

**TEACHERS' FUND FOR RETIREMENT**  
**A Division of ND Retirement and Investment Office**  
**Statement of Net Position**  
**As of 10/31/2015**

	<u>As of</u> <u>10-31-15</u>	<u>As of</u> <u>6-30-15</u>
<b>ASSETS:</b>		
<b>INVESTMENTS (AT MARKET)</b>		
DOMESTIC EQUITIES	\$ 472,382,961	\$ 461,830,284
GLOBAL/INTERNATIONAL EQUITIES	637,479,075	652,582,263
DOMESTIC FIXED INCOME	351,355,640	379,036,997
INTERNATIONAL FIXED INCOME	99,676,694	101,138,757
REAL ASSETS	397,548,184	389,351,436
PRIVATE EQUITY	81,721,228	81,662,078
INVESTED CASH (NOTE 1)	15,613,550	29,631,182
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TOTAL INVESTMENTS	2,055,777,332	2,095,232,997
<b>RECEIVABLES</b>		
DIVIDEND/INTEREST RECEIVABLE	8,981,659	8,574,358
CONTRIBUTIONS RECEIVABLE	(2,581,910)	23,591,127
MISCELLANEOUS RECEIVABLE	3,863	20,788
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TOTAL RECEIVABLES	6,403,612	32,186,273
<b>OTHER ASSETS</b>		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	4,291,296	0
OPERATING CASH (NOTE 3)	16,570,575	18,964,646
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TOTAL ASSETS	2,083,042,815	2,146,383,916
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
DEFERRED OUTFLOWS RELATED TO PENSIONS	15,476	76,002
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<b>LIABILITIES:</b>		
SECURITIES LENDING COLLATERAL (NOTE 2)	4,291,296	0
ACCOUNTS PAYABLE	78,000	151,094
ACCRUED EXPENSES	849,982	1,193,136
INVESTMENT EXPENSES PAYABLE	3,101,713	3,101,713
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TOTAL LIABILITIES	8,320,991	4,445,943
<b>DEFERRED INFLOWS OF RESOURCES</b>		
DEFERRED INFLOWS RELATED TO PENSIONS	93,175	93,175
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<b>NET POSITION:</b>		
HELD IN TRUST	2,074,644,125	2,141,920,800
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TOTAL NET POSITION	<u>\$ 2,074,644,125</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 10/31/2015**

	Month Ended <u>10-31-15</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
GAIN ON SALE OF INVESTMENTS	22,020,507	76,974,030
LOSS ON SALE OF INVESTMENTS	12,726,641	65,834,672
NET GAINS (LOSSES) INVESTMENTS	<u>9,293,866</u>	<u>11,139,358</u>
NET APPREC (DEPREC) MARKET VALUE	<u>67,333,967</u>	<u>(46,304,296)</u>
NET CHANGE IN FAIR VALUE OF INVESTMENTS	76,627,833	(35,164,938)
INTEREST, DIVIDEND & OTHER INVESTMENT INCOME	<u>5,123,563</u>	<u>15,514,733</u>
	81,751,396	(19,650,205)
LESS INVESTMENT EXPENSES	598,083	3,861,854
NET INCOME FROM INVESTING ACTIVITIES	81,153,313	(23,512,059)
SECURITIES LENDING INCOME	15,802	22,838
SECURITIES LENDING EXPENSES	3,160	4,566
NET SECURITIES LENDING INCOME	<u>12,642</u>	<u>18,272</u>
NET INVESTMENT INCOME	81,165,955	(23,493,787)
PURCHASE OF UNITS (\$1/UNIT) (NOTE 4)	<u>2,425,000</u>	<u>15,450,000</u>
MEMBER & EMPLOYER CONTRIBUTIONS (NOTE 6)	13,811,723	18,122,920
PURCHASED SERVICE CREDIT (NOTE 7)	40,184	1,013,877
PENALTY & INTEREST (NOTE 8)	<u>20,320</u>	<u>53,575</u>
TOTAL ADDITIONS	<u>97,463,182</u>	<u>11,146,585</u>
DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 9)	15,284,530	59,982,814
PARTIAL LUMP SUM BENEFITS PAID	49,592	620,486
REFUNDS TO MEMBER (NOTE 10)	<u>670,306</u>	<u>1,842,632</u>
TOTAL BENEFITS PAID	16,004,428	62,445,932
ADMINISTRATIVE EXPENSES	142,224	527,328
REDEMPTION OF UNITS (\$1/UNIT) (NOTE 5)	<u>2,425,000</u>	<u>15,450,000</u>
TOTAL DEDUCTIONS	<u>18,571,652</u>	<u>78,423,260</u>
CHANGE IN NET POSITION	78,891,530	(67,276,675)
NET POSITION:		
BEGINNING OF PERIOD	<u>1,995,752,595</u>	<u>2,141,920,800</u>
END OF PERIOD	<u>\$ 2,074,644,125</u>	<u>\$ 2,074,644,125</u>

**TEACHERS' FUND FOR RETIREMENT**  
**Notes To Financial Statements**  
**October 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

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.