	<u>Interest Collected</u>	<u>Yield</u>
<i>General Fund Designated:</i>			
Warrant Clearing/Savings Accounts	\$ 218,422,976	\$ 10,681,206	4.89%
Certificates of Deposit	\$ 230,626,514	\$ 12,206,833	5.29%
Money Market Mutual Funds/LGIP	\$ 693,232,273	\$ 25,536,145	3.68%
Government Securities	<u>\$ 1,748,362,903</u>	<u>\$ 82,593,133</u>	<u>4.72%</u>
<i>Total General Fund Designated</i>	<u>\$ 2,890,644,666</u>	<u>\$ 131,017,318</u>	<u>4.53%</u>
<i>Other General Accounts:</i>			
County Option Income Tax	\$ 119,687,308	\$ 7,307,825	6.11%
Economic Stabilization Fund	<u>\$ 342,789,689</u>	<u>\$ 17,787,401</u>	<u>5.19%</u>
<i>Total Other General Accounts</i>	<u>\$ 462,476,997</u>	<u>\$ 25,095,225</u>	<u>5.43%</u>
<i>Trust Funds/Dedicated Funds:</i>			
I.U. Permanent Endowment	\$ 785,300	\$ 41,431	5.28%
Purdue Trust Fund	\$ 340,000	\$ 17,938	5.28%
*Public Deposit Insurance Fund	\$ 261,060,974	\$ 16,004,775	6.13%
Common School Fund	\$ 46,581,553	\$ 2,136,652	4.59%
Agency for the Blind:			
- Vending Operations	\$ 1,007,692	\$ 57,957	5.75%
- Restricted Donations	\$ 12,885	\$ 650	5.05%
*Indiana State Police Pension Trust	\$ 381,749,011	\$ (20,824,552)	-5.46%
Rural Rehabilitation Planning Fund	\$ 147,692	\$ 7,062	4.78%
Federal Revenue Sharing Fund	\$ 2,654,692	\$ 111,670	4.21%
Patient Compensation Fund	\$ 166,222,668	\$ 8,477,188	5.10%
Property Custody Fund	\$ 653,846	\$ 37,841	5.79%
Law Enforcement Training Board	\$ 44,615	\$ 2,162	4.84%
Indiana Historic Bureau -			
Governor's Portrait	\$ 55,000	\$ 2,949	5.36%
Tri-Centennial Fund	\$ 8,708	\$ 455	5.22%
Retirement Home Guaranty Fund	\$ 3,486,709	\$ 157,121	4.51%
Natural Resources - Reclamation			
Set Aside	\$ 8,129,589	\$ 396,769	4.88%
Hazardous Substance Emergency	\$ 13,704,134	\$ 625,069	4.56%
Natural Resources - Lifetime License	\$ 17,886,782	\$ 904,550	5.06%

