

# Basic Financial Statements

# STATE OF NORTH DAKOTA

## Statement of Net Position

June 30, 2015

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	(GASB Based)
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 39,090,697	\$ 580,774,247	\$ 619,864,944	\$ 25,794,747
Investments	7,587,833,791	4,734,069,157	12,321,902,948	391,528
Accounts Receivable - Net	103,429,353	150,705,047	254,134,400	1,360,220
Taxes Receivable - Net	546,280,316	-	546,280,316	-
Interest Receivable - Net	24,417,076	53,101,681	77,518,757	38,520
Intergovernmental Receivable - Net	206,442,215	35,808,117	242,250,332	-
Internal Receivable	5,485,545,989	-	1,337,747,615	-
Due from Component Units	-	11,864,216	11,864,216	-
Due from Primary Government	-	-	-	552,000
Prepaid Items	10,882,654	3,597,424	14,480,078	-
Inventory	22,890,927	39,144,164	62,035,091	-
Loans and Notes Receivable - Net	325,518,061	3,871,581,121	4,197,099,182	8,245,607
Pension Assets	32,650,195	-	32,650,195	-
Other Assets	-	17,742,633	17,742,633	332,186
Restricted Assets:				
Cash and Cash Equivalents	17,956,292	130,235,206	148,191,498	36,001,000
Investments	-	41,623,403	41,623,403	697,973,000
Interest Receivable - Net	-	2,482,000	2,482,000	4,342,000
Loans and Notes Receivable - Net	-	662,555,000	662,555,000	-
Capital Assets:				
Nondepreciable	1,769,813,439	250,208,317	2,020,021,756	-
Depreciable, Net	1,946,073,585	1,071,286,400	3,017,359,985	26,696
Total Assets	<u>18,118,824,590</u>	<u>11,656,778,133</u>	<u>25,627,804,349</u>	<u>775,057,504</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Loss on Bond Refunding	1,599,000	2,000,923	3,599,923	4,769,000
Decrease in Fair Value of Derivatives	-	13,428,000	13,428,000	-
Derived from Pensions	40,204,172	16,765,574	56,969,746	14,000
Total Deferred Outflows of Resources	<u>41,803,172</u>	<u>32,194,497</u>	<u>73,997,669</u>	<u>4,783,000</u>

\* An internal receivable balance remains in the Total column because certain Business-Type Activities have different fiscal year ends than the Governmental Activities. As internal balances are reported separately as internal receivables and internal payables, those lines, as well as the total assets and total liabilities, do not crossfoot.

The Accompanying Notes are an Integral Part of the Financial Statements

# STATE OF NORTH DAKOTA

## Statement of Net Position

June 30, 2015

	Primary Government			Component Units (GASB Based)
	Governmental Activities	Business-Type Activities	Total	
LIABILITIES				
Accounts Payable	330,748,206	57,682,473	388,430,679	1,519,887
Accrued Payroll	54,738,835	37,485,969	92,224,804	11,982
Securities Lending Collateral	184,257,529	1,318,673	185,576,202	-
Interest Payable	1,895,265	10,706,623	12,601,888	2,250,000
Intergovernmental Payable	193,241,494	8,494,672	201,736,166	-
Tax Refunds Payable	148,491,913	-	148,491,913	-
Internal Payable	-	4,147,798,374	-	-
Due to Component Units	-	48,919,138	48,919,138	-
Contracts Payable	26,286,236	14,560,712	40,846,948	-
Federal Funds Purchased	-	178,455,000	178,455,000	-
Other Deposits	-	1,096,707,457	1,096,707,457	-
Amounts Held In Custody for Others	-	16,725,160	16,725,160	-
Unearned Revenue	5,637,065	182,393,138	188,030,203	170,026
Financial Derivative Instrument	-	8,984,000	8,984,000	-
Net Pension Liability	272,933,806	92,052,425	364,986,231	112,000
Other Liabilities	-	29,243,022	29,243,022	143,334
Long-Term Liabilities				
Due within one year	22,974,503	374,011,750	396,986,253	17,860,641
Due in more than one year	167,179,343	2,415,399,795	2,582,579,138	279,118,000
Total Liabilities	1,408,384,195	8,720,938,381	5,981,524,202	301,185,870
DEFERRED INFLOWS OF RESOURCES				
Grant Received Prior to Time Requirements	-	84,598	84,598	-
Increase in Fair Value of Hedging Derivatives	-	1,411,163	1,411,163	-
Derived from Pensions	62,302,337	18,282,217	80,584,554	27,000
Total Deferred Inflows of Resources	62,302,337	19,777,978	82,080,315	27,000
NET POSITION				
Net Investment in Capital Assets	3,622,722,021	1,023,384,933	4,646,106,954	26,696
Restricted for:				
General Government	26,775,599	-	26,775,599	-
Education	4,268,053,086	-	4,268,053,086	-
Health and Human Services	19,276,003	-	19,276,003	-
Regulatory Purposes	58,261,353	-	58,261,353	-
Public Safety & Corrections	1,458,991	-	1,458,991	-
Agriculture and Commerce	42,164,684	-	42,164,684	-
Cultural and Natural Resources	676,937,550	-	676,937,550	-
Transportation	1,033,317,526	-	1,033,317,526	-
Capital Projects	2,141,000	44,930	2,185,930	2,186,533
Debt Service	14,164,548	158,498,199	172,662,747	120,463,000
Loan Purposes	-	46,124,470	46,124,470	322,531,000
Pledged Assets	-	48,235,000	48,235,000	-
Unemployment Compensation	-	176,760,217	176,760,217	-
Pension Benefits	32,650,195	-	32,650,195	-
Permanent Fund and University System - Nonexpendable	67,050,990	15,249,356	82,300,346	80,000
University System - Expendable	-	35,406,851	35,406,851	-
Other	12,422,007	4,693,083	17,115,090	-
Unrestricted	6,812,545,677	1,439,859,232	8,252,404,909	33,340,405
Total Net Position	\$ 16,689,941,230	\$ 2,948,256,271	\$ 19,638,197,501	\$ 478,627,634

The Accompanying Notes are an Integral Part of the Financial Statements

# STATE OF NORTH DAKOTA

## Statement of Activities

For the Fiscal Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General Government	\$ 1,171,207,640	\$ 37,107,914	\$ 14,816,984	\$ -
Education	1,415,255,393	6,806,001	402,340,363	-
Health and Human Services	1,706,333,172	64,507,593	1,040,437,071	315,747
Regulatory	66,743,817	25,862,700	5,305,855	-
Public Safety and Corrections	249,290,966	30,428,332	81,591,890	-
Agriculture and Commerce	106,455,113	31,198,196	29,682,886	-
Natural Resources	236,079,321	33,895,342	20,678,359	-
Transportation	603,812,692	132,160,558	293,944,460	1,072,286
Interest on Long Term Debt	7,154,580	-	-	-
Total Governmental Activities	5,562,332,694	361,966,636	1,888,797,868	1,388,033
Business-Type Activities:				
Bank of North Dakota	71,053,171	175,117,000	15,908,000	-
Housing Finance	37,510,475	34,386,013	11,718,000	-
Loan Programs	11,366,158	10,365,115	226,671	-
State Lottery	20,359,788	27,212,010	2,371	-
Unemployment Compensation	144,920,974	127,328,232	4,213,870	-
University System	1,170,159,474	517,570,660	217,787,903	36,923,275
Workforce Safety & Insurance	377,926,363	339,806,696	60,172,170	-
Other	549,799,020	554,752,747	2,107,246	-
Total Business-Type Activities	2,383,095,423	1,786,538,473	312,136,231	36,923,275
Total Primary Government	\$ 7,945,428,117	\$ 2,148,505,109	\$ 2,200,934,099	\$ 38,311,308
Component Units (GASB Based):	\$ 28,987,344	\$ 14,977,904	\$ 36,947,712	\$ -

### General Revenues:

#### Taxes:

- Individual and Corporate Income Taxes
- Sales and Use Taxes
- Oil, Gas and Coal Taxes
- Business and Other Taxes
- Unrestricted Investment Earnings
- Tobacco Settlement
- Miscellaneous
- Payment from State of North Dakota
- Contributions to Perm Fund Principal
- Special Item - Loss on Discontinuance of Computer Project
- Transfers
- Total General Revenues and Transfers
- Change in Net Assets
- Net Position, Beginning of Year, as Restated
- Net Position, Ending

