

BUDGET STABILIZATION FUND

State Investment Board Statement of Net Position As of 12/31/2015

	As of <u>12-31-15</u>	As of <u>6-30-15</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC FIXED INCOME	\$ 562,850,627	\$ 565,388,029
INVESTED CASH (NOTE 1)	8,019,176	5,823,919
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TOTAL INVESTMENTS	570,869,803	571,211,948
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	2,874,012	2,799,203
MISCELLANEOUS RECEIVABLE	865	976
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TOTAL RECEIVABLES	2,874,877	2,800,179
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	4,812,089	0
OPERATING CASH	6,094	21,240
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TOTAL ASSETS	578,562,863	574,033,367
DEFERRED OUTFLOWS OF RESOURCES		
DEFERRED OUTFLOWS RELATED TO PENSIONS	713	3,502
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LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	4,812,089	0
ACCOUNTS PAYABLE	0	3,677
ACCRUED EXPENSES	26,361	29,034
INVESTMENT EXPENSE PAYABLE	363,164	363,164
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TOTAL LIABILITIES	5,201,614	395,875
DEFERRED INFLOWS OF RESOURCES		
DEFERRED INFLOWS RELATED TO PENSIONS	4,293	4,293
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NET POSITION:		
HELD IN TRUST	573,357,669	573,636,701
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TOTAL NET POSITION	\$ 573,357,669	\$ 573,636,701
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These financial statements are preliminary, unaudited and subject to change.

2/3/2016

BUDGET STABILIZATION FUND

State Investment Board Statement of Changes in Net Position For the Month Ended 12/31/2015

	Month Ended <u>12-31-15</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
GAIN ON SALE OF INVESTMENTS	1,158,899	7,816,786
LOSS ON SALE OF INVESTMENTS	<u>2,131,042</u>	<u>11,007,199</u>
NET GAINS (LOSSES) INVESTMENTS	(972,143)	(3,190,413)
NET APPREC (DEPREC) MARKET VALUE	<u>(1,270,341)</u>	<u>(3,658,789)</u>
NET CHANGE IN FAIR VALUE OF INVESTMENTS	(2,242,484)	(6,849,202)
INTEREST, DIVIDEND & OTHER INVESTMENT INCOME	<u>1,168,411</u>	<u>7,136,006</u>
	(1,074,073)	286,804
LESS INVESTMENT EXPENSES	<u>64,419</u>	<u>535,160</u>
NET INCOME FROM INVESTING ACTIVITIES	(1,138,492)	(248,356)
SECURITIES LENDING INCOME	1,373	3,262
SECURITIES LENDING EXPENSES	<u>274</u>	<u>652</u>
NET SECURITIES LENDING INCOME	1,099	2,610
NET INVESTMENT INCOME	<u>(1,137,393)</u>	<u>(245,746)</u>
PURCHASE OF UNITS (\$1/UNIT) (NOTE 3)	<u>0</u>	<u>0</u>
TOTAL ADDITIONS	(1,137,393)	(245,746)
DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	5,048	33,286
REDEMPTION OF UNITS (\$1/UNIT) (NOTE 4)	<u>0</u>	<u>0</u>
TOTAL DEDUCTIONS	<u>5,048</u>	<u>33,286</u>
CHANGE IN NET POSITION	(1,142,441)	(279,032)
NET POSITION:		
BEGINNING OF PERIOD	<u>574,500,110</u>	<u>573,636,701</u>
END OF PERIOD	<u>\$ 573,357,669</u>	<u>\$ 573,357,669</u>

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2/3/2016

BUDGET STABILIZATION FUND
Notes To Financial Statements
December 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**

Insurance 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 during the current fiscal year.

NOTE 4 **REDEMPTION OF UNITS**

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