Natural Resources Donations	\$ 770,000	\$ 35,758	4.64%
Residual Asbestos Injury Fund	\$ 750,000	\$ 39,187	5.22%
Bail Bond Enforcement	\$ 950,000	\$ 57,428	6.05%
Exxon Oil Overcharge Fund	\$ 1,814,179	\$ 76,166	4.20%
Political Subdivision Risk Mgmt	\$ 8,815,826	\$ 400,505	4.54%
Stripper Well Fuel Overcharge	\$ 7,329,218	\$ 320,947	4.38%
Mine Subsidence Fund	\$ 10,442,715	\$ 474,022	4.54%
Industrial Development Grant	\$ 24,544,098	\$ 1,333,377	5.43%
Commerce Energy Exxon PVE	\$ 2,039,171	\$ 106,445	5.22%
Post 1977 Abandoned Mine			
Reclamation	\$ 5,281,589	\$ 232,985	4.41%
Commerce Energy Stripper Well	\$ 318,462	\$ 7,692	2.42%
Business Agriculture Revolving Fund	\$ 50,769	\$ 1,226	2.42%
Recovery Real Estate	\$ 425,769	\$ 21,647	5.08%
Recovery Plumbers	\$ 453,846	\$ 19,711	4.34%
Recovery Auctioneers	\$ 400,000	\$ 17,500	4.38%
E/M- Asbestos Trust	\$ 652,692	\$ 30,917	4.74%
E/M - Petroleum Trust	\$ 3,247,062	\$ 142,412	4.39%
E/M - Excess Liability	\$ 14,636,480	\$ 537,456	3.67%
Robert Kraft Estate Gift Fund	\$ 2,321,154	\$ 119,447	5.15%
Economic Development	\$ 5,277,841	\$ 265,411	5.03%
Industrial Training Fund	\$ 63,883,089	\$ 3,246,745	5.08%
State Library Publications Fund	\$ 250,000	\$ 13,683	5.47%
Commerce STP Loans	\$ 493,158	\$ 23,917	4.85%
Indiana Strategic Development	\$ 133,923	\$ 3,285	2.45%
License Plate Escrow	\$ 798,077	\$ 38,818	4.86%
IPALCO Settlement	\$ 525,611	\$ 29,721	5.65%
Jeopardy Assessment Receipts	\$ 256,923	\$ 12,688	4.94%
Standard Library Card Program	\$ 100,000	\$ 4,838	4.84%
Historical Bureau Publication	\$ 100,000	\$ 4,871	4.87%
Heritage Trust Fund	\$ 6,677,317	\$ 326,480	4.89%
Darrach Genealogy	\$ 710,769	\$ 35,238	4.96%
HCFA Civil Penalties	\$ 6,391,154	\$ 324,532	5.08%
Producer-Premium Fund	\$ 14,598,760	\$ 785,434	5.38%
Retailer Bonding Fund	\$ 375,000	\$ 17,883	4.77%
Electronic/Enhanced Access Fund	\$ 355,769	\$ 16,184	4.55%
State Infrastructure Bank	\$ 5,250,383	\$ 278,527	5.30%
Veteran's Memorial Cemetery Trust	\$ 2,484,615	\$ 118,126	4.75%
Tobacco Master Settlement	\$ 62,070,610	\$ 3,615,137	5.82%
Arts Commission Trust Fund	\$ 1,336,531	\$ 70,730	5.29%
Tobacco Use Prevention	\$ 9,347,522	\$ 381,164	4.08%
Continental Steel Escrow	\$ 787,380	\$ 31,384	3.99%
Children's Trust	\$ 4,076,509	\$ 172,112	4.22%
Medicaid Indigent Care Trust	\$ 128,545,576	\$ 8,372,635	6.51%
Police/Fire Pension Distribution	\$ 7,873,290	\$ 412,456	5.24%
Title V	\$ 6,314,984	\$ 330,500	5.23%
Career College Student Assurance	\$ 400,000	\$ 21,207	5.30%

*Major Moves Construction Fund	\$ 2,557,453,810	\$ 118,130,936	4.62%
*Next Generation Trust Fund	\$ 513,125,918	\$ 19,455,808	3.79%
West Baden Springs Hotel Preservation	\$ 7,504,287	\$ 276,839	3.69%
Oil & Gas Environmental Fund	\$ 500,000	\$ 26,188	5.24%
Correction Drug Abuse	\$ 461,538	\$ 19,294	4.18%
Military Family Relief	\$ 538,462	\$ 18,251	3.39%
State Retiree Health Plan	\$ 17,529,559	\$ 694,600	3.96%
Title Insurance	\$ 353,846	\$ 8,627	2.44%
E85 Fueling	\$ 296,154	\$ 7,049	2.38%
Acid Mine Drainage	<u>\$ 146,154</u>	<u>\$ -</u>	<u>0.00%</u>
<i>Total Trust Funds/Dedicated Funds</i>	<u>\$ 4,417,099,402</u>	<u>\$ 169,723,813</u>	<u>3.84%</u>
GRAND TOTAL	<u>\$ 7,770,221,066</u>	<u>\$ 325,836,355</u>	<u>4.19%</u>