Net (Expense) Revenue and Change in Net Position			
Primary Government			Component
Governmental	Business-Type	Total	Units
Activities	Activities		(GASB Based)
\$ (1,119,282,742)		\$ (1,119,282,742)	
(1,006,109,029)		(1,006,109,029)	
(601,072,761)		(601,072,761)	
(35,575,262)		(35,575,262)	
(137,270,744)		(137,270,744)	
(45,574,031)		(45,574,031)	
(181,505,620)		(181,505,620)	
(176,635,388)		(176,635,388)	
(7,154,580)		(7,154,580)	
<u>(3,310,180,157)</u>		<u>(3,310,180,157)</u>	
	119,971,829	119,971,829	
	8,593,538	8,593,538	
	(774,372)	(774,372)	
	6,854,593	6,854,593	
	(13,378,872)	(13,378,872)	
	(397,877,636)	(397,877,636)	
	22,052,503	22,052,503	
	7,060,973	7,060,973	
<u>-</u>	<u>(247,497,444)</u>	<u>(247,497,444)</u>	
<u>(3,310,180,157)</u>	<u>(247,497,444)</u>	<u>(3,557,677,601)</u>	
			\$ 22,938,272
732,975,064	-	732,975,064	-
1,804,380,378	-	1,804,380,378	-
2,734,507,198	-	2,734,507,198	-
92,936,834	-	92,936,834	-
117,643,232	-	117,643,232	-
21,789,723	-	21,789,723	-
161,725,312	9,562,071	171,287,383	-
-	-	-	-
16,382,336	-	16,382,336	-
-	-	-	-
<u>(542,713,254)</u>	<u>535,979,992</u>	<u>(6,733,262)</u>	<u>-</u>
<u>5,139,626,823</u>	<u>545,542,063</u>	<u>5,685,168,886</u>	<u>-</u>
1,829,446,666	298,044,619	2,127,491,285	22,938,272
14,860,494,564	2,650,211,652	17,510,706,216	455,689,362
<u>\$ 16,689,941,230</u>	<u>\$ 2,948,256,271</u>	<u>\$ 19,638,197,501</u>	<u>\$ 478,627,634</u>

# STATE OF NORTH DAKOTA

## Statement of Net Assets Component Units - University System Foundation FASB Basis June 30, 2015

	Major University System Foundation	Nonmajor University System Foundation
<b>ASSETS</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 54,679,267	\$ 9,937,004
Receivable from Primary Institution - Current	3,238,564	84,514
Investments	17,932,565	10,473,856
Accounts Receivable - Net	3,416,852	51,805
Unconditional Promises to Give - Net	16,994,612	440,744
Inventory	907,641	
Other Assets - Current	9,909,681	505,062
Total Current Assets	107,079,182	21,492,985
Noncurrent Assets:		
Restricted Cash and Cash Equivalents	10,428,268	-
Investments:		
Investments, Net of Current Portion	341,890,854	28,197,974
Investments, Restricted	3,568,941	-
Investments, Temporarily Restricted	-	-
Investments, Permanently Restricted	-	-
Investments Held In Trust	33,820,509	65,999
Beneficial Interest In Trust	13,620,348	-
Charitable Gift Annuity Investments	4,592,718	-
Charitable Remainder Trust Account Investments	20,837,786	-
Endowment Investments	-	-
Real Estate and Equipment Held for Investment - Net	20,915,056	5,214,669
Other Long-Term Investments	7,710,458	1,193,933
Contracts for Deed & Notes Receivable, Net of Current Portion	1,027,011	-
Long-Term Pledges Receivable	49,630,232	800,138
Receivable from Primary Institution - Noncurrent	44,268,131	520,962
Notes Receivable - Net	6,631,373	300,525
Other Assets - Noncurrent	1,297,154	285,114
Capital Assets - Net	143,209,991	12,853,585
Total Noncurrent Assets	703,448,830	49,432,899
Total Assets	810,528,012	70,925,884
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	1,316,945	178,114
Payable to University	14,075,175	1,074,731
Accrued Payroll	807,223	10,751
Gift Annuities & Life Income Agreements - Current	3,225,925	46,743
Unearned Revenue - Current	6,170,211	540,000
Other Liabilities - Current	600,699	2,334
Long-Term Liabilities - Current	5,423,622	415,050
Total Current Liabilities	31,619,800	2,267,723
Noncurrent Liabilities:		
Deposits	27,573,501	-
Gift Annuities & Life Income Agreements - Noncurrent	19,795,955	352,080
Obligations Under Split-Interest Agreement	6,048,817	-
Other Liabilities - Noncurrent	238,730	-
Long-Term Liabilities - Noncurrent	65,990,169	10,764,108
Total Noncurrent Liabilities	119,647,172	11,116,188
Total Liabilities	151,266,972	13,383,911
<b>Net Assets</b>		
Temporarily Restricted	116,560,569	16,423,297
Permanently Restricted	337,302,566	34,877,794
Net Investment in Property & Equipment	67,546,693	-
Unrestricted	137,851,212	6,240,882
Total Net Asset	659,261,040	57,541,973
Total Liabilities and Net Assets	\$ 810,528,012	\$ 70,925,884

# STATE OF NORTH DAKOTA

## Statement of Revenues, Expenses and Changes in Fund Net Assets Component Units - University System Foundation FASB Basis

For the Fiscal Year Ended June 30, 2015

	Major University System Foundation	Nonmajor University System Foundation
<b>Support and Revenue</b>		
Gifts and Contributions	\$ 84,701,900	\$ 4,852,349
Investment Income	8,653,767	1,285,542
Net Realized and Unrealized Gains (Losses) on Investment Securities	2,260,680	(47,806)
Program and Event Income	48,279,485	6,832,734
Other Income	6,880,084	8,284,220
Total Support and Revenue	<u>150,775,916</u>	<u>21,207,039</u>
<b>EXPENSES</b>		
Program Services	\$ 47,842,236	\$ 6,013,285
Supporting Services	52,259,358	11,130,303
Fund Raising Expense	2,641,379	-
Total Expenses	<u>102,742,973</u>	<u>17,143,588</u>
Change in Split-Interest Agreement	<u>\$ (3,389,211)</u>	<u>\$ -</u>
Changes in Net Assets	\$ 44,643,732	\$ 4,063,451
Total Net Assets - Beginning of Year , as restated	<u>\$ 614,617,308</u>	<u>\$ 53,478,522</u>
Total Net Assets - End of Year	<u>\$ 659,261,040</u>	<u>\$ 57,541,973</u>

The Accompanying Notes are an Integral Part of the Financial Statements

# STATE OF NORTH DAKOTA

## Balance Sheet Governmental Funds June 30, 2015

	Special Revenue			Nonmajor Governmental Funds	Total
	General	Federal	State		
<b>ASSETS</b>					
Cash Deposits at the Bank of ND	\$ 1,777,295,727	\$ -	\$ 2,964,397,077	\$ 2,621,636	\$ 4,744,314,440
Cash and Cash Equivalents	29,738,782	-	27,228,236	45	56,967,063
Investments at the Bank of ND	93,980,286	1,000,000	601,873,167	14,027,875	710,881,328
Investments	3,779,006,214	-	3,772,863,167	23,463,812	7,575,333,193
Accounts Receivable - Net	8,564,537	17,922,567	76,756,678	-	103,243,782
Taxes Receivable - Net	419,202,922	-	126,827,103	250,291	546,280,316
Interest Receivable - Net	13,520,812	-	10,713,646	134,134	24,368,592
Intergovernmental Receivable - Net	-	198,339,237	7,230,521	-	205,569,758
Due from Other Funds	119,580,324	15,178,740	67,907,863	5,000	202,671,927
Prepaid Items	2,643,490	1,713,376	4,828,199	-	9,185,065
Inventory	2,859,444	10,486,136	9,451,911	-	22,797,491
Loans and Notes Receivable - Net	25,027,587	-	250,682,350	49,808,124	325,518,061
Total Assets	6,271,420,125	244,640,056	7,920,759,918	90,310,917	14,527,131,016
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Total Deferred Outflows of Resources	-	-	-	-	-
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 6,271,420,125</b>	<b>\$ 244,640,056</b>	<b>\$ 7,920,759,918</b>	<b>\$ 90,310,917</b>	<b>\$ 14,527,131,016</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 84,102,275	\$ 107,093,387	\$ 133,888,577	\$ 42,074	\$ 325,126,313
Accrued Payroll	32,507,601	7,307,805	12,510,846	-	52,326,252
Securities Lending Collateral	-	-	178,016,972	6,240,557	184,257,529
Interest Payable	-	-	492,409	-	492,409
Intergovernmental Payable	3,760,406	25,059,454	164,421,634	-	193,241,494
Tax Refunds Payable	136,548,115	-	11,943,798	-	148,491,913
Due to Other Funds	58,150,045	77,811,147	39,151,701	351,398	175,464,291
Contracts Payable	676,759	5,881,084	19,728,393	-	26,286,236
Unearned Revenues	-	5,502,703	60,002	-	5,562,705
Total Liabilities	315,745,201	228,655,580	560,214,332	6,634,029	1,111,249,142
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue	95,416,701	3,487,697	17,664,994	-	116,569,392
Total Deferred Inflows of Resources	95,416,701	3,487,697	17,664,994	-	116,569,392
<b>Fund Balances:</b>					
<b>Nonspendable</b>					
Inventory	2,803,312	10,486,136	9,508,043	-	22,797,491
Long - Term Receivables	25,158,896	-	86,390,080	-	111,548,976
Prepaid Expenditures	2,643,490	1,713,376	4,828,199	-	9,185,065
Legal Requirements	3,435,327,785	-	-	-	3,435,327,785
Permanent Trust Fund	-	-	-	67,050,990	67,050,990
Restricted	-	297,267	6,020,505,583	16,305,548	6,037,108,398
Committed	1,332,805,458	-	1,230,126,212	320,350	2,563,252,020
Unassigned	1,061,519,282	-	(8,477,525)	-	1,053,041,757
Total Fund Balances	5,860,258,223	12,496,779	7,342,880,592	83,676,888	13,299,312,482
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 6,271,420,125</b>	<b>\$ 244,640,056</b>	<b>\$ 7,920,759,918</b>	<b>\$ 90,310,917</b>	<b>\$ 14,527,131,016</b>



