

**LEGACY FUND**  
**State Investment Board**  
**Statement of Net Position**  
**As of 4/30/2020**

	<u>As of</u> <u>4-30-20</u>	<u>As of</u> <u>6-30-19</u>
<b>ASSETS:</b>		
INVESTMENTS (AT FAIR VALUE)		
GLOBAL EQUITIES	\$ 3,085,212,463	\$ 3,203,129,265
GLOBAL FIXED INCOME	2,440,691,085	2,170,475,305
GLOBAL REAL ASSETS	1,000,576,007	923,488,586
INVESTED CASH (NOTE 1)	<u>43,562,527</u>	<u>255,829,361</u>
<b>TOTAL INVESTMENTS</b>	<b>6,570,042,082</b>	<b>6,552,922,517</b>
<b>RECEIVABLES</b>		
DIVIDEND/INTEREST RECEIVABLE	22,319,666	27,837,411
MISCELLANEOUS RECEIVABLE	<u>9,638</u>	<u>14,323</u>
<b>TOTAL RECEIVABLES</b>	<b>22,329,304</b>	<b>27,851,734</b>
<b>OTHER ASSETS</b>		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	18,841,620	19,392,771
OPERATING CASH	<u>82,734</u>	<u>113,720</u>
<b>TOTAL ASSETS</b>	<b><u>6,611,295,740</u></b>	<b><u>6,600,280,742</u></b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
DEFERRED OUTFLOWS RELATED TO PENSIONS	<u>204,624</u>	<u>234,169</u>
<b>LIABILITIES:</b>		
SECURITIES LENDING COLLATERAL (NOTE 2)	18,841,620	19,392,771
ACCOUNTS PAYABLE	-	137,902
ACCRUED EXPENSES	499,396	545,406
DUE TO OTHER FUNDS (NOTE 5)	-	455,263,216
INVESTMENT EXPENSE PAYABLE	<u>2,917,084</u>	<u>2,917,084</u>
<b>TOTAL LIABILITIES</b>	<b><u>22,258,100</u></b>	<b><u>478,256,379</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
DEFERRED INFLOWS RELATED TO PENSIONS	<u>30,661</u>	<u>30,661</u>
<b>NET POSITION:</b>		
HELD IN TRUST	<u>6,589,211,603</u>	<u>6,122,227,871</u>
<b>TOTAL NET POSITION</b>	<b><u>\$ 6,589,211,603</u></b>	<b><u>\$ 6,122,227,871</u></b>

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

5/29/2020

# LEGACY FUND

## State Investment Board Statement of Changes in Net Position For the Month Ended 4/30/2020

	Month Ended <u>4-30-20</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
GAIN ON SALE OF INVESTMENTS	\$ 242,286,049	\$ 1,493,345,699
LOSS ON SALE OF INVESTMENTS	196,292,065	1,447,215,014
NET GAINS (LOSSES) INVESTMENTS	45,993,984	46,130,685
NET APPREC (DEPREC) MARKET VALUE	336,859,033	(245,091,382)
NET CHANGE IN FAIR VALUE OF INVESTMENTS	382,853,017	(198,960,697)
INTEREST, DIVIDEND & OTHER INVESTMENT INCOME	11,749,688	117,060,739
	394,602,705	(81,899,958)
LESS INVESTMENT EXPENSES	2,507,443	11,785,294
NET INCOME FROM INVESTING ACTIVITIES	392,095,262	(93,685,252)
SECURITIES LENDING INCOME	49,136	524,608
SECURITIES LENDING EXPENSES	9,820	104,831
NET SECURITIES LENDING INCOME	39,316	419,777
NET INVESTMENT INCOME	392,134,578	(93,265,475)
PURCHASE OF UNITS (\$1/UNIT) (NOTE 3)	45,572,403	560,801,952
TOTAL ADDITIONS	437,706,981	467,536,477
DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	56,674	552,745
REDEMPTION OF UNITS (\$1/UNIT) (NOTE 4)	-	-
TOTAL DEDUCTIONS	56,674	552,745
CHANGE IN NET POSITION	437,650,307	466,983,732
NET POSITION:		
BEGINNING OF PERIOD	6,151,561,296	6,122,227,871
END OF PERIOD	\$ 6,589,211,603	\$ 6,589,211,603

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

5/29/2020

# LEGACY FUND

## Notes To Financial Statements

April 30, 2020

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 and a demand account at Bank of North Dakota.

### 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.

### NOTE 5 DUE TO OTHER STATE FUNDS

A transfer to the General Fund in the amount of \$455,263,216 was made on July 23, 2019, representing earnings as defined in Note 6 for the 2017-19 biennium.

### NOTE 6 EARNINGS AVAILABLE

Section 26 of Article X of the Constitution of North Dakota dictates that earnings of the Legacy Fund accruing after June 30, 2017, shall be transferred to the general fund at the end of each biennium. Earnings accrued prior to June 30, 2017, became part of the principal of the fund.

NDCC 21-10-12 defines "earnings" for the purposes of Section 26, Article X as "net income in accordance with generally accepted accounting principles, excluding any unrealized gains or losses."

As of the date of these financial statements, the principal balance of the Legacy Fund is \$ 6,160,706,554

As of the date of these financial statements, the amount of earnings transferrable to the General Fund at the end of the 2019-21 biennium is \$ 198,253,302