

# ILLINOIS STATE BOARD OF INVESTMENT

## Financial Statements

And

## Supplementary Financial Information

**Nine Months Ended March 31, 2019**

<b><u>Contents</u></b>	<b><u>Page</u></b>
Commingled Investment Fund:	
Statement of Net Assets	1
Statement of Changes in Net Assets	2
Notes to Financial Statements:	
Income Distributed - Fiscal Year 2019	3
Changes in Net Assets of Participating Retirement Systems – Fiscal Year 2019	3
Net Assets of Participating Retirement Systems 6/30/70-3/31/19	3

**STATEMENTS OF NET ASSETS**  
**Illinois State Board of Investment**  
**Nine Months Ended March 31, 2019**

	FY 2019	FY 2018
	\$	\$
<b>ASSETS</b>		
Cash and cash equivalents	6,222,196	13,942,731
Receivables:		
Foreign taxes	8,936,585	8,604,283
Accounts receivable	-	-
Investments sold	22,617,102	90,330,066
Interest & dividends	19,925,312	50,647,794
Total Receivables	51,478,999	149,582,143
Prepaid Expenses	126,967	147,947
Capital Assets	55,974	52,741
Capital Lease	4,370	7,394
Investments at fair value:		
Government and agency obligations	251,904,099	3,780,534,628
Foreign obligations	146,075,929	505,859,266
Corporate obligations	637,211,926	955,344,682
Municipal bonds	475,887	10,212,268
Common stock & equity funds	3,010,784,879	5,571,385,678
Commingled funds	9,888,672,497	1,530,671,428
Preferred stock	-	-
Foreign Preferred stock	379,613	10,646,946
Foreign equity securities	526,542,532	2,690,688,923
Hedge Funds	188,716,229	79,337,904
Bank Loans	413,000,453	419,543,847
Real estate funds	1,733,637,853	1,276,757,388
Private Equity	723,679,519	650,890,867
Money market instruments	180,620,010	166,777,287
Infrastructure	438,599,873	458,087,780
Opportunistic Debt	467,622,549	200,652,367
Forward foreign exchange contracts	-	-
Total Investments	18,607,923,848	18,307,391,259
Securities lending collateral	-	8,566,565
Total Assets	18,665,812,354	18,479,690,780
<b>LIABILITIES</b>		
Payables:		
Investment purchases	27,323,281	135,657,824
Operating expenses	7,121,871	12,986,519
Securities lending collateral obligation	-	9,092,481
Total Liabilities	34,445,152	157,736,824
Net Assets	18,631,367,202	18,321,953,956

**STATEMENTS OF CHANGES IN NET ASSETS**  
**Illinois State Board of Investment**  
**Nine Months Ended March 31, 2019**

	FY 2019	FY 2018
	\$	\$
<b>ADDITIONS</b>		
<b>Investment income:</b>		
Net increase in fair value of investments	364,397,549	916,396,586
Interest	146,915,149	166,373,135
Dividends	100,599,716	119,127,366
Securities lending income	102	1,096,735
Less securities lending rebates	-	(82,937)
Less securities lending expenses	-	(190,166)
<b>Total net investment income</b>	<b>611,912,516</b>	<b>1,202,720,719</b>
Members systems' contributions	-	-
<b>Total additions</b>	<b>611,912,516</b>	<b>1,202,720,719</b>
<b>DEDUCTIONS</b>		
<b>Expenses:</b>		
Salaries and benefits:		
Salaries	987,868	966,683
Benefits	717,957	729,530
Operating expenses:		
Rent and utilities	275,819	188,753
Audit	195,000	-
Other	276,653	420,442
External support:		
Custody	412,500	412,500
Consulting and professional	678,935	958,380
Investment advisors/managers	15,300,251	23,119,131
Investment services and research	184,780	269,549
<b>Total expenses</b>	<b>19,029,763</b>	<b>27,064,968</b>
Members systems' withdrawals	297,950,000	160,000,000
<b>Total deductions</b>	<b>316,979,763</b>	<b>187,064,968</b>
Increase(decrease) in net assets	294,932,753	1,015,655,751
Net assets at beginning of period	18,336,434,449	17,306,298,205
<b>Net assets at end of period</b>	<b>18,631,367,202</b>	<b>18,321,953,956</b>

**ILLINOIS STATE BOARD OF INVESTMENT**

<i>Member Systems' Participation</i>	General Assembly	Judges	State Employees'	Power Agency	Combined*
<b>Member Systems' Income and Expenses Nine Months Ended March 31, 2019</b>	\$	\$	\$	\$	\$
Interest and dividends	700,364	13,303,738	232,985,538	525,225	247,514,865
Net securities lending income	(1)	-	102	1	102
Net realized gain on investments	2,517,652	47,827,306	836,335,196	1,888,056	888,568,210
Net unrealized gain (loss) on investments	(1,470,341)	(27,943,174)	(493,654,843)	(1,102,303)	(524,170,661)
Management expenses	(53,682)	(1,023,827)	(17,911,648)	(40,606)	(19,029,763)
Net investment income	<u>1,693,992</u>	<u>32,164,043</u>	<u>557,754,345</u>	<u>1,270,373</u>	<u>592,882,753</u>

**Member Systems' Changes in Net Assets  
Nine Months Ended March 31, 2019**

Net assets at beginning of period	51,487,942	978,196,836	17,268,137,474	38,612,197	18,336,434,449
Member systems' net (withdrawals)	-	(950,000)	(297,000,000)	-	(297,950,000)
Member systems' (contributions)	-	-	-	-	-
Net investment income	1,693,992	32,164,043	557,754,345	1,270,373	592,882,753
Net assets at end of period	<u><b>53,181,934</b></u>	<u><b>1,009,410,879</b></u>	<u><b>17,528,891,819</b></u>	<u><b>39,882,570</b></u>	<u><b>18,631,367,202</b></u>

The source of net assets of the member systems since inception at March 31, 2019, is as follows:

Member systems' net contributions (withdrawals)	(91,150,878)	(89,535,968)	(2,799,826,842)	21,965,119	(2,958,548,569)
Accumulated net investment income	144,332,812	1,098,946,847	20,328,718,661	17,917,451	21,589,915,771
	<u><b>53,181,934</b></u>	<u><b>1,009,410,879</b></u>	<u><b>17,528,891,819</b></u>	<u><b>39,882,570</b></u>	<u><b>18,631,367,202</b></u>

\* Combined column for the member systems is presented for information purposes only and does not indicate that the assets of one system may be used for another system.