# STATE OF NORTH DAKOTA

## Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position June 30, 2015

**Total Fund Balances-Governmental Funds** \$ 13,299,312,482

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of assets is \$6,731,832,119 and the accumulated depreciation is \$3,114,831,782 3,617,000,337

Other assets not available in the current period and therefore are not reported in the governmental funds:

Net Pension Asset 32,650,195

Deferred outflows of resources are not reported in the governmental funds:

Amount on refunding of bonded debt 1,599,000  
Related to pensions 38,274,669  
Total Deferred Outflows 39,873,669

Some of the state's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are unavailable in the funds. 116,495,031

Internal service funds are used to charge the costs of certain activities to individual funds. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the statement of net position. 84,062,624

Deferred inflows of resources are not reported in the governmental funds:  
Related to pensions (59,467,529)

Long-term liabilities and related accrued interest are not due and payable in the current period and therefore are not reported as liabilities in the funds. Those liabilities consist of:

Bonds Payable (129,344,793)  
Notes Payable (4,411,692)  
Accrued Interest on Long-Term Liabilities (1,393,520)  
Compensated Absences (43,628,890)  
Capital Leases (566,290)  
Other Postemployment Benefit Obligation, net (1,066,404)  
Net Pension Liability (258,416,606)  
Claims and Judgments (1,157,384)  
Total Long-Term Liabilities (439,985,579)

**Net Position of Governmental Activities** \$ 16,689,941,230

# STATE OF NORTH DAKOTA

## Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Fiscal Year Ended June 30, 2015

	Special Revenue			Nonmajor Governmental Funds	Total
	General	Federal	State		
<b>REVENUES</b>					
Individual and Corporate Income Taxes	\$ 712,659,258	\$ -	\$ 1,997,832	\$ -	\$ 714,657,090
Sales and Use Taxes	1,424,335,795	-	366,310,920	-	1,790,646,715
Oil, Gas, and Coal Taxes	960,443,586	-	1,770,922,298	3,241,152	2,734,607,036
Business and Other Taxes	59,016,278	-	34,429,413	-	93,445,691
Licenses, Permits and Fees	18,826,307	-	196,879,900	-	215,706,207
Intergovernmental	1,062,546	1,596,314,838	24,929,464	4,303,914	1,626,610,762
Sales and Services	3,178,279	1,639,419	76,837,582	333,700	81,988,980
Royalties and Rents	23,404,842	6,976	374,637,098	-	398,048,916
Fines and Forfeits	5,688,772	-	20,478,901	-	26,167,673
Interest and Investment Income	115,888,359	1,951	32,061,012	1,102,494	149,053,816
Tobacco Settlement	-	-	30,512,364	-	30,512,364
Commodity Assessments	-	-	23,662,092	-	23,662,092
Miscellaneous	1,172,316	3,614,627	12,389,634	-	17,176,577
Total Revenues	3,325,676,338	1,601,577,811	2,966,048,510	8,981,260	7,902,283,919
<b>EXPENDITURES</b>					
Current:					
General Government	238,246,097	2,904,831	448,804,507	79,261	690,034,696
Education	894,242,490	138,313,533	83,704,470	-	1,116,260,493
Health and Human Services	627,143,710	996,137,461	84,421,226	-	1,707,702,397
Regulatory	19,278,611	5,072,173	34,274,822	-	58,625,606
Public Safety and Corrections	138,595,109	77,977,695	20,969,934	-	237,542,738
Agriculture and Commerce	28,455,644	29,014,337	48,834,761	-	106,304,742
Natural Resources	13,446,718	16,379,257	155,886,142	-	185,712,117
Transportation	92,381,210	164,494,109	293,507,342	-	550,382,661
Intergovernmental - Revenue Sharing	2,674,447	-	808,718,299	-	811,392,746
Capital Outlay	89,364,521	142,727,626	416,490,106	-	648,582,253
Debt Service:					
Principal	438,581	60,589	256,904	34,988,592	35,744,666
Interest and Other Charges	146,031	6,487	77,397	7,685,751	7,915,666
Total Expenditures	2,144,413,169	1,573,088,098	2,395,945,910	42,753,604	6,156,200,781
Revenues over (under) Expenditures	1,181,263,169	28,489,713	570,102,600	(33,772,344)	1,746,083,138
<b>OTHER FINANCING SOURCES (USES)</b>					
Capital Lease Acquisitions	158,993	73,625	11,875	-	244,493
Sale of Capital Assets	-	-	49,910	-	49,910
Transfers In	555,867,066	146,807	591,533,343	28,652,831	1,176,200,047
Transfers Out	(1,112,546,051)	(21,819,731)	(581,424,395)	(3,123,125)	(1,718,913,302)
Total Other Financing Sources (Uses)	(556,519,992)	(21,599,299)	10,170,733	25,529,706	(542,418,852)
Net Change in Fund Balances	624,743,177	6,890,414	580,273,333	(8,242,638)	1,203,664,286
Fund Balances - Beginning of Year, as Adjusted	5,235,515,046	5,606,365	6,762,607,259	91,919,526	12,095,648,196
Fund Balances - End of Year	\$ 5,860,258,223	\$ 12,496,779	\$ 7,342,880,592	\$ 83,676,888	\$ 13,299,312,482

# STATE OF NORTH DAKOTA

## Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Fiscal Year Ended June 30, 2015

Net Change in Fund Balances-Total Governmental Funds \$ 1,203,664,286

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	648,604,146	
Depreciation expense	(95,536,991)	
Excess of capital outlay over depreciation expense		553,067,155

In the statement of activities, only the gain(loss) on the sale of assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the book value of the assets sold. (4,559,550)

Donations of capital assets increase net position in the statement of activities but do not appear in the governmental funds because they are not financial resources. 497,189

Some of the assets acquired this year were financed through capital leases. The amount financed is reported in the governmental funds as a source of financing. However, capital leases are reported as long-term liabilities in the statement of net position. (251,880)

Based on receipt dates, some revenues are not considered "available" revenues and are unavailable in the governmental funds. Unavailable revenues increased/decreased by this amount this year. 29,253,677

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of internal service funds is reported with governmental activities 2,569,083

The pension assets resulting from contributions in excess of annual required contribution are not financial resources and, therefore, are not reported in the funds. 8,324,039

Deferred pension outflows of resources do not provide current financial resources and are not reported as revenues in the funds 11,738,622

Deferred pension inflows are not considered current cash expenses and are not reported as an expenditure in the funds (59,468,421)

The net pension liability relating to retirement plans 48,081,253

Repayment of long-term debt is reported as an expenditure in governmental funds but the repayment reduces long-term liabilities in the statement of net position. In the current year, these amounts consist of:

