

TEACHERS' FUND FOR RETIREMENT
A Division of ND Retirement and Investment Office
Statement of Net Position
As of 9/30/2015

	<u>As of</u> <u>9-30-15</u>	<u>As of</u> <u>6-30-15</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 439,172,966	\$ 461,830,284
GLOBAL/INTERNATIONAL EQUITIES	574,811,448	652,582,263
DOMESTIC FIXED INCOME	376,814,865	379,036,997
INTERNATIONAL FIXED INCOME	98,723,242	101,138,757
REAL ASSETS	391,043,224	389,351,436
PRIVATE EQUITY	81,494,973	81,662,078
INVESTED CASH (NOTE 1)	15,278,092	29,631,182
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TOTAL INVESTMENTS	1,977,338,810	2,095,232,997
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	8,680,478	8,574,358
CONTRIBUTIONS RECEIVABLE	(2,658,544)	23,591,127
MISCELLANEOUS RECEIVABLE	4,787	20,788
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TOTAL RECEIVABLES	6,026,721	32,186,273
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	4,291,296	0
OPERATING CASH (NOTE 3)	16,822,953	18,964,646
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TOTAL ASSETS	2,004,479,780	2,146,383,916
DEFERRED OUTFLOWS OF RESOURCES		
DEFERRED OUTFLOWS RELATED TO PENSIONS	15,476	76,002
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LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	4,291,296	0
ACCOUNTS PAYABLE	78,000	151,094
ACCRUED EXPENSES	1,178,477	1,193,136
INVESTMENT EXPENSES PAYABLE	3,101,713	3,101,713
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TOTAL LIABILITIES	8,649,486	4,445,943
DEFERRED INFLOWS OF RESOURCES		
DEFERRED INFLOWS RELATED TO PENSIONS	93,175	93,175
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NET POSITION:		
HELD IN TRUST	1,995,752,595	2,141,920,800
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TOTAL NET POSITION	<u>\$ 1,995,752,595</u>	<u>\$ 2,141,920,800</u>

TEACHERS' FUND FOR RETIREMENT
A Division of ND Retirement and Investment Office
Statement of Changes in Net Position
For the Month Ended 9/30/2015

	Month Ended <u>9-30-15</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
GAIN ON SALE OF INVESTMENTS	17,911,520	54,953,523
LOSS ON SALE OF INVESTMENTS	18,556,763	53,108,031
NET GAINS (LOSSES) INVESTMENTS	(645,243)	1,845,492
NET APPREC (DEPREC) MARKET VALUE	(40,428,529)	(113,638,263)
NET CHANGE IN FAIR VALUE OF INVESTMENTS	(41,073,772)	(111,792,771)
INTEREST, DIVIDEND & OTHER INVESTMENT INCOME	4,261,026	10,391,175
	(36,812,746)	(101,401,596)
LESS INVESTMENT EXPENSES	49,209	3,263,772
NET INCOME FROM INVESTING ACTIVITIES	(36,861,955)	(104,665,368)
SECURITIES LENDING INCOME	7,036	7,036
SECURITIES LENDING EXPENSES	1,406	1,406
NET SECURITIES LENDING INCOME	5,630	5,630
NET INVESTMENT INCOME	(36,856,325)	(104,659,738)
PURCHASE OF UNITS (\$1/UNIT) (NOTE 4)	10,950,000	13,025,000
MEMBER & EMPLOYER CONTRIBUTIONS (NOTE 6)	3,001,669	4,311,197
PURCHASED SERVICE CREDIT (NOTE 7)	444,864	973,693
PENALTY & INTEREST (NOTE 8)	9,292	33,255
TOTAL ADDITIONS	(22,450,500)	(86,316,593)
DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 9)	14,880,192	44,698,284
PARTIAL LUMP SUM BENEFITS PAID	72,366	570,895
REFUNDS TO MEMBER (NOTE 10)	173,252	1,172,327
TOTAL BENEFITS PAID	15,125,810	46,441,506
ADMINISTRATIVE EXPENSES	158,340	385,106
REDEMPTION OF UNITS (\$1/UNIT) (NOTE 5)	10,950,000	13,025,000
TOTAL DEDUCTIONS	26,234,150	59,851,612
CHANGE IN NET POSITION	(48,684,650)	(146,168,205)
NET POSITION:		
BEGINNING OF PERIOD	2,044,437,245	2,141,920,800
END OF PERIOD	\$ 1,995,752,595	\$ 1,995,752,595

TEACHERS' FUND FOR RETIREMENT
Notes To Financial Statements
September 30, 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 **OPERATING CASH**

TFFR money market and checking accounts at the Bank of North Dakota.

NOTE 4 **PURCHASE OF UNITS**

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

NOTE 5 **REDEMPTION OF UNITS**

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

NOTE 6 **CONTRIBUTIONS**

Contributions on teachers' salaries of 11.75% of salary plus a 12.75% contribution paid by the employer unit, for a total contribution of 24.5% that must be remitted monthly.

NOTE 7 **PURCHASED SERVICE CREDIT**

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

NOTE 8 **PENALTY & INTEREST**

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

NOTE 9 **BENEFITS PAID TO PARTICIPANTS**

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

NOTE 10 **REFUND TO MEMBERS**

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