

BUDGET STABILIZATION FUND

State Investment Board Statement of Net Position As of 2/29/2016

	As of <u>2-29-16</u>	As of <u>6-30-15</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC FIXED INCOME	\$ 565,568,454	\$ 565,388,029
INVESTED CASH (NOTE 1)	<u>8,781,319</u>	<u>5,823,919</u>
TOTAL INVESTMENTS	574,349,773	571,211,948
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	3,024,348	2,799,203
MISCELLANEOUS RECEIVABLE	<u>548</u>	<u>976</u>
TOTAL RECEIVABLES	3,024,896	2,800,179
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	4,812,089	-
OPERATING CASH	<u>19,997</u>	<u>21,240</u>
TOTAL ASSETS	<u>582,206,755</u>	<u>574,033,367</u>
DEFERRED OUTFLOWS OF RESOURCES		
DEFERRED OUTFLOWS RELATED TO PENSIONS	<u>713</u>	<u>3,502</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	4,812,089	-
ACCOUNTS PAYABLE	-	3,677
ACCRUED EXPENSES	26,302	29,034
INVESTMENT EXPENSE PAYABLE	<u>363,164</u>	<u>363,164</u>
TOTAL LIABILITIES	<u>5,201,555</u>	<u>395,875</u>
DEFERRED INFLOWS OF RESOURCES		
DEFERRED INFLOWS RELATED TO PENSIONS	<u>4,293</u>	<u>4,293</u>
NET POSITION:		
HELD IN TRUST	<u>577,001,620</u>	<u>573,636,701</u>
TOTAL NET POSITION	<u>\$ 577,001,620</u>	<u>\$ 573,636,701</u>

These financial statements are preliminary, unaudited and subject to change.

4/4/2016

BUDGET STABILIZATION FUND

State Investment Board Statement of Changes in Net Position For the Month Ended 2/29/2016

	Month Ended <u>2-29-16</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
GAIN ON SALE OF INVESTMENTS	\$ 2,806,662	\$ 12,199,722
LOSS ON SALE OF INVESTMENTS	4,351,693	17,238,658
NET GAINS (LOSSES) INVESTMENTS	<u>(1,545,031)</u>	<u>(5,038,936)</u>
NET APPREC (DEPREC) MARKET VALUE	<u>1,164,373</u>	<u>(309,965)</u>
NET CHANGE IN FAIR VALUE OF INVESTMENTS	(380,658)	(5,348,901)
INTEREST, DIVIDEND & OTHER INVESTMENT INCOME	<u>1,163,482</u>	<u>9,466,788</u>
	782,824	4,117,887
LESS INVESTMENT EXPENSES	<u>168,959</u>	<u>714,033</u>
NET INCOME FROM INVESTING ACTIVITIES	613,865	3,403,854
SECURITIES LENDING INCOME	2,601	7,816
SECURITIES LENDING EXPENSES	<u>520</u>	<u>1,562</u>
NET SECURITIES LENDING INCOME	2,081	6,254
NET INVESTMENT INCOME	<u>615,946</u>	<u>3,410,108</u>
PURCHASE OF UNITS (\$1/UNIT) (NOTE 3)	<u>-</u>	<u>-</u>
TOTAL ADDITIONS	615,946	3,410,108
DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	5,386	45,189
REDEMPTION OF UNITS (\$1/UNIT) (NOTE 4)	<u>-</u>	<u>-</u>
TOTAL DEDUCTIONS	<u>5,386</u>	<u>45,189</u>
CHANGE IN NET POSITION	610,560	3,364,919
NET POSITION:		
BEGINNING OF PERIOD	<u>576,391,060</u>	<u>573,636,701</u>
END OF PERIOD	<u>\$ 577,001,620</u>	<u>\$ 577,001,620</u>

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4/4/2016

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Notes To Financial Statements
February 29, 2016

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.