

**TEACHERS' FUND FOR RETIREMENT**  
**A Division of ND Retirement and Investment Office**  
**Statement of Net Position**  
**As of 3/31/2016**

	As of <u>3-31-16</u>	As of <u>6-30-15</u>
<b>ASSETS:</b>		
<b>INVESTMENTS (AT MARKET)</b>		
DOMESTIC EQUITIES	\$ 466,576,271	\$ 461,830,284
GLOBAL/INTERNATIONAL EQUITIES	646,753,927	652,582,263
DOMESTIC FIXED INCOME	344,542,457	379,036,997
INTERNATIONAL FIXED INCOME	105,036,131	101,138,757
REAL ASSETS	394,143,393	389,351,436
PRIVATE EQUITY	75,064,259	81,662,078
INVESTED CASH (NOTE 1)	<u>16,767,045</u>	<u>29,631,182</u>
 TOTAL INVESTMENTS	 2,048,883,483	 2,095,232,997
 <b>RECEIVABLES</b>		
DIVIDEND/INTEREST RECEIVABLE	8,511,374	8,574,358
CONTRIBUTIONS RECEIVABLE	(2,136,264)	23,591,127
MISCELLANEOUS RECEIVABLE	<u>5,943</u>	<u>20,788</u>
 TOTAL RECEIVABLES	 6,381,053	 32,186,273
 <b>OTHER ASSETS</b>		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	17,481,373	-
OPERATING CASH (NOTE 3)	<u>16,454,671</u>	<u>18,964,646</u>
<b>TOTAL ASSETS</b>	<u><u>2,089,200,580</u></u>	<u><u>2,146,383,916</u></u>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>		
DEFERRED OUTFLOWS RELATED TO PENSIONS	<u>15,476</u>	<u>76,002</u>
 <b>LIABILITIES:</b>		
SECURITIES LENDING COLLATERAL (NOTE 2)	17,481,373	-
ACCOUNTS PAYABLE	51,500	151,094
ACCRUED EXPENSES	1,143,952	1,193,136
INVESTMENT EXPENSES PAYABLE	<u>3,101,713</u>	<u>3,101,713</u>
 TOTAL LIABILITIES	 <u>21,778,538</u>	 <u>4,445,943</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
DEFERRED INFLOWS RELATED TO PENSIONS	<u>93,175</u>	<u>93,175</u>
 <b>NET POSITION:</b>		
HELD IN TRUST	<u>2,067,344,343</u>	<u>2,141,920,800</u>
 TOTAL NET POSITION	 <u><u>\$ 2,067,344,343</u></u>	 <u><u>\$ 2,141,920,800</u></u>

**TEACHERS' FUND FOR RETIREMENT**  
**A Division of ND Retirement and Investment Office**  
**Statement of Changes in Net Position**  
**For the Month Ended 3/31/2016**

	Month Ended <u>3-31-16</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
GAIN ON SALE OF INVESTMENTS	\$ 42,335,300	\$ 203,258,199
LOSS ON SALE OF INVESTMENTS	12,702,224	155,083,908
NET GAINS (LOSSES) INVESTMENTS	29,633,076	48,174,291
NET APPREC (DEPREC) MARKET VALUE	56,804,448	(99,681,798)
NET CHANGE IN FAIR VALUE OF INVESTMENTS	86,437,524	(51,507,507)
INTEREST, DIVIDEND & OTHER INVESTMENT INCOME	5,331,859	35,162,027
	91,769,383	(16,345,480)
LESS INVESTMENT EXPENSES	368,688	5,962,488
NET INCOME FROM INVESTING ACTIVITIES	91,400,695	(22,307,968)
SECURITIES LENDING INCOME	27,744	178,682
SECURITIES LENDING EXPENSES	5,548	35,728
NET SECURITIES LENDING INCOME	22,196	142,954
NET INVESTMENT INCOME	91,422,891	(22,165,014)
PURCHASE OF UNITS (\$1/UNIT) (NOTE 4)	2,000,000	24,025,000
MEMBER & EMPLOYER CONTRIBUTIONS (NOTE 6)	13,688,864	86,532,287
PURCHASED SERVICE CREDIT (NOTE 7)	414,484	2,055,480
PENALTY & INTEREST (NOTE 8)	6,390	(20,730)
TOTAL ADDITIONS	107,532,629	90,427,023
DEDUCTIONS:		
BENEFITS PAID PARTICIPANTS (NOTE 9)	14,892,869	134,530,690
PARTIAL LUMP SUM BENEFITS PAID	-	630,069
REFUNDS TO MEMBER (NOTE 10)	398,548	4,529,806
TOTAL BENEFITS PAID	15,291,417	139,690,565
ADMINISTRATIVE EXPENSES	147,306	1,287,915
REDEMPTION OF UNITS (\$1/UNIT) (NOTE 5)	2,000,000	24,025,000
TOTAL DEDUCTIONS	17,438,723	165,003,480
CHANGE IN NET POSITION	90,093,906	(74,576,457)
NET POSITION:		
BEGINNING OF PERIOD	1,977,250,437	2,141,920,800
END OF PERIOD	<u>\$ 2,067,344,343</u>	<u>\$ 2,067,344,343</u>

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

5/26/2016

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

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.  
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