

BUDGET STABILIZATION FUND

State Investment Board Statement of Net Position As of 6/30/2016

	As of <u>6-30-16</u>	As of <u>6-30-15</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC FIXED INCOME	\$ 564,094,702	\$ 565,388,029
INVESTED CASH (NOTE 1)	<u>8,994,897</u>	<u>5,823,919</u>
TOTAL INVESTMENTS	573,089,599	571,211,948
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	2,828,790	2,799,203
MISCELLANEOUS RECEIVABLE	<u>944</u>	<u>976</u>
TOTAL RECEIVABLES	2,829,734	2,800,179
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	2,571,110	-
OPERATING CASH	<u>13,286</u>	<u>21,240</u>
TOTAL ASSETS	<u>578,503,729</u>	<u>574,033,367</u>
DEFERRED OUTFLOWS OF RESOURCES		
DEFERRED OUTFLOWS RELATED TO PENSIONS	<u>7,772</u>	<u>3,502</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	2,571,110	-
ACCOUNTS PAYABLE	2,963	3,677
ACCRUED EXPENSES	35,273	29,034
INVESTMENT EXPENSE PAYABLE	<u>183,727</u>	<u>363,164</u>
TOTAL LIABILITIES	<u>2,793,073</u>	<u>395,875</u>
DEFERRED INFLOWS OF RESOURCES		
DEFERRED INFLOWS RELATED TO PENSIONS	<u>3,237</u>	<u>4,293</u>
NET POSITION:		
HELD IN TRUST	<u>575,715,191</u>	<u>573,636,701</u>
TOTAL NET POSITION	<u>\$ 575,715,191</u>	<u>\$ 573,636,701</u>

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

9/7/2016

BUDGET STABILIZATION FUND

State Investment Board Statement of Changes in Net Position For the Month Ended 6/30/2016

	Month Ended 6-30-16	Year-to-Date
ADDITIONS:		
INVESTMENT INCOME		
GAIN ON SALE OF INVESTMENTS	\$ 1,502,659	\$ 16,802,446
LOSS ON SALE OF INVESTMENTS	1,884,112	23,671,087
NET GAINS (LOSSES) INVESTMENTS	(381,453)	(6,868,641)
NET APPREC (DEPREC) MARKET VALUE	2,361,561	4,270,075
NET CHANGE IN FAIR VALUE OF INVESTMENTS	1,980,108	(2,598,566)
INTEREST, DIVIDEND & OTHER INVESTMENT INCOME	1,146,791	14,079,730
	3,126,899	11,481,164
LESS INVESTMENT EXPENSES	(111,228)	734,828
NET INCOME FROM INVESTING ACTIVITIES	3,238,127	10,746,336
SECURITIES LENDING INCOME	1,132	12,354
SECURITIES LENDING EXPENSES	226	2,469
NET SECURITIES LENDING INCOME	906	9,885
NET INVESTMENT INCOME	3,239,033	10,756,221
PURCHASE OF UNITS (\$1/UNIT) (NOTE 3)	-	-
TOTAL ADDITIONS	3,239,033	10,756,221
DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	9,296	71,562
REDEMPTION OF UNITS (\$1/UNIT) (NOTE 4)	8,606,169	8,606,169
TOTAL DEDUCTIONS	8,615,465	8,677,731
CHANGE IN NET POSITION	(5,376,432)	2,078,490
NET POSITION:		
BEGINNING OF PERIOD	581,091,623	573,636,701
END OF PERIOD	\$ 575,715,191	\$ 575,715,191

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9/7/2016

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Notes To Financial Statements
June 30, 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.