



# State Investment Fund Annual Financial Report

*Fiscal Year Ended June 30, 2015*







## Table of Contents

Message from the State Investment Fund Portfolio Managers	3
Independent Auditor's Report	4-6
Management Discussion & Analysis	8
Financial Statements	9-10
Notes to Financial Statements	11-15
Schedule of Investments	17-20
Agency Information	21

This page left blank intentionally

## Message from State Investment Fund Portfolio Managers

The State Investment Fund (SIF) is managed by the State of Wisconsin Investment Board and is a pool of cash balances of various state and local governmental units. It includes retirement trust funds, state funds and funds from over 1,300 Wisconsin municipal units that invest in the Local Government Investment Pool (LGIP). The LGIP was created in 1975 to give local governments an additional investment option providing them with liquidity, active management and returns offered by larger investments. The investment objectives of the SIF are to provide safety, liquidity and competitive rates of return. To meet these objectives, the fund primarily invests in obligations of the U.S. government and its agencies, with minimal investments in bank and corporate debt.

The U.S. economy, over the last several years, has been expanding at a moderate pace, and growth today appears to be self-sustaining rather than Federal Reserve (Fed) stimulus dependent. Although long-term underemployment remains elevated and wage growth remains tepid, the unemployment rate has been steadily decreasing. Housing numbers, while still at depressed levels, have been strong and should continue to be a moderate boost to growth. Households continue to benefit from low inflation and moderate income growth and have not relied on excessive credit to finance spending. The need for ultra-low rates appeared to be diminishing and, in the second quarter of the fiscal year, communication by the Fed was centered on tightening labor markets and improving U.S. economic conditions, leading markets to forecast a potential June rate hike.

The rising expectations of a mid-year Fed rate hike fueled the dollar. The stronger dollar along with lower oil prices, contributed to simultaneous slowing of capital spending, net exports and inflation. This coupled with declining prices in other commodities and volatility in global economies including Greece, China and emerging markets was enough to cause the Fed to signal a delay in their rate liftoff until later in the year.

Recent U.S. economic data has been more to the upside and after its June meeting, the Federal Open Market Committee (FOMC) said it continues to “see the risks to the outlook for economic activity and the labor market as nearly balanced.” The Fed has communicated that their policy decisions are data dependent, but the inflation outlook and weakening global economies might suggest a more cautionary outlook.

The investment strategy of the SIF adopted the more cautionary Fed tightening outlook, and maintained a longer average maturity than the iMoneyNet average throughout the year. Going forward, the SIF’s average maturity will likely decline as the anticipation of a Fed liftoff becomes more imminent.

Laurel Butler  
Portfolio Manager

Andrea Ruiz  
Portfolio Manager



## **Independent Auditor's Report on the Financial Statements and Other Reporting Required by