Bond principal retirement	33,685,485	
Amount deferred on refunding	1,599,000	
Note payments	568,891	
Capital lease payments	302,786	
Total long-term debt repayment		36,156,162

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. This adjustment combines the net changes of the following:

Accrued Interest	693,502	
Compensated Absences	(378,124)	
Other Postemployment Benefit Obligation Costs, net	(158,932)	
Claims and Judgments	218,605	
Total additional expenditures		375,051

Change in Net Position of Governmental Activities \$ 1,829,446,666

# STATE OF NORTH DAKOTA

## Statement of Net Position Proprietary Funds June 30, 2015

	Business-Type Activities - Enterprise Funds					Governmental Activities	
	Bank of North Dakota	Housing Finance	University System	Workforce Safety and Insurance	Other Enterprise Funds	Total	Internal Service Funds
<b>ASSETS</b>							
Current Assets:							
Cash Deposits at the Bank of ND	\$ 3,232,000	\$ 132,014,117	\$ 2,448,255	\$ 106,854,049	\$ 244,548,421	\$ 8,634,502	
Cash and Cash Equivalents	-	13,323,821	-	162,360,426	175,684,247	5,466	
Investments at the Bank of ND	-	90,995,410	-	35,863,000	126,858,410	-	
Investments	-	323,085	1,753,102,799	22,671,120	1,776,097,004	12,500,598	
Accounts Receivable - Net	413,000	27,065,540	52,043,695	71,163,783	150,686,018	187,405	
Interest Receivable - Net	136,000	-	9,591,339	1,626,342	11,353,681	48,484	
Intergovernmental Receivable - Net	170,000	27,146,347	-	8,491,770	35,808,117	872,456	
Due from Other Funds	21,000	41,767,942	13	1,386,864	43,175,819	8,944,385	
Due from Fiduciary Funds	-	-	-	19,029	19,029	-	
Due from Component Units	-	11,526,981	-	-	11,526,981	-	
Prepaid Items	38,000	-	536,921	3,022,503	3,597,424	1,697,590	
Inventory	-	8,100,450	-	31,043,714	39,144,164	93,436	
Loans and Notes Receivable - Net	-	7,409,927	-	9,049,881	16,459,808	-	
Other Assets	461,000	3,128,228	-	1,424,893	5,014,121	-	
Restricted Cash at the Bank of ND	13,788,000	-	-	4,175,774	17,963,774	-	
Restricted Cash and Cash Equivalents	127,782,000	-	-	-	127,782,000	-	
Restricted Investments at the Bank of ND	-	-	-	4,500,000	4,500,000	-	
Restricted Interest Receivable - Net	2,482,000	-	-	-	2,482,000	-	
Restricted Loans Receivable - Net	16,043,000	-	-	-	16,043,000	-	
Total Current Assets	164,566,000	362,801,848	1,817,723,022	463,653,148	2,808,744,018	32,984,322	
Noncurrent Assets:							
Restricted Cash at the Bank of ND	-	14,339,186	-	-	14,339,186	-	
Restricted Cash and Cash Equivalents	-	2,453,206	-	-	2,453,206	-	
Restricted Investments at the Bank of ND	-	5,319,810	-	-	5,319,810	-	
Restricted Investments	14,773,000	26,850,403	-	-	41,623,403	-	
Investments at the Bank of ND	-	89,681,000	-	-	89,681,000	-	
Investments	-	11,952,153	-	12,450,000	24,402,153	-	
Due from Component Units	-	331,235	-	-	331,235	-	
Loans and Notes Receivable - Net	-	26,381,519	-	83,601,794	109,983,313	-	
Restricted Loans Receivable - Net	645,512,000	-	-	1,000,000	646,512,000	-	
Unamortized Bond Issuance Costs	-	327,865	-	-	327,865	-	
Other Noncurrent Assets	2,705,000	672,819	-	5,330,828	8,708,647	-	
Capital Assets:							
Nondepreciable	-	232,208,256	901,974	14,649,087	247,759,317	719,809	
Depreciable, Net	-	986,037,371	9,453,833	66,566,196	1,062,057,400	98,166,878	
Total Noncurrent Assets	662,990,000	1,396,554,823	10,355,807	183,597,905	2,253,498,535	98,886,687	
Bank Related Assets:							
Cash and Cash Equivalents	\$ 405,090,000				\$ 405,090,000		
Investments	2,933,570,000				2,933,570,000		
Interest Receivable - Net	41,748,000				41,748,000		
Due from Other Funds	63,805,000				63,805,000		
Due from Component Units	6,000				6,000		
Loans and Notes Receivable - Net	3,745,138,000				3,745,138,000		
Other Assets	3,692,000				3,692,000		
Capital Assets:							
Nondepreciable	2,449,000				2,449,000		
Depreciable, Net	9,229,000				9,229,000		
Total Bank Related Assets	7,204,727,000				7,204,727,000		
Total Assets	7,204,727,000	827,556,000	1,759,356,671	1,828,078,829	647,251,053	12,266,969,553	131,871,009
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
Deferred Loss on Bond Refunding	-	-	2,000,923	-	-	2,000,923	-
Financial Derivative Instrument	4,443,000	8,985,000	-	-	-	13,428,000	-
Derived from Pensions	838,000	305,000	13,833,119	822,588	966,867	16,765,574	1,929,503
Total Deferred Outflows of Resources	5,281,000	9,290,000	15,834,042	822,588	966,867	32,194,497	1,929,503

# STATE OF NORTH DAKOTA

## Statement of Net Position Proprietary Funds June 30, 2015

	Business-Type Activities - Enterprise Funds					Governmental Activities	
	Bank of North Dakota	Housing Finance	University System	Workforce Safety and Insurance	Other Enterprise Funds	Total	Internal Service Funds
<b>LIABILITIES</b>							
Current Liabilities:							
Accounts Payable		833,000	29,614,352	3,966,827	22,906,855	57,321,034	5,623,725
Accrued Payroll		-	36,827,829	-	658,140	37,485,969	2,412,583
Securities Lending Collateral		-	-	1,318,673	-	1,318,673	-
Interest Payable		9,364,000	1,132,697	-	17,998	10,514,695	9,336
Intergovernmental Payable		28,000	365,625	-	8,573,672	8,967,297	-
Due to Other Funds		10,119,000	2,716,190	202,604	113,737,974	126,775,768	3,205,855
Due to Fiduciary Funds		-	-	-	361,439	361,439	-
Due to Component Units		-	3,543,964	-	-	3,543,964	-
Contracts Payable		-	14,495,228	-	65,484	14,560,712	-
Other Deposits		-	7,314,290	-	-	7,314,290	-
Amounts Held in Custody for Others		11,266,000	-	-	5,459,160	16,725,160	-
Claims/Judgments Payable		-	-	131,600,880	566,710	132,167,590	1,594,625
Dividends Payable		-	-	103,055,204	-	103,055,204	-
Compensated Absences Payable		184,000	2,010,601	1,241,855	133,186	3,569,642	162,455
Notes Payable		-	917,027	-	-	917,027	-
Capital Leases Payable		-	2,812,162	-	-	2,812,162	16,287
Bonds Payable		14,960,000	7,821,500	-	-	22,781,500	-
Unearned Revenue		59,000	21,296,562	160,329,226	708,350	182,393,138	-
Total Current Liabilities		46,813,000	130,868,027	401,715,269	153,188,968	732,585,264	13,024,866
Noncurrent Liabilities:							
Intergovernmental Payable		86,000	3,976,372	-	5,096,223	9,158,595	-
Due to Component Units		-	44,823,174	-	-	44,823,174	-
Claims/Judgments Payable		-	-	965,073,120	-	965,073,120	6,102,255
Compensated Absences Payable		106,000	29,851,124	202,162	1,244,430	31,403,716	2,085,245
Notes Payable		-	19,937,998	-	-	19,937,998	-
Capital Leases Payable		-	15,412,866	-	-	15,412,866	17,526
Bonds Payable		622,195,000	213,814,500	-	1,000,000	837,009,500	-
Financial Derivative Instrument		8,984,000	-	-	-	8,984,000	-
Net Pension Liability		1,604,000	71,311,046	5,953,413	6,938,966	85,807,425	14,517,200
Other Noncurrent Liabilities		4,435,000	6,502,022	-	12,061,000	22,998,022	-
Total Noncurrent Liabilities		637,410,000	405,629,102	971,228,695	26,340,619	2,040,608,416	22,722,226
Bank Related Liabilities:							
Interest Payable	174,000					174,000	
Due to Other Funds	1,171,000					1,171,000	
Due to Component Units	552,000					552,000	
Federal Funds Purchased	178,455,000					178,455,000	
Deposits Held for Other Funds	4,722,668,478					4,722,668,478	
Net Pension Liability	6,245,000					6,245,000	
Other Deposits	1,007,942,522					1,007,942,522	
Other Liabilities	6,245,000					6,245,000	
Long Term Liabilities:							
Due within one year	108,236,000					108,236,000	
Due in more than one year	537,404,000					537,404,000	
Total Bank Related Liabilities	6,569,093,000					6,569,093,000	
Total Liabilities	6,569,093,000	684,223,000	536,497,129	1,372,943,964	179,529,587	9,342,286,680	35,747,092
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Grants Received Prior to Time Requirements	-	-	84,598	-	-	84,598	-
Increase in Fair Value of Hedging Derivatives	-	-	-	-	1,411,163	1,411,163	-
Derived from Pensions	1,524,000	313,000	13,915,594	1,174,902	1,354,721	18,282,217	2,833,916
Total Deferred Inflows of Resources	1,524,000	313,000	14,000,192	1,174,902	2,765,884	19,777,978	2,833,916
<b>NET POSITION</b>							
Net Investment in Capital Assets	11,678,000	-	920,135,843	10,355,807	81,215,283	1,023,384,933	98,852,873
Restricted for:							
Capital Projects	-	-	44,930	-	-	44,930	-
Debt Service	-	144,952,000	13,112,199	-	434,000	158,498,199	-
Loan Purposes	-	-	45,537,778	-	586,692	46,124,470	-
Pledged Assets	48,235,000	-	-	-	-	48,235,000	-
Unemployment Compensation	-	-	-	-	176,760,217	176,760,217	-
University System-Nonexpendable	-	-	15,249,356	-	-	15,249,356	-
University System-Expendable	-	-	35,406,851	-	-	35,406,851	-
Other	-	-	562,790	-	4,130,293	4,693,083	-
Unrestricted	579,478,000	7,358,000	194,643,645	444,426,744	202,795,964	1,428,702,353	(3,633,370)
Total Net Position	\$ 639,391,000	\$ 152,310,000	\$ 1,224,693,392	\$ 454,782,551	\$ 465,922,449	\$ 2,937,099,392	\$ 95,219,503