* Values calculated using Market Value

TREASURER OF STATE

Fiscal Year 2008 Investment Summary Schedule B – Accrual

<u>Fund Name</u>	<u>Average Daily Balance</u>	<u>Interest Earned</u>	<u>Yield</u>
<i>General Fund Designated:</i>			
Warrant Clearing/Savings Accounts	\$ 218,422,976	\$ 9,804,898	4.49%
Certificates of Deposit	\$ 230,626,514	\$ 10,353,473	4.49%
Money Market Mutual Funds/LGIP	\$ 693,232,273	\$ 24,391,333	3.52%
Government Securities	<u>\$ 1,748,362,903</u>	<u>\$ 75,334,585</u>	<u>4.31%</u>
<i>Total General Fund Designated</i>	<u>\$ 2,890,644,666</u>	<u>\$ 119,884,288</u>	<u>4.15%</u>
<i>Other General Accounts:</i>			
County Option Income Tax	\$ 119,687,308	\$ 6,066,434	5.07%
Economic Stabilization Fund	<u>\$ 342,789,689</u>	<u>\$ 16,846,621</u>	4.91%
<i>Total Other General Accounts</i>	<u>\$ 462,476,997</u>	<u>\$ 22,913,055</u>	<u>4.95%</u>
<i>Trust Funds/Dedicated Funds:</i>			
I.U. Permanent Endowment	\$ 785,300	\$ 41,437	5.28%
Purdue Trust Fund	\$ 340,000	\$ 17,991	5.29%
Public Deposit Insurance Fund	\$ 261,060,974	\$ 15,232,348	5.83%
Common School Fund	\$ 46,581,553	\$ 1,980,879	4.25%
Agency for the Blind:			-
- Vending Operations	\$ 1,007,692	\$ 46,758	4.64%
- Restricted Donations	\$ 12,885	\$ 550	4.27%
*Indiana State Police Pension Trust	\$ 381,749,011	\$ (20,895,372)	-5.47%
Rural Rehabilitation Planning Fund	\$ 147,692	\$ 6,605	4.47%
Federal Revenue Sharing Fund	\$ 2,654,692	\$ 114,254	4.30%
Patient Compensation Fund	\$ 166,222,668	\$ 6,815,678	4.10%
Property Custody Fund	\$ 653,846	\$ 28,446	4.35%
Law Enforcement Training Board	\$ 44,615	\$ 1,977	4.43%
Indiana Historic Bureau -			
Governor's Portrait	\$ 55,000	\$ 2,481	4.51%
Tri-Centennial Fund	\$ 8,708	\$ 397	4.56%
Retirement Home Guaranty Fund	\$ 3,486,709	\$ 161,346	4.63%
Natural Resources - Reclamation			
Set Aside	\$ 8,129,589	\$ 384,582	4.73%
Hazardous Substance Emergency	\$ 13,704,134	\$ 583,375	4.26%
Natural Resources - Lifetime License	\$ 17,886,782	\$ 808,933	4.52%
Natural Resources Donations	\$ 770,000	\$ 35,929	4.67%

Residual Asbestos Injury Fund	\$ 750,000	\$ 34,114	4.55%
Bail Bond Enforcement	\$ 950,000	\$ 44,055	4.64%
Exxon Oil Overcharge Fund	\$ 1,814,179	\$ 77,944	4.30%
Political Subdivision Risk Mgmt	\$ 8,815,826	\$ 400,855	4.55%
Stripper Well Fuel Overcharge	\$ 7,329,218	\$ 323,005	4.41%
Mine Subsidence Fund	\$ 10,442,715	\$ 468,115	4.48%
Industrial Development Grant	\$ 24,544,098	\$ 1,184,582	4.83%
Commerce Energy Exxon PVE	\$ 2,039,171	\$ 89,804	4.40%
Post 1977 Abandoned Mine			
Reclamation	\$ 5,281,589	\$ 245,308	4.64%
Commerce Energy Stripper Well	\$ 318,462	\$ 11,511	3.61%
Business Agriculture Revolving Fund	\$ 50,769	\$ 1,835	3.61%
Recovery Real Estate	\$ 425,769	\$ 18,787	4.41%
Recovery Plumbers	\$ 453,846	\$ 20,527	4.52%
Recovery Auctioneers	\$ 400,000	\$ 17,766	4.44%
E/M- Asbestos Trust	\$ 652,692	\$ 29,813	4.57%
E/M - Petroleum Trust	\$ 3,247,062	\$ 141,453	4.36%
E/M - Excess Liability	\$ 14,636,480	\$ 563,869	3.85%
Robert Kraft Estate Gift Fund	\$ 2,321,154	\$ 110,312	4.75%
Economic Development	\$ 5,277,841	\$ 240,516	4.56%
Industrial Training Fund	\$ 63,883,089	\$ 3,099,614	4.85%
State Library Publications Fund	\$ 250,000	\$ 11,788	4.72%
Commerce STP Loans	\$ 493,158	\$ 22,501	4.56%
Indiana Strategic Development	\$ 133,923	\$ 5,672	4.24%
License Plate Escrow	\$ 798,077	\$ 35,202	4.41%
IPALCO Settlement	\$ 525,611	\$ 22,114	4.21%
Jeopardy Assessment Receipts	\$ 256,923	\$ 11,310	4.40%
Standard Library Card Program	\$ 100,000	\$ 4,798	4.80%
Historical Bureau Publication	\$ 100,000	\$ 4,827	4.83%
Heritage Trust Fund	\$ 6,677,317	\$ 281,947	4.22%
Darrach Genealogy	\$ 710,769	\$ 32,183	4.53%
HCFA Civil Penalties	\$ 6,391,154	\$ 299,276	4.68%
Producer-Premium Fund	\$ 14,598,760	\$ 572,902	3.92%
Retailer Bonding Fund	\$ 375,000	\$ 18,062	4.82%
Electronic/Enhanced Access Fund	\$ 355,769	\$ 16,205	4.56%
State Infrastructure Bank	\$ 5,250,383	\$ 220,403	4.20%
Veteran's Memorial Cemetery Trust	\$ 2,484,615	\$ 117,581	4.73%
Tobacco Master Settlement	\$ 62,070,610	\$ 3,018,599	4.86%
Arts Commission Trust Fund	\$ 1,336,531	\$ 68,458	5.12%
Tobacco Use Prevention	\$ 9,347,522	\$ 363,079	3.88%
Continental Steel Escrow	\$ 787,380	\$ 32,953	4.19%
Children's Trust	\$ 4,076,509	\$ 172,257	4.23%
Medicaid Indigent Care Trust	\$ 128,545,576	\$ 6,535,269	5.08%
Police/Fire Pension Distribution	\$ 7,873,290	\$ 370,869	4.71%
Title V	\$ 6,314,984	\$ 259,984	4.12%
Career College Student Assurance	\$ 400,000	\$ 18,696	4.67%
*Major Moves Construction Fund	\$ 2,557,453,810	\$ 116,607,331	4.56%

