

# ND RETIREMENT AND INVESTMENT OFFICE

## Statement of Net Position As of 10/31/2015

	As of <u>10-31-15</u>	As of <u>6-30-15</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 2,474,535,236	\$ 2,427,467,228
GLOBAL/INTERNATIONAL EQUITIES	2,317,334,856	2,294,562,889
DOMESTIC FIXED INCOME	3,662,662,533	3,641,189,417
INTERNATIONAL FIXED INCOME	225,608,429	228,693,034
REAL ASSETS	1,800,179,930	1,742,489,481
PRIVATE EQUITY	177,466,109	177,337,659
INVESTED CASH (NOTE 1)	<u>126,780,782</u>	<u>156,811,317</u>
TOTAL INVESTMENTS	10,784,567,875	10,668,551,025
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	43,208,309	37,499,537
CONTRIBUTIONS RECEIVABLE	(2,581,910)	23,591,127
MISCELLANEOUS RECEIVABLE	<u>17,712</u>	<u>33,929</u>
TOTAL RECEIVABLES	40,644,111	61,124,593
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	50,441,639	0
OPERATING CASH	<u>16,742,046</u>	<u>19,055,338</u>
TOTAL ASSETS	<u>10,892,395,671</u>	<u>10,748,730,956</u>
DEFERRED OUTFLOWS OF RESOURCES		
DEFERRED OUTFLOWS RELATED TO PENSIONS	<u>25,075</u>	<u>123,148</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	50,441,639	0
ACCOUNTS PAYABLE	89,501	203,105
ACCRUED EXPENSES	1,158,313	1,536,134
INVESTMENT EXPENSES PAYABLE	<u>11,445,507</u>	<u>11,444,610</u>
TOTAL LIABILITIES	<u>63,134,960</u>	<u>13,183,849</u>
DEFERRED INFLOWS OF RESOURCES		
DEFERRED INFLOWS RELATED TO PENSIONS	<u>150,971</u>	<u>150,971</u>
NET POSITION:		
HELD IN TRUST	<u>10,829,134,815</u>	<u>10,735,519,284</u>
TOTAL NET POSITION	<u>\$ 10,829,134,815</u>	<u>\$ 10,735,519,284</u>

**ND RETIREMENT AND INVESTMENT OFFICE**  
**Statement of Changes in Net Position**  
**For the Month Ended 10/31/2015**

	<u>Month Ended</u> <u>10-31-15</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
GAIN ON SALE OF INVESTMENTS	129,706,266	455,842,330
LOSS ON SALE OF INVESTMENTS	86,030,680	437,587,269
NET GAINS (LOSSES) INVESTMENTS	<u>43,675,586</u>	<u>18,255,061</u>
NET APPREC (DEPREC) MARKET VALUE	<u>286,948,329</u>	<u>(161,419,681)</u>
NET CHANGE IN FAIR VALUE OF INVESTMENTS	330,623,915	(143,164,620)
INTEREST, DIVIDEND & OTHER INVESTMENT INCOME	<u>25,582,319</u>	<u>80,133,107</u>
	356,206,234	(63,031,513)
LESS INVESTMENT EXPENSES	<u>2,839,343</u>	<u>14,647,173</u>
NET INCOME FROM INVESTING ACTIVITIES	353,366,891	(77,678,686)
SECURITIES LENDING INCOME	96,647	144,638
SECURITIES LENDING EXPENSES	19,314	28,900
NET SECURITIES LENDING INCOME	<u>77,333</u>	<u>115,738</u>
NET INVESTMENT INCOME	353,444,224	(77,562,948)
PURCHASE OF UNITS (\$1/UNIT) (NOTE 3)	<u>58,258,922</u>	<u>321,152,015</u>
CONTRIBUTIONS & ASSESSMENTS (NOTE 5)	13,811,723	18,122,920
PURCHASED SERVICE CREDIT (NOTE 6)	40,184	1,013,877
PENALTY & INTEREST (NOTE 7)	<u>20,320</u>	<u>53,575</u>
TOTAL ADDITIONS	<u>425,575,373</u>	<u>262,779,439</u>
DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 8)	15,284,530	59,982,814
PARTIAL LUMP SUM BENEFITS PAID	49,592	620,486
REFUNDS TO MEMBER (NOTE 9)	<u>670,306</u>	<u>1,842,632</u>
TOTAL BENEFITS PAID	16,004,428	62,445,932
ADMINISTRATIVE EXPENSES	229,720	839,083
REDEMPTION OF UNITS (\$1/UNIT) (NOTE 4)	<u>26,567,151</u>	<u>105,878,893</u>
TOTAL DEDUCTIONS	<u>42,801,299</u>	<u>169,163,908</u>
CHANGE IN NET POSITION	382,774,074	93,615,531
NET POSITION:		
BEGINNING OF PERIOD	<u>10,446,360,741</u>	<u>10,735,519,284</u>
END OF PERIOD	<u>\$ 10,829,134,815</u>	<u>\$ 10,829,134,815</u>

**ND RETIREMENT AND INVESTMENT OFFICE**  
**Notes To Financial Statements**  
**October 31, 2015**

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1            INVESTED CASH

Pension Cash Pool invested in the short-term investment fund (STIF) at The Northern Trust Company.

NOTE 2            SECURITIES LENDING COLLATERAL

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3            PURCHASE OF UNITS

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 4            REDEMPTION OF UNITS

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 5            CONTRIBUTIONS

Contributions on teachers' salaries of 9.75% of salary plus a 10.75% contribution paid by the employer unit, for a total contribution of 20.5% that must be remitted monthly.

NOTE 6            PURCHASED SERVICE CREDIT

Payments received on the purchase of service credit for TFFR as allowed by the North Dakota Century Code.

NOTE 7            PENALTY & INTEREST

Amounts charged to school districts for late payment or reporting of contributions.

NOTE 8            BENEFITS PAID TO PARTICIPANTS

Monthly annuity benefits paid to retired teachers on the first of each month.

NOTE 9            REFUND TO MEMBERS

Refunds of teachers' accounts who have ceased teaching in North Dakota.