### Reconciliation of the Proprietary Funds Statement of Net Position to the Statement of Net Position June 30, 2015

Total Net Position - Enterprise Funds	2,937,099,392
Amounts reported for business-type activities in the statement of net position are different because:	
Prior year net assets restatement and reduction of current year expenses	
based on the allocation of internal service fund's net income	11,156,879
Net Position of Business-Type Activities	2,948,256,271

# STATE OF NORTH DAKOTA

## Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds For the Fiscal Year Ended June 30, 2015

	Business-Type Activities - Enterprise Funds						Governmental Activities
	Bank of North Dakota	Housing Finance	University System	Workforce Safety and Insurance	Other Enterprise Funds	Total	Internal Service Funds
<b>OPERATING REVENUES</b>							
Sales and Services	\$ 7,555,000	\$ 3,523,013	\$ 102,262,141	\$ 335,179,055	\$ 717,632,356	\$ 1,166,151,565	\$ 97,169,565
Auxiliary Sales Pledges for Bonds	-	-	105,361,774	-	-	105,361,774	-
Tuition and Fees	-	-	303,762,531	-	-	303,762,531	-
Grants and Contributions	-	-	136,648,191	-	-	136,648,191	-
Royalties and Rents	-	-	-	753,022	176,937	929,959	-
Fines and Forfeits	-	-	-	3,874,619	-	3,874,619	-
Interest and Investment Income	183,470,000	30,863,000	-	-	1,680,634	216,013,634	-
Miscellaneous	-	-	2,300,109	-	9,658,088	11,958,197	53,118
Total Operating Revenues	191,025,000	34,386,013	650,334,746	339,806,696	729,148,015	1,944,700,470	97,222,683
<b>OPERATING EXPENSES</b>							
Cost of Sales and Services	-	-	22,696,419	-	210,764,145	233,460,564	1,153,525
Salaries and Benefits	13,159,000	3,249,000	754,027,176	22,128,779	20,098,126	812,662,081	28,477,648
Operating	25,635,000	4,436,000	280,618,853	4,986,155	342,148,832	657,824,840	47,159,045
Claims	-	-	-	248,084,909	146,844,303	394,929,212	4,098,889
Scholarships and Fellowships	-	-	33,266,005	-	-	33,266,005	-
Interest	31,455,000	17,850,000	-	-	9,466	49,314,466	-
Depreciation	771,000	1,000	60,927,835	372,402	5,614,985	67,687,222	14,158,712
Miscellaneous	-	-	7,336,736	-	4,000	7,340,736	-
Total Operating Expenses	71,020,000	25,536,000	1,158,873,024	275,572,245	725,483,857	2,256,485,126	95,047,819
Operating Income (Loss)	120,005,000	8,850,013	(508,538,278)	64,234,451	3,664,158	(311,784,656)	2,174,864
<b>NONOPERATING REVENUES (EXPENSES)</b>							
Grants and Contracts	-	11,566,000	43,405,272	-	1,262,920	56,234,192	-
Gifts	-	-	32,687,424	-	-	32,687,424	-
Interest and Investment Income	-	152,000	5,047,016	60,172,170	5,286,783	70,657,969	532,963
Interest Expense	-	-	(13,475,759)	(4,409,843)	(238,361)	(18,123,963)	(25,816)
Dividends Expense	-	-	-	(97,925,896)	-	(97,925,896)	-
Gain (Loss) on Sale of Capital Assets	-	-	1,681,218	-	(1,138)	1,680,080	(511,836)
Tax Revenue	-	-	3,884,105	-	-	3,884,105	-
Grant Expense	-	(11,974,000)	-	-	-	(11,974,000)	-
Other	-	2,000	-	-	(657,780)	(655,780)	5,947
Total Nonoperating Revenues (Expenses)	-	(254,000)	73,229,276	(42,163,569)	5,652,424	36,464,131	1,258
Income (Loss) Before Contributions and Transfers	120,005,000	8,596,013	(435,309,002)	22,070,882	9,316,582	(275,320,525)	2,176,122
Capital Grants and Contributions	-	-	36,923,275	-	-	36,923,275	854,829
Transfers In	-	1,943,987	567,021,041	-	5,760,185	574,725,213	-
Transfer Out	(17,388,000)	(30,000)	(5,326,551)	-	(16,000,670)	(38,745,221)	-
Changes in Net Position	102,617,000	10,510,000	163,308,763	22,070,882	(923,903)	297,582,742	3,030,951
Total Net Position - Beginning of Year, as Adjusted	536,774,000	141,800,000	1,061,384,629	432,711,669	466,846,352	2,639,516,650	92,188,552
Total Net Position - End of Year	\$ 639,391,000	\$ 152,310,000	\$ 1,224,693,392	\$ 454,782,551	\$ 465,922,449	\$ 2,937,099,392	\$ 95,219,503

### Reconciliation of Statement of Revenues, Expenses and Changes in Fund Net Position of Proprietary Funds to the Statement of Activities For the Fiscal Year Ended June 30, 2015

Net Change in Net Position-Total Enterprise Funds \$ 297,582,742

Amounts reported for business-type activities in the statement of net assets are different because:

Expenses were reduced based on the allocation of internal service fund's net income 461,877

