

Legacy and Budget Stabilization Fund Advisory Board

Investment Policy Statement Review

December 1, 2014

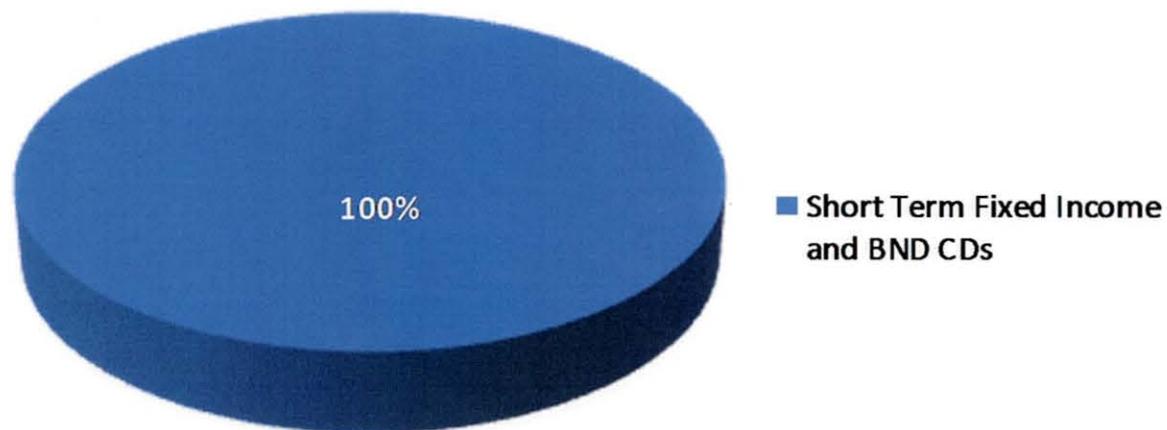
Dave Hunter, Executive Director/Chief Investment Officer
ND Retirement & Investment Office (RIO)
State Investment Board (SIB)

Presentation Agenda

- ▶ **Budget Stabilization Fund**
 - ▶ Investment Policy Statement
- ▶ **Legacy Fund**
 - ▶ Investment Policy Statement

Budget Stabilization Fund Strategic Asset Allocation

Policy Allocation



Budget Stabilization Fund Asset Allocation

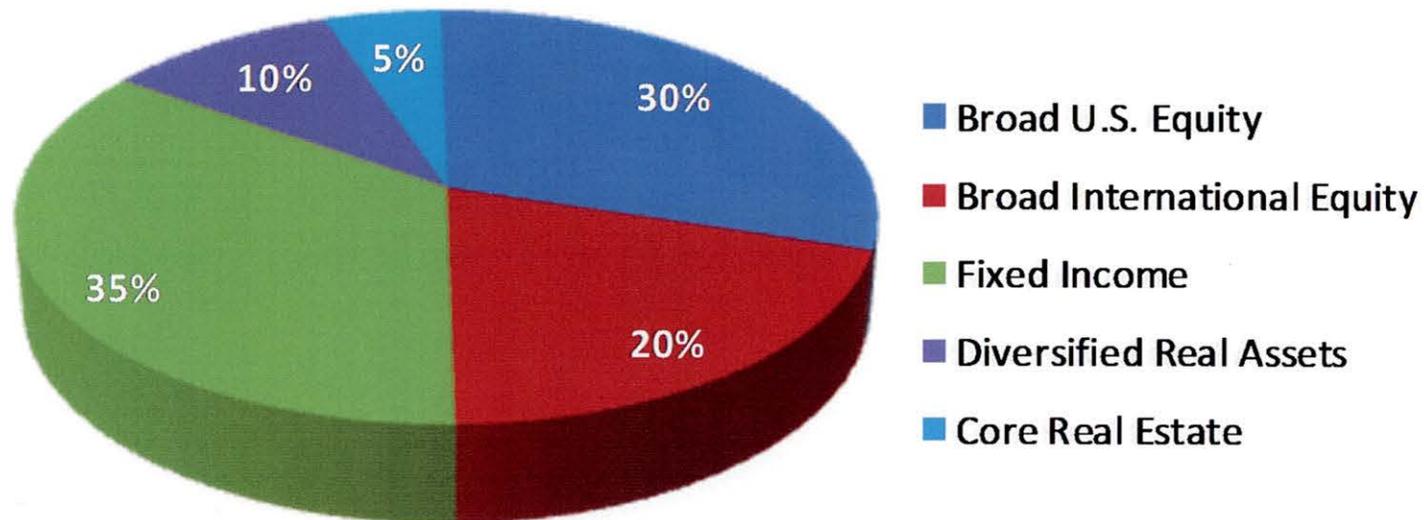
	9/30/2014	Actual Weight	Policy Weight
TOTAL BUDGET STABILIZATION FUND	587,073,431	100.0%	100.0%
BANK OF NORTH DAKOTA CDs	104,153,995	17.7%	17.7%
TOTAL CASH EQUIVALENTS	8,396,369	1.4%	1.4%
TOTAL SHORT TERM FIXED INCOME	474,523,067	80.8%	80.8%

NOTE: Monthly market values are preliminary and subject to change.

Legacy Fund Strategic Asset Allocation

Transition completion
January 2015

Policy Allocation



Note: Amounts are preliminary, unaudited and subject to change.

Legacy Fund Asset Allocation

	9/30/14 Market Value	Actual Weight	Interim Policy Weight
TOTAL LEGACY FUND	2,516,568,041	100.0%	100.0%
LARGE CAP DOMESTIC EQUITY	553,531,693	22.0%	22.0%
SMALL CAP DOMESTIC EQUITY	190,231,978	7.6%	7.6%
INTERNATIONAL EQUITY	487,534,290	19.4%	19.4%
FIXED INCOME	703,803,147	28.0%	28.0%
DIVERSIFIED REAL ASSETS	141,601,651	5.6%	5.6%
REAL ESTATE	125,625,429	5.0%	5.0%
CASH EQUIVALENTS	2,572,819	0.1%	0.0%
SHORT TERM FIXED INCOME	311,667,035	12.4%	12.5%

NOTE: Monthly market values are preliminary and subject to change.