TrustINdiana

Annual Report

June 30, 2016

TrustINdiana Rated S&P AAAm

(With report of independent auditors within)

Report of Independent Auditors

To the Treasurer of the State of Indiana

We have audited the statement of assets, liabilities and net assets of TrustINdiana (A Component Unit of the State of Indiana) as of June 30, 2016, the portfolio of investments as of June 30, 2016, the related statement of operations for the year ended June 30, 2016 and the statements of changes in net assets for the years ended June 30, 2016 and 2015. These financial statements are the responsibility of the Treasurer of the State of Indiana. Our responsibility is to express an opinion on these financial statements based on our audit.

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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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 significant accounting estimates made by management as well as evaluating the overall presentation of financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TrustINdiana as of June 30, 2016, and the results of its operations for the period then ended and the changes in net assets for the years ended June 30, 2016 and 2015, in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have issued our report dated August 26, 2016 on our consideration of TrustINdiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Other Matters

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise TrustINdiana's basic financial statements. Management's Discussion and Analysis is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. Management's Discussion and Analysis has not been included with the basic financial statements.

London Witte Group, LLC

London Witte Group, LLC
Indianapolis, Indiana
August 26, 2016

Statement of Assets, Liabilities and Net Assets

June 30, 2016

	TrustINdiana	External Participants
Assets		
Investments at market value	$572,249,887	$254,082,019
Interest income receivable	12,894	5,725
Total Assets	572,262,781	254,087,744
Liabilities and Net Assets		
Management fee payable	46,425	20,613
Other payables	13,119,293	5,825,036
Total Liabilities	13,165,718	5,845,649
Net Assets	559,097,063	248,242,095
Total Liabilities and Net Assets	$572,262,781	$254,087,744

The accompanying notes are an integral part of the financial statements.

Portfolio of Investments

June 30, 2016

Principal Amount		Market Value
Commercial Paper - 41% (a)		
$ 15,000,000	Rabobank Nederland, 0.847%, maturity date 07/01/2016	$ 14,999,787
7,000,000	Collateralized Commercial Paper Co., 0.87%, maturity date 07/11/2016	6,998,930
5,900,000	Institutional Secured Funding LLC, 0.67%, maturity date 07/20/2016	5,898,426
10,000,000	Institutional Secured Funding LLC, 0.63%, maturity date 07/21/2016	9,997,200
12,000,000	Bedford Row Funding Corp., 0.81%, maturity date 08/08/2016	12,004,200
8,000,000	Standard Chartered Bank, 0.68%, maturity date 08/12/2016	7,994,649
15,000,000	Svenska Handelsbanken AB, 0.84%, maturity date 09/01/2016	14,987,663
10,000,000	Societe Generale SA, 0.79%, maturity date 09/08/2016	9,990,472
15,000,000	Thunder Bay Funding LLC, 0.79%, maturity date 09/14/2016	15,004,800
15,000,000	Coca-Cola Co., 0.69%, maturity date 09/20/2016	14,982,234
8,000,000	Toronto Dominion Holding (USA) Inc., 0.93%, maturity date 09/23/2016	7,989,989
10,000,000	Bedford Row Funding Corp., 0.87%, maturity date 09/27/2016	9,983,931
15,000,000	Toyota Motor Credit Corp., 0.79%, maturity date 10/06/2016	15,010,245
10,000,000	Liberty Street Funding LLC, 0.76%, maturity date 110/11/2016	9,980,544
10,000,000	Atlantic Asset Securitization LLC, 0.77%, maturity date 110/17/2016	9,978,806
6,950,000	Thunder Bay Funding LLC, 0.92%, maturity date 111/16/2016	6,928,800
10,000,000	Collateralized Commercial Paper Co., 0.8%, maturity date 111/28/2016	9,998,200
10,000,000	Old Line Funding LLC, 0.88%, maturity date 11/28/2016	10,004,900
10,000,000	Caisse des Depot et Consignations, 0.89%, maturity date 12/01/2016	9,970,911
10,000,000	Nordea Bank AB, 0.93%, maturity date 12/06/2016	9,969,525
13,000,000	Nordea Bank AB, 0.95%, maturity date 12/12/2016	12,958,292
10,000,000	Chevron Corp., 0.87%, maturity date 12/15/2016	9,966,867
Total Commercial Paper (cost of $235,510,584)		**235,599,371**
Bank Deposits - 59%		
70,355,656	Fifth Third Bank Deposit, 0.45%, due on demand	70,355,656
1,632	Huntington Bank Deposit, 0.30%, due on demand	1,632
105,260,386	KeyBank Deposit, 0.50%, due on demand	105,260,386
10,036,622	Lake City Bank Deposit, 0.40%, due on demand	10,036,622
150,994,220	PNC Bank Deposit, 0.50%, due on demand	150,994,220
2,000	Bank of New York/Mellon, 0.00%, due on demand	2,000
Total Bank Deposits (market value $336,650,516)		**336,650,516**
Total Investments - 100.00% (cost of $572,161,100)		**572,249,887**
Accrued interest receivable		**12,894**
Other liabilities in excess of assets		**(13,165,718)**
Net Assets		**$559,097,063**