Change in Net Position of Business-Type Activities \$ 298,044,619

The Accompanying Notes are an Integral Part of the Financial Statements





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# STATE OF NORTH DAKOTA

## Statement of Cash Flows

### Proprietary Funds

For the Fiscal Year Ended June 30, 2015

	Business-Type Activities - Enterprise Funds		
	Bank of North Dakota	Housing Finance	University System
<b>Cash Flows from Operating Activities:</b>			
Receipts from Customers and Users	\$ 9,639,000	\$ 149,482,013	\$ 213,608,710
Receipts from Tuition and Fees	-	-	305,613,819
Interest Income on Loans	-	-	-
Receipts from Loan Principal Repayments	-	-	8,178,403
Receipts from Federal and Local Agencies	-	81,000	-
Receipts from Other Funds	-	-	-
Receipts from Grants and Contracts	-	-	141,338,398
Receipts from Others	-	-	-
Payments for Loan Funds	-	-	(6,392,469)
Payments to Other Funds	-	(238,000)	-
Payments for Scholarships and Fellowships	-	-	(33,029,080)
Payments to Suppliers	(18,395,000)	(151,786,000)	(310,848,265)
Payments to Employees	(13,732,000)	(3,246,000)	(751,977,988)
Claim Payments	-	-	-
Payments to Others	-	(579,000)	(4,243,888)
Other	-	-	-
<b>Net Cash Provided by (Used for) Operating Activities</b>	<b>(22,488,000)</b>	<b>(6,285,987)</b>	<b>(437,752,360)</b>
<b>Cash Flows from Noncapital Financing Activities</b>			
Proceeds from Bonds	-	121,158,000	-
Proceeds from Sale of Notes and Other Borrowings	600,000,000	-	-
Principal Payments - Bonds	-	(136,385,000)	-
Principal Payments - Notes and Other Borrowings	(420,835,000)	-	-
Interest Payments - Bonds	-	(18,303,000)	-
Interest Payments - Notes and Other Borrowings	(24,675,000)	-	-
Tax Collections	-	-	3,884,105
Transfers In	-	1,943,987	26,652,868
Transfers Out	(17,345,000)	(30,000)	(236,925)
Net Decrease in Non-Interest Bearing Deposits	(98,113,000)	-	-
Net Increase in Interest Bearing Deposits	227,597,000	-	-
Payments of Interest on Deposits	(13,230,000)	-	-
Interest Paid on Federal Funds and Reverse Repurchase Agreements	(269,000)	-	-
Net Decrease in Federal Funds and Reverse Repurchase Agreements	(66,655,000)	-	-
Advances Made	-	-	-
Collection of Advances Made	6,783,000	-	-
Loan Proceeds from Due To Other Funds	-	62,299,000	173,330,485
Principal Payments on Due To Other Funds	-	(52,200,000)	(173,180,107)
Grants and Gifts Received for Other than Capital Purposes	-	11,568,000	66,788,899
State Appropriations	-	-	420,384,373
Agency Fund Cash Decrease	-	-	1,570,675
Grants Given for Other than Capital Purposes	-	(11,974,000)	(3,258,890)
<b>Net Cash Provided by (Used for) Noncapital Financing Activities</b>	<b>193,258,000</b>	<b>(21,923,013)</b>	<b>515,935,383</b>
<b>Cash Flows from Capital and Related Financing Activities</b>			
Acquisition and Construction of Capital Assets	(491,000)	-	(213,295,604)
Proceeds from Sale of Capital Assets	-	-	3,527,149
Payments for Discontinued Operations	-	-	-
Proceeds from Sale of Notes and Other Borrowings	-	-	41,917,087
Principal Payments - Bonds	-	-	-
Principal Payments - Notes and Other Borrowings	-	-	(45,904,456)
Interest Payments - Notes and Other Borrowings	-	-	(13,702,718)
Capital Appropriations	-	-	114,906,894
Payment on Capital Leases	-	-	-
Interest Payments - Capital Leases	-	-	-
Operating Transfers Out to Other Funds	-	-	(5,089,626)
Capital Grants and Gifts Received	-	-	35,511,006
<b>Net Cash Used for Capital and Related Financing Activities</b>	<b>(491,000)</b>	<b>-</b>	<b>(82,130,268)</b>
<b>Cash Flows from Investing Activities</b>			
Proceeds from Sale and Maturities of Investment Securities	926,991,000	500,000	178,154,865
Purchase of Investment Securities	(1,260,483,000)	(3,920,000)	(198,479,990)
Interest and Dividends on Investments	26,720,000	861,000	5,905,132
Proceeds from Sale of Other Real Estate	319,000	-	-
Net Decrease in Loans	(384,886,000)	-	-
Disbursements for Loans and Loan Purchases	-	-	-
Receipt of Loan Principal Repayments	-	-	-
Proceeds from Collection of Loans and Notes Receivable	8,352,000	-	-
Loan Income Received	141,354,000	-	-
<b>Net Cash Provided by (Used for) Investing Activities</b>	<b>(541,633,000)</b>	<b>(2,559,000)</b>	<b>(16,419,993)</b>

The Accompanying Notes are an Integral Part of the Financial Statements



(Continued on Next Page)

Business-Type Activities - Enterprise Funds			Governmental Activities
Workforce Safety and Insurance	Other Enterprise Funds	Total	Internal Service Funds
\$ 243,293,479	\$ 787,184,164	\$ 1,403,207,366	\$ 5,566,797
-	-	305,613,819	-
-	86,971	86,971	-
-	19,469,467	27,647,870	-
-	-	81,000	-
-	-	-	89,027,067
-	-	141,338,398	-
6,923,205	530,844	7,454,049	-
-	(17,938,044)	(24,330,513)	-
(2,870,142)	(615,441)	(3,723,583)	(188,572)
-	-	(33,029,080)	-
-	(620,325,397)	(1,101,354,662)	(45,742,438)
(22,142,738)	(21,720,582)	(812,819,308)	(28,427,521)
(207,935,686)	(125,101,610)	(333,037,296)	(362,728)
(15,325,793)	(537,722)	(20,686,403)	(4,262,714)
-	26,000	26,000	5,947
1,942,325	21,058,650	(443,525,372)	15,615,838
-	-	121,158,000	-
-	16,000,000	616,000,000	-
-	-	(136,385,000)	-
-	(21,021,616)	(441,856,616)	-
-	(9,000)	(18,312,000)	-
-	(302,294)	(24,977,294)	-
-	-	3,884,105	-
-	3,473,000	32,069,855	393,597
-	(17,951,470)	(35,563,395)	(393,597)
-	-	(98,113,000)	-
-	-	227,597,000	-
-	-	(13,230,000)	-
-	-	(269,000)	-
-	-	(66,655,000)	-
-	-	-	(3,000,000)
-	-	6,783,000	-
-	-	235,629,485	-
-	(4,129,715)	(229,509,822)	-
-	1,385,577	79,742,476	-
-	-	420,384,373	-
-	-	1,570,575	-
-	-	(15,232,890)	-
-	(22,555,518)	664,714,852	(3,000,000)
(79,520)	(14,848,005)	(228,714,129)	(23,938,356)
-	-	3,527,149	3,419,215
-	(9,965)	(9,965)	-
-	-	41,917,087	-
-	-	-	-
-	(61,035)	(45,965,491)	-
-	(466)	(13,703,184)	-
-	2,287,185	117,194,079	-
-	-	-	(15,615)
-	-	-	(1,806)
-	-	(5,089,626)	-
-	-	35,511,006	-
(79,520)	(12,632,286)	(95,333,074)	(20,536,562)
23,000,000	51,244,918	1,177,890,783	89,689
(25,497,144)	(41,654,000)	(1,530,034,134)	(239,737)
-	5,466,203	38,952,335	513,801
-	-	319,000	-
-	-	(384,886,000)	-
-	(10,808,951)	(10,808,951)	-
-	766,000	766,000	-
-	4,304,792	12,656,792	-
-	1,117,147	142,471,147	-
(2,497,144)	10,436,109	(552,673,028)	363,753