*Next Generation Trust Fund	\$ 513,125,918	\$ 19,463,549	3.79%
West Baden Springs Hotel Preservation	\$ 7,504,287	\$ 307,034	4.09%
Oil & Gas Environmental Fund	\$ 500,000	\$ 22,582	4.52%
Correction Drug Abuse	\$ 461,538	\$ 21,310	4.62%
Military Family Relief	\$ 538,462	\$ 24,423	4.54%
State Retiree Health Plan	\$ 17,529,559	\$ 772,114	4.40%
Title Insurance	\$ 353,846	\$ 13,942	3.94%
E85 Fueling	\$ 296,154	\$ 7,049	2.38%
Acid Mine Drainage	<u>\$ 146,154</u>	<u>\$ 3,423</u>	2.34%
<i>Total Trust Funds/Dedicated Funds</i>	<u>\$ 4,417,099,402</u>	<u>\$ 162,252,072</u>	<u>3.67%</u>
GRAND TOTAL	<u>\$ 7,770,221,066</u>	<u>\$ 305,049,415</u>	<u>3.93%</u>

* Values calculated using Market Value

**INDIANA BOARD FOR DEPOSITORIES
BALANCE SHEET**

June 30th, 2008

ASSETS

Cash		\$ 22,399,362.29
Investments		235,663,853.31
Receivables:	Housing Finance Authority	4,999,392.20
	State of Indiana	50,000,000.00
	Accrued Interest	1,890,329.83
	Other	11,303.93
Prepaid Expenses		6,053.55
Computer Equipment-Net		26,810.94
Computer Software-Net		<u>7,370.10</u>
Total Assets		<u>\$ 315,004,476.15</u>

LIABILITIES AND FUND BALANCE

Liabilities:		
Accounts Payable		<u>\$ 403,568.86</u>
Total Liabilities		<u>\$ 403,568.86</u>
Fund Balance		<u>\$ 314,600,907.29</u>
Total Liabilities and Fund Balance		<u>\$ 315,004,476.15</u>

Indiana Bond Bank

Changes in Outstanding Debt Year end Summary for July 1, 2007 through June 30, 2008

Program Name	New Debt Issued FYE 6/30/08	Debt Retired FYE 6/30/08	QEs Assisted New Debt FYE 6/30/08
Advance Funding Program**	\$ 951,590,000	\$ 1,235,884,106	126
Common School Fund *	-	18,360,000	0
HELP Program	5,973,815	10,030,433	16
Not-For-Profit Water	1,565,000	1,660,018	1
School Severance Bonds	-	58,480,000	0
Special Program Bonds	319,070,000	33,740,000	5
Other Programs***	-	-	0
Total	<u>\$ 1,278,198,815</u>	<u>\$ 1,358,154,557</u>	<u>148</u>

*Qualified Entities are not administered by the IBB for this program

**Does not include Interim Financing

*** Includes YE Assistance Program and Sp Notes payment -- Entities assisted are listed under Advance Funding

**Indiana Treasurer of State
Indiana Statehouse, Ste. 242
Indianapolis, IN 46204
Phone: (317) 232-6386
Fax: (317) 233-1780
www.in.gov/tos**