(a)Rate represents effective yield at June 30, 2016.
bps -Basis points (100 basis points equals one percentage point).

Statement of Operations
For the year ended June 30, 2016

	TrustINdiana	External Participants
Revenues:		
Interest income	$ 2,243,890	$ 981,264
Net realized gain on investments	3,503	1,532
Net change in unrealized appreciation on investments	68,229	29,837
Total Revenues	2,315,622	1,012,633
Expenses:		
Management fee	518,028	226,536
Other expenses	271,545	118,748
Total Expenses	789,573	345,284
Net investment income	1,526,049	667,349
Net increase in net assets from operations	$ 1,526,049	$ 667,349

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Net Assets

	For the year ended June 30, 2016		For the year ended June 30, 2015	
	TrustINdiana	External Participants	TrustINdiana	External Participants
Increase / (Decrease) in net assets				
Operations:				
Net investment income	$ 1,454,317	$ 635,980	$ 202,431	$ 99,454
Net change in unrealized appreciation on investments	68,229	29,837	-	-
Net realized gain on investments	3,503	1,532	2,961	1,455
Net increase in net assets from operations	1,526,049	667,349	205,392	100,909
Distributions to participants	(1,457,820)	(637,512)	(205,392)	(100,909)
Participants' transactions:				
Contributions	258,911,839	238,911,839	209,852,070	119,852,070
Reinvestment of distributions	1,457,547	637,457	206,058	102,396
Withdrawals	(220,830,050)	(220,795,495)	(171,498,891)	(171,406,202)
Net increase / (decrease) in net assets from participants' transactions	39,539,337	18,753,801	38,559,237	(51,451,736)
Total increase/(decrease) in net assets	39,607,565	18,783,638	38,559,237	(51,451,736)
Net assets				
Beginning of year	519,468,940	229,449,430	480,909,703	280,901,166
Prior year adjustment*	20,558	9,027	-	-
End of year	$559,097,063	$248,242,095	$519,468,940	$229,449,430

* Year ended June 30, 2015 reported joint value based on amortized cost of securities. Year ended 2016 reports net assets using market value.

The accompanying notes are an integral part of the financial statements.

1. Description of TrustINdiana

TrustINdiana (the "Pool") is a local government investment pool created pursuant to IC §5-13-9-11(b) within the office and custody of the Treasurer of the State of Indiana. The purpose of the Pool is to allow local units of government (e.g., counties, municipalities, school corporations, townships, and other units of local government) as well as the State of Indiana to invest in a common pool of investment assets. For purposes of these financial statements, external participants are defined as all investors other than the State of Indiana. The difference between the amounts presented in total and external participants represents the investment by the State of Indiana.

At June 30, 2016 certain Pool participants held a participation interest in the Pool in excess of 10%. Investment activities of these participants could have a material impact on the Pool.

2. Significant Accounting Policies

The following significant accounting policies are consistently followed by the Pool in the preparation of its financial statements. The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Valuation of investments

Securities, other than repurchase agreements, are valued at the most recent market bid price as obtained from one or more market makers for such securities. Repurchase agreements are recorded at cost, which approximates market value. A change in valuation methodologies occurred effective July 1, 2015, previously the valuation of investments was based on amortized cost, which approximates fair value. The change from amortized cost valuation methodology to the fair value valuation methodology may be immaterial in nature, but the fair value valuation methodology is deemed to more accurately reflect the value of any given position should it need to be liquidated at any given point in time. The underlying investments of TrustINdiana are marked-to-market on a daily basis.

