

BUDGET STABILIZATION FUND

State Investment Board Statement of Net Position As of 8/31/2016

	As of <u>8-31-16</u>	As of <u>6-30-16</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC FIXED INCOME	\$ 560,341,252	\$ 564,094,702
INVESTED CASH (NOTE 1)	<u>13,906,568</u>	<u>8,994,897</u>
TOTAL INVESTMENTS	574,247,820	573,089,599
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	2,939,629	2,828,790
MISCELLANEOUS RECEIVABLE	<u>504</u>	<u>944</u>
TOTAL RECEIVABLES	2,940,133	2,829,734
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	2,571,110	2,571,110
OPERATING CASH	<u>2,064</u>	<u>13,286</u>
TOTAL ASSETS	<u>579,761,127</u>	<u>578,503,729</u>
DEFERRED OUTFLOWS OF RESOURCES		
DEFERRED OUTFLOWS RELATED TO PENSIONS	<u>4,820</u>	<u>7,772</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	2,571,110	2,571,110
ACCOUNTS PAYABLE	1,904	2,963
ACCRUED EXPENSES	32,210	35,273
INVESTMENT EXPENSE PAYABLE	<u>183,727</u>	<u>183,727</u>
TOTAL LIABILITIES	<u>2,788,951</u>	<u>2,793,073</u>
DEFERRED INFLOWS OF RESOURCES		
DEFERRED INFLOWS RELATED TO PENSIONS	<u>3,237</u>	<u>3,237</u>
NET POSITION:		
HELD IN TRUST	<u>576,973,759</u>	<u>575,715,191</u>
TOTAL NET POSITION	<u>\$ 576,973,759</u>	<u>\$ 575,715,191</u>

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

10/6/2016

BUDGET STABILIZATION FUND

State Investment Board Statement of Changes in Net Position For the Month Ended 8/31/2016

	Month Ended 8-31-16	Year-to-Date
ADDITIONS:		
INVESTMENT INCOME		
GAIN ON SALE OF INVESTMENTS	\$ 2,057,581	\$ 3,134,351
LOSS ON SALE OF INVESTMENTS	2,138,343	3,646,055
NET GAINS (LOSSES) INVESTMENTS	(80,762)	(511,704)
NET APPREC (DEPREC) MARKET VALUE	(796,705)	(338,612)
NET CHANGE IN FAIR VALUE OF INVESTMENTS	(877,467)	(850,316)
INTEREST, DIVIDEND & OTHER INVESTMENT INCOME	1,169,718	2,305,260
	292,251	1,454,944
LESS INVESTMENT EXPENSES	186,822	186,822
NET INCOME FROM INVESTING ACTIVITIES	105,429	1,268,122
SECURITIES LENDING INCOME	731	1,803
SECURITIES LENDING EXPENSES	146	360
NET SECURITIES LENDING INCOME	585	1,443
NET INVESTMENT INCOME	106,014	1,269,565
PURCHASE OF UNITS (\$1/UNIT) (NOTE 3)	-	-
TOTAL ADDITIONS	106,014	1,269,565
DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	5,785	10,997
REDEMPTION OF UNITS (\$1/UNIT) (NOTE 4)	-	-
TOTAL DEDUCTIONS	5,785	10,997
CHANGE IN NET POSITION	100,229	1,258,568
NET POSITION:		
BEGINNING OF PERIOD	576,873,530	575,715,191
END OF PERIOD	\$ 576,973,759	\$ 576,973,759

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10/6/2016

BUDGET STABILIZATION FUND
Notes To Financial Statements
August 31, 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.