The Accompanying Notes are an Integral Part of the Financial Statements

# STATE OF NORTH DAKOTA

## Statement of Cash Flows Proprietary Funds (Continued) For the Fiscal Year Ended June 30, 2015

	Business-Type Activities - Enterprise Funds		
	Bank of North Dakota	Housing Finance	University System
<b>Net Change In Cash:</b>			
Net Increase (Decrease) in Cash and Cash Equivalents	(371,354,000)	(30,768,000)	(20,367,238)
Cash and Cash Equivalents at June 30, 2014	776,444,000	175,570,000	182,497,568
Cash and Cash Equivalents at June 30, 2015	<u>\$ 405,090,000</u>	<u>\$ 144,802,000</u>	<u>\$ 162,130,330</u>
<b>Reconciliation:</b>			
Current:			
Cash Deposits at the Bank of North Dakota	\$ -	\$ 3,232,000	\$ 132,014,117
Cash and Cash Equivalents	405,090,000	-	13,323,821
Restricted Cash Deposits at the Bank of North Dakota	-	13,788,000	-
Restricted Cash and Cash Equivalents	-	127,782,000	-
Noncurrent:			
Restricted Cash Deposits At The Bank of North Dakota	-	-	14,339,186
Restricted Cash and Cash Equivalents	-	-	2,453,206
Cash and Cash Equivalents	<u>\$ 405,090,000</u>	<u>\$ 144,802,000</u>	<u>\$ 162,130,330</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</b>			
Operating Income (Loss)	\$ 120,005,000	\$ 8,850,013	\$ (508,538,278)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation	771,000	1,000	60,927,835
Amortization/Accretion	-	(760,000)	-
Reclassification of Interest Revenue/Expense	(136,107,000)	17,839,000	-
Gain on Sale of Student Loans	(99,000)	-	-
Gain on Sale of Real Estate	105,000	-	-
Net Increase in Fair Value of Investments	(15,908,000)	-	-
Interest Received on Program Loans	-	-	-
Dividend Credit Applied to Receivable	-	-	-
Receipt of Loan Principal Repayments	-	-	-
Provision for Losses	8,000,000	-	-
Other	-	-	2,243,336
Deferred Outflows	-	(76,000)	(11,522,510)
Deferred Inflows	-	313,000	-
Change in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	-	(32,214,000)	12,830,102
(Increase) Decrease in Interest Receivable	-	(43,000)	-
(Increase) Decrease in Due From	6,750,000	5,000	-
Increase in Intergovernmental Receivable	-	(25,000)	-
Decrease in Notes Receivable	-	-	2,061,017
(Increase) Decrease in Prepaid Items	-	17,000	-
Increase in Inventories	-	-	175,448
(Increase) Decrease in Other Assets	(854,000)	(1,014,000)	(8,258,262)
Increase (Decrease) in Accounts Payable	-	-	(2,253,963)
Increase in Interest Payable	-	-	-
Increase (Decrease) in Claims/Judgments Payable	-	-	-
Increase (Decrease) in Intergovernmental Payable	-	(32,000)	-
Increase in Accrued Payroll	-	-	2,796,782
Increase (Decrease) in Compensated Absences Payable	-	9,000	219,619
Decrease in Amounts Held for Others	-	1,072,000	-
Decrease in Other Deposits	-	-	(545,203)
Increase (Decrease) in Due To	(3,807,000)	4,000	-
Increase in Unavailable Revenue	-	-	1,556,423
Increase (Decrease) in Net Pension Liability	-	(251,000)	10,555,314
Increase (Decrease) in Other Liabilities	(1,344,000)	19,000	-
Decrease in Dividends Payable	-	-	-
Total Adjustments	<u>(142,493,000)</u>	<u>(15,136,000)</u>	<u>70,785,918</u>
<b>Net Cash Provided by (Used for) Operating Activities</b>	<u>\$ (22,488,000)</u>	<u>\$ (6,285,987)</u>	<u>\$ (437,752,360)</u>
<b>Noncash Transactions:</b>			
Net Change in Fair Value of Investments	\$ 15,908,000	\$ (708,000)	12,670
Transfers from Net Position to Transfers Payable	17,388,000	-	-
Interest on Investments	-	-	-
Assets Acquired Through Capital Lease	-	-	3,404,147
Assets Acquired Through Special Assessments	-	-	89,539
Expenses Paid by Capital Lease	-	-	1,344,419
Value Received on Trade of Capital Asset	-	-	-
Gifts of Capital Assets	-	-	1,025,324
Interest Revenue on Prize Reserves	-	-	-
Total Noncash Transactions	<u>\$ 33,296,000</u>	<u>\$ (708,000)</u>	<u>\$ 5,876,099</u>

The Accompanying Notes are an Integral Part of the Financial Statements

Business-Type Activities - Enterprise Funds			Governmental Activities
Workforce Safety and Insurance	Other Enterprise Funds	Total	Internal Service Funds
(634,339)	(3,693,045)	(426,816,622)	(7,556,971)
3,082,594	277,083,292	1,414,677,454	16,196,939
<u>\$ 2,448,255</u>	<u>\$ 273,390,247</u>	<u>\$ 987,860,832</u>	<u>\$ 8,639,968</u>
\$ 2,448,255	\$ 106,854,047	\$ 244,548,419	\$ 8,634,502
-	162,360,426	580,774,247	5,466
-	4,175,774	17,963,774	-
-	-	127,782,000	-
-	-	14,339,186	-
-	-	2,453,206	-
<u>\$ 2,448,255</u>	<u>\$ 273,390,247</u>	<u>\$ 987,860,832</u>	<u>\$ 8,639,968</u>
\$ 64,234,451	\$ 3,664,158	\$ (311,784,656)	\$ 2,174,865
372,402	5,325,279	67,397,516	14,158,712
-	289,706	(470,294)	-
-	(874,417)	(119,142,417)	-
-	-	(99,000)	-
-	-	105,000	-
-	-	(15,908,000)	-
-	29,000	29,000	-
(97,925,896)	-	(97,925,896)	-
-	4,868,000	4,868,000	-
-	3,172,908	11,172,908	-
-	(3,890)	2,239,446	(14,201)
-	(679,215)	(12,277,725)	(1,779,014)
-	342,246	655,246	2,833,916
2,563,088	6,292,141	(10,528,669)	9,442
-	753	(42,247)	-
-	(1,657)	6,753,343	(1,963,471)
-	(2,004,011)	(2,029,011)	(831,340)
-	658,344	2,719,361	-
(179,412)	(660,873)	(823,285)	(85,570)
-	(1,201,785)	(1,026,337)	(7,195)
-	88,841	(10,037,421)	-
313,470	(1,246,591)	(3,187,084)	3,958,384
-	178,835	178,835	-
43,868,000	(1,339,761)	42,528,239	(303,164)
-	202,427	170,427	(42,056)
-	527,035	3,323,797	53,563
8,211	130,380	367,210	57,129
-	317,209	1,389,209	-
-	-	(545,203)	-
36,933	2,501,826	(1,264,241)	(201,965)
7,375,167	297,111	9,228,701	-
(46,192)	284,248	10,542,370	(2,402,197)
-	(99,597)	(1,424,597)	-
(18,677,897)	-	(18,677,897)	-
(62,292,126)	17,394,492	(131,740,716)	13,440,973
<u>\$ 1,942,325</u>	<u>\$ 21,058,650</u>	<u>\$ (443,525,372)</u>	<u>\$ 15,615,838</u>
\$ (139,658,810)	\$ (170,730)	\$ (124,616,870)	\$ 19,651
-	-	17,388,000	-
56,679,528	-	56,679,528	-
-	-	3,404,147	-
-	-	89,539	-
-	-	1,344,419	-
-	13,047	13,047	-
-	-	1,025,324	-
-	317	317	-
<u>\$ (82,979,282)</u>	<u>\$ (157,366)</u>	<u>\$ (44,672,549)</u>	<u>\$ 19,651</u>

# STATE OF NORTH DAKOTA

## Statement of Fiduciary Net Position

### Fiduciary Funds

June 30, 2015

	Pension and Other Employee Benefit Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds	Agency Funds
<b>ASSETS</b>				
Cash Deposits at the Bank of ND	\$ 28,097,771	\$ -	\$ 7,111,169	\$ 32,291,501
Cash and Cash Equivalents	-	-	2,970,918	11,630,880
Receivables:				
Contributions Receivable	35,851,209	-	-	-
Accounts Receivable - Net	-	-	105,750	11,151,199
Taxes Receivable - Net	-	-	-	36,055,879
Interest Receivable - Net	13,357,789	214,224	848	-
Due from Other Funds	361,899	-	3	-
Due from Fiduciary Funds	236,162	-	-	-
Total Receivables	49,807,059	214,224	106,601	47,207,078
Investments, at Fair Value:				
Investments at the Bank of ND	-	-	21,597	28,221,570
Equity Pool	2,510,073,403	110,896,838	-	-
Fixed Income Pool	1,138,527,840	74,020,678	1,205,104	140,605
Cash and Cash Pool	70,365,453	2,570,227	-	-
Real Estate Pool	819,871,783	34,207,673	-	-
Alternative Investments	170,629,847	6,707,812	-	-
Annuities	114,498	-	-	-
Mutual Funds	106,354,990	-	384,478,493	-
Total Investments	4,815,937,814	228,403,228	385,705,194	28,362,175
Invested Securities Lending Collateral	-	-	58,456	-
Prepaid Items	483	-	-	-
Capital Assets (Net of Depreciation)	3,826,759	-	-	-
Total Assets	4,897,669,886	228,617,452	395,952,338	119,491,634
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Derived from Pensions	76,002	-	-	-
Total deferred outflows of resources	76,002	-	-	-
<b>LIABILITIES</b>				
Accounts Payable	8,614,188	316,832	1,344,956	-
Accrued Payroll	150,521	-	-	-
Securities Lending Collateral	-	-	58,456	-
Intergovernmental Payable	-	-	-	72,017,836
Tax Refunds Payable	-	-	-	69,524
Due to Other Funds	47,165	-	-	-
Due to Fiduciary Funds	313,483	-	-	-
Amounts Held in Custody for Others	18,695	-	-	47,404,274
Compensated Absences Payable	154,615	-	-	-
Total Liabilities	9,298,667	316,832	1,403,412	119,491,634
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Derived from Pensions	93,175	-	-	-
Total deferred inflows of resources	93,175	-	-	-
<b>NET Position</b>				
Net Position Restricted for:				
Pension Benefits	4,886,575,198	-	-	-
Other Employee Benefits	1,778,848	-	-	-
External Investment Pool Participants	-	228,300,620	-	-
Other Purposes	-	-	394,548,926	-
Total Net Position Restricted for Pension Benefits and Other Purposes	\$ 4,888,354,046	\$ 228,300,620	\$ 394,548,926	\$ -