In accordance with FASB guidance, TrustINdiana utilizes ASC 820 "Fair Value Measurement and Disclosure" to define fair value, establish a framework for measuring fair value, and expand disclosure requirements regarding fair value measurements. ASC 820 does not require new fair value measurements, but is applied to the extent that other accounting pronouncements require or permit fair value measurements. This standard emphasizes that fair value is a market-based measurement that should be determined based on the assumptions that market participants would use in pricing an asset or liability. Various inputs are used in determining the value of TrustINdiana's portfolio investments defined pursuant to this standard.

These inputs are summarized into three broad levels:

- Level 1 — Quoted prices in active markets for identical securities
- Level 2 — Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk, and others. Debt securities are valued in accordance with the evaluated bid price supplied by the pricing service and are generally categorized as Level 2 in the hierarchy. Securities that are categorized as Level 2 in the hierarchy include, but are not limited to, repurchase agreements, U.S government agency securities, corporate securities, and commercial paper.

- Level 3 — Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable or deemed less relevant (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. Unobservable inputs are inputs that reflect the reporting entities own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

There have been no significant changes in valuation techniques used in valuing any such positions held by TrustINdiana since the beginning of the fiscal year. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of inputs used as of June 30, 2016 to value TrustINdiana's investments in securities and other financial instruments is included in the "Valuation Inputs Summary" and "Level 3 Valuation Reconciliation of Assets" (if applicable) as noted below.

Valuation Inputs Summary (for the fiscal period ended June 30, 2016)

	Valuation Inputs			
Description	**Total**	**Level 1**	**Level 2**	**Level 3**
Commercial Paper	$235,599,371	$ -	$235,599,371	$ -
Bank Deposits	$336,650,516	$336,650,516	$ -	$ -
Total Investments	$572,249,887	$336,650,516	$235,599,371	$ -

The Pool did not invest in any level 3 securities during the year ended June 30, 2016. There were no transfers between level 1 and level 2 during the year ended June 30, 2016.

Accounting for investments

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

Credit, market and interest rate risks

The Pool is exposed to various types of risks, including market risk, interest rate risk, and credit risk. Market risk is the risk in decline in value of the investments held by the Pool because of a number of reasons, including changes in prevailing market and interest rates, increases in defaults, increases in voluntary prepayments for investments subject to prepayment risk, and widening credit spreads. Interest rate risk is the risk associated with the effects of the fluctuations in the prevailing level of market interest rates. Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. The Pool attempts to minimize its exposure to market and credit risk through the use of various strategies and credit monitoring techniques.

The Pool limits its investments in any one issuer to the highest rating category issued by one nationally recognized statistical rating organization.

Concentration risk

The Pool is required to be comprised of no less than 50% of deposits in banks from an approved list maintained by the State of Indiana.

Income taxes

The Pool is not subject to federal, state or local income taxes, and accordingly, no tax provision has been made. The Pool files tax returns annually. The Pool is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next 12 months. The Pool's federal tax returns for the prior three fiscal years remain subject to examination by the Internal Revenue Service.

Distributions to participants

Net investment income, adjusted for net realized gains or losses, is declared and distributed to participants daily. Such amounts are automatically reinvested the same business day.

Securities Lending

The Pool has entered into a securities lending agreement, as authorized by state statute and the policies of the Pool, with Bank of New York Mellon ("BNY Mellon"), its custodian. BNY Mellon may loan the Pool's securities to brokers, dealers and financial institutions determined by them to be creditworthy and approved by the Indiana Treasurer of State. The Pool continues to receive the interest on the loaned securities during the term of the loan. The loans can be terminated on demand by either the Pool or the borrower. The loans of securities are collateralized in the form of cash in an amount at least equal to 102% of the current market value of the loaned securities. The cash collateral is reinvested by BNY Mellon and the net income earned on the reinvestment, less the borrower's rebate and a fee to BNY Mellon, is recorded as additional income to the Pool. There was no securities lending activity during fiscal year ended 2016.

Repurchase Agreements

Funds are released from TrustINdiana's portfolio for repurchase agreements only when collateral has been wired to the custodian bank, and for the period ended June 30, 2016, TrustINdiana held no uncollateralized repurchase agreements. The custodian bank reports the market value of the collateral securities to TrustINdiana at least on a weekly basis. If the seller of the agreement defaults and the value of the collateral declines, the immediate realization of the full amount of the agreement by TrustINdiana may be limited. TrustINdiana may use BMO Harris Bank NA, Goldman Sachs & Co, RBC Capital Markets LLC, UBS Securities LLC, and Wells Fargo Securities as a safekeeping agent for repurchase agreements.

Other payables

On June 30, 2016 a sale trade was executed on behalf of the portfolio for settlement that day, but the sale failed to settle at the custodian. Due to TrustINdiana not receiving the proceeds of the sale the cash balance at the custodian was negative on June 30, creating a payable balance with the custodian. On July 1, 2016 the security matured and the overdraft balance was corrected.

3. Management

The Indiana Treasurer of State has been designated by statute as the administrator of the Pool and the Deputy Treasurer of State shall have general oversight over the daily operation of the Pool. The Indiana Treasurer of State shall oversee the functions of such investment advisor, all in accordance with the policies of the Pool and Indiana Law.

Pursuant to the TrustINdiana Administrator and Investment Advisor Services Agreement, Public Trust Advisors (PTA) will charge up to 10 basis points fee (0.10%) from the Investment Property Value (the "Daily

Fee"). This Daily Fee will be accrued on a daily basis and be paid monthly in arrears and prorated for any portion of the month in which the agreement is in effect.

The Daily Fee shall be calculated as follows: The Investment Property Value is multiplied by a percentage up to 0.10% (10 basis points) and is divided by 365 or 366 days in the event of a leap year to equal the Daily Fee accrual. The Investment Property Value shall be based on the current day's shares outstanding. For weekend days and holidays, the shares outstanding for the previous business day will be utilized for the calculation of fees.

Fees may be waived or abated at any time, or from time to time, at the sole discretion of PTA. This Fee may be reviewed periodically, based upon the Portfolio's yield performance, and both parties agree to potentially re-negotiate the Fee for the agreement in good faith.

The other administrative expenses of the Pool shall be accounted for by the Treasurer and shall be paid from the earnings of the Pool.

4. Contingencies and Commitments

In the course of business, the Pool enters into contracts that contain representations and warranties and which provide general indemnifications. The Pool's exposure, if any, under these arrangements is unknown, as this would involve future claims that may be made against the Pool that have not yet occurred. To date, no claims have been brought against the Pool for any of these provisions. Based on experience, the Pool expects the risk of liability to be remote.

5. Subsequent Events

Management has determined that there were no material events that would require disclosure in the Pool's financial statements as of August 26, 2016.

Selected Data per Dollar of Net Assets and Ratios

Selected data per dollar of net assets and ratios for the periods presented are as follows:

Data per dollar of net assets[1]:

	For the year ended				
	June 30, 2016	**June 30, 2015**	**June 30, 2014**	**June 30, 2013**	**June 30, 2012**
Net investment income and net realized gain/(loss) on investments	$ 0.003	$ 0.000	$ 0.001	$ 0.001	$ 0.001
Distributions to participants	$ (0.003)	$ (0.000)	$ (0.001)	$ (0.001)	$ (0.001)
Total Return[2]:	0.28%	0.05%	0.08%	0.12%	0.14%
Ratios/Supplemental data:					
Net assets, end of period (000's)	$559,097	$519,469	$480,910	$593,050	$573,842
Ratios to average net assets:					
Net investment income	0.28%	0.05%	0.08%	0.12%	0.13%
Expenses	0.15%	0.08%[5]	0.13%[4]	0.09%[3]	0.14%

1 Calculated based upon average net assets during the period.
2 Total returns for periods less than one year are not annualized.
3 Expense waiver amounted to less than 0.01% annualized.
4 Expense waiver amounted to 0.02% annualized.
5 Expense waiver amounted to 0.02% annualized.

See Independent Auditors' Report.

Office of the Indiana Treasurer of State

Kelly Mitchell
Indiana Treasurer of State

Michael Frick
Deputy Treasurer

Cindy Barger
Director
TrustINdiana

Management

Administrator
Indiana Treasurer of State and
Public Trust Advisors, LLC

Investment Advisor
Public Trust Advisors, LLC

Custodian
Bank of New York/Mellon

Professional Services

Independent Auditors
London Witte Group, LLC

TrustINdiana

TrustINdiana
Office of the Treasurer of Indiana
242 State House, 200 W Washington St.
Indianapolis, IN 46204
www.trustindiana.in.gov