

LEGACY FUND
State Investment Board
Statement of Net Position
As of 9/30/2023

	<u>As of</u> <u>9-30-23</u>	<u>As of</u> <u>6-30-23</u>
ASSETS:		
INVESTMENTS (AT FAIR VALUE)		
GLOBAL EQUITIES	\$ 4,421,935,967	\$ 4,600,838,519
GLOBAL FIXED INCOME	3,061,013,435	2,993,674,211
GLOBAL REAL ASSETS	1,308,360,413	1,332,051,598
INVESTED CASH (NOTE 1)	<u>120,671,628</u>	<u>47,673,839</u>
 TOTAL INVESTMENTS	 8,911,981,443	 8,974,238,167
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	27,650,633	30,404,994
MISCELLANEOUS RECEIVABLE	<u>33,988</u>	<u>21,703</u>
 TOTAL RECEIVABLES	 27,684,621	 30,426,697
 OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	58,521,580	46,918,698
OPERATING CASH	<u>497,192</u>	<u>432,035</u>
 TOTAL ASSETS	 <u>8,998,684,836</u>	 <u>9,052,015,597</u>
 DEFERRED OUTFLOWS OF RESOURCES		
DEFERRED OUTFLOWS RELATED TO PENSIONS	<u>732,333</u>	<u>791,196</u>
 LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	58,521,580	46,918,698
ACCOUNTS PAYABLE	-	103,366
ACCRUED EXPENSES	1,111,188	1,180,356
INVESTMENT EXPENSE PAYABLE	<u>4,450,231</u>	<u>4,450,231</u>
 TOTAL LIABILITIES	 <u>64,082,999</u>	 <u>52,652,651</u>
 DEFERRED INFLOWS OF RESOURCES		
DEFERRED INFLOWS RELATED TO PENSIONS	<u>415,222</u>	<u>415,222</u>
 NET POSITION:		
HELD IN TRUST	<u>8,934,918,948</u>	<u>8,999,738,920</u>
 TOTAL NET POSITION	 <u>\$ 8,934,918,948</u>	 <u>\$ 8,999,738,920</u>

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

11/9/2023

LEGACY FUND

State Investment Board Statement of Changes in Net Position For the Month Ended 9/30/2023

	Month Ended <u>9-30-23</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
NET GAINS (LOSSES) INVESTMENTS	(18,535,346)	18,287,400
NET APPREC (DEPREC) MARKET VALUE	<u>(260,468,917)</u>	<u>(299,457,632)</u>
NET CHANGE IN FAIR VALUE OF INVESTMENTS	(279,004,263)	(281,170,232)
INTEREST, DIVIDEND & OTHER INVESTMENT INCOME	<u>16,447,797</u>	<u>39,151,308</u>
	(262,556,466)	(242,018,924)
LESS INVESTMENT EXPENSES	<u>1,305,122</u>	<u>4,239,667</u>
NET INCOME FROM INVESTING ACTIVITIES	(263,861,588)	(246,258,591)
SECURITIES LENDING INCOME	97,653	245,650
SECURITIES LENDING EXPENSES	<u>19,524</u>	<u>49,111</u>
NET SECURITIES LENDING INCOME	78,129	196,539
NET INVESTMENT INCOME	<u>(263,783,459)</u>	<u>(246,062,052)</u>
PURCHASE OF UNITS (\$1/UNIT) (NOTE 3)	<u>64,227,976</u>	<u>181,639,366</u>
TOTAL ADDITIONS	(199,555,483)	(64,422,686)
DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	134,921	397,286
REDEMPTION OF UNITS (\$1/UNIT) (NOTE 4)	<u>-</u>	<u>-</u>
TOTAL DEDUCTIONS	<u>134,921</u>	<u>397,286</u>
CHANGE IN NET POSITION	(199,690,404)	(64,819,972)
NET POSITION:		
BEGINNING OF PERIOD	<u>9,134,609,352</u>	<u>8,999,738,920</u>
END OF PERIOD	<u>\$ 8,934,918,948</u>	<u>\$ 8,934,918,948</u>

LEGACY FUND

Notes To Financial Statements September 30, 2023

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 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 "an amount equal to seven percent of the five-year average value of the legacy fund assets as reported by the state investment board using the value of the assets at the end of each fiscal year for the five-year period ending with the most recently completed even - numbered fiscal year. "