# STATE OF NORTH DAKOTA

## Statement of Changes in Fiduciary Net Position Fiduciary Funds For the Fiscal Year Ended June 30, 2015

	Pension and Other Employee Benefit Trust Funds	Investment Trust Funds	Private-Purpose Trust Funds
<b>ADDITIONS</b>			
Contributions:			
Employer	\$ 163,986,207	\$ -	\$ -
Employee	157,183,883	-	-
From Participants	-	-	39,008,006
Transfers from Other Funds	532,647	-	-
Transfers from Other Plans	1,491,209	-	-
Donations	-	-	305,967
Total Contributions	<u>323,193,946</u>	<u>-</u>	<u>39,313,973</u>
Investment Income:			
Net Change in Fair Value of Investments	81,826,878	4,211,593	15,580,254
Interest and Dividends	<u>99,958,138</u>	<u>4,371,519</u>	<u>8,095,533</u>
Less Investment Expense	<u>15,676,900</u>	<u>712,588</u>	<u>-</u>
Net Investment Income	<u>166,108,116</u>	<u>7,870,524</u>	<u>23,675,787</u>
Repurchase Service Credit	8,696,285	-	-
Miscellaneous Income	<u>1,249,327</u>	<u>-</u>	<u>-</u>
Total Additions	<u>499,247,674</u>	<u>7,870,524</u>	<u>62,989,760</u>
<b>DEDUCTIONS</b>			
Benefits Paid to Participants	314,093,290	-	-
Refunds	11,331,562	-	-
Prefunded Credit Applied	7,246,091	-	-
Transfer to Other Plans	532,647	-	-
Payments in Accordance with Trust Agreements	-	-	36,102,514
Administrative Expenses	<u>5,989,372</u>	<u>-</u>	<u>2,856,105</u>
Total Deductions	<u>339,192,962</u>	<u>-</u>	<u>38,958,619</u>
Redemption of Units at Net Asset Value of \$1.00 Per Unit	<u>-</u>	<u>(2,617,172)</u>	<u>-</u>
Change in Net Position Held in Trust for:			
Pension Benefits	159,892,333	-	-
Other Employee Benefits	162,379	-	-
External Investment Pool Participants	-	5,253,352	-
Other Purposes	<u>-</u>	<u>-</u>	<u>24,031,141</u>
Total Change in Net Position	<u>160,054,712</u>	<u>5,253,352</u>	<u>24,031,141</u>
Net Position - Beginning of Year, as Adjusted	<u>4,728,299,334</u>	<u>223,047,268</u>	<u>370,517,785</u>
Net Position - End of Year	<u>\$ 4,888,354,046</u>	<u>\$ 228,300,620</u>	<u>\$ 394,548,926</u>

The Accompanying Notes are an Integral Part of the Financial Statements



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# STATE OF NORTH DAKOTA

## Combining Statement of Net Position Component Units - Proprietary Funds (Excludes FASB Based Component Units) June 30, 2015

	CHAND	Historical Foundation	Public Finance Authority	ND Development Fund	Total
<b>ASSETS</b>					
Current Assets:					
Cash and Cash Equivalents	\$ 6,790,697	\$ 1,087,927	\$ -	\$ 17,916,123	\$ 25,794,747
Investments	-	107,718	-	75,000	182,718
Accounts Receivable - Net	34,465	1,325,755	-	-	1,360,220
Interest Receivable - Net	-	-	-	38,520	38,520
Due from Primary Government	-	-	172,000	-	172,000
Loans and Notes Receivable - Net	-	-	-	4,858,932	4,858,932
Restricted Cash and Cash Equivalents	-	-	36,001,000	-	36,001,000
Restricted Investments	-	-	97,177,000	-	97,177,000
Restricted Interest Receivable - Net	-	-	4,342,000	-	4,342,000
Total Current Assets	6,825,162	2,521,400	137,692,000	22,888,575	169,927,137
Noncurrent Assets:					
Restricted Investments	-	-	600,796,000	-	600,796,000
Investments	-	208,810	-	-	208,810
Due from Primary Government	-	-	380,000	-	380,000
Loans and Notes Receivable - Net	-	-	-	3,386,675	3,386,675
Other Noncurrent Assets	-	182,186	150,000	-	332,186
Capital Assets:					
Depreciable, Net	-	13,447	-	13,249	26,696
Total Noncurrent Assets	-	404,443	601,326,000	3,399,924	605,130,367
Total Assets	6,825,162	2,925,843	739,018,000	26,288,499	775,057,504
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred loss on bond refunding	-	-	4,769,000	-	4,769,000
Derived from Pensions	-	-	14,000	-	14,000
Total Deferred Outflows of Resources	-	-	4,783,000	-	4,783,000
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts Payable	1,433,068	26,624	36,000	24,195	1,519,887
Accrued Payroll	-	11,982	-	-	11,982
Interest Payable	-	-	2,250,000	-	2,250,000
Compensated Absences Payable	-	30,641	-	-	30,641
Bonds Payable	-	-	17,830,000	-	17,830,000
Unearned Revenue	118,276	51,750	-	-	170,026
Total Current Liabilities	1,551,344	120,997	20,116,000	24,195	21,812,536
Noncurrent Liabilities:					
Intergovernmental Payable	-	-	12,000	-	12,000
Bonds Payable	-	-	279,106,000	-	279,106,000
Net Pension Liability	-	-	112,000	-	112,000
Other Noncurrent Liabilities	-	143,334	-	-	143,334
Total Noncurrent Liabilities	-	143,334	279,230,000	-	279,373,334
Total Liabilities	1,551,344	264,331	299,346,000	24,195	301,185,870
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Derived from Pensions	-	-	27,000	-	27,000
Total Deferred Inflows of Resources	-	-	27,000	-	27,000
<b>Net Position</b>					
Net Investment in Capital Assets	-	13,447	-	13,249	26,696
Restricted for:					
Capital Projects	-	2,186,533	-	-	2,186,533
Debt Service	-	-	120,463,000	-	120,463,000
Loan Purposes	-	-	322,531,000	-	322,531,000
Endowment Funds-Nonexpendable	-	80,000	-	-	80,000
Unrestricted	5,273,818	381,532	1,434,000	26,251,055	33,340,405
Total Net Position	\$ 5,273,818	\$ 2,661,512	\$ 444,428,000	\$ 26,264,304	\$ 478,627,634



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## STATE OF NORTH DAKOTA

### Combining Statement of Activities Component Units - Proprietary Funds (Excludes FASB Based Component Units) For the Fiscal Year Ended June 30, 2015

Functions/Programs	Program Revenues			Net (Expense) Revenue	Change in Net Position	Net Position Beginning of Year, as Adjusted	Net Position End of Year
	Expenses	Charges for Services	Operating Grants and Contributions				
CHAND	9,624,681	11,361,361	254,056	\$ 1,990,736	\$ 1,990,736	\$ 3,283,082	\$ 5,273,818
Historical Foundation	2,579,363	809,397	52,372	(1,717,594)	(1,717,594)	4,379,106	2,661,512
Public Finance Authority	16,215,000	2,052,000	36,634,000	22,471,000	22,471,000	421,957,000	444,428,000
ND Development Fund	568,300	755,146	7,284	194,130	194,130	26,070,174	26,264,304
Total Component Units	<u>\$ 28,987,344</u>	<u>\$ 14,977,904</u>	<u>\$ 36,947,712</u>	<u>\$ 22,938,272</u>	<u>\$ 22,938,272</u>	<u>\$ 455,689,362</u>	<u>\$ 478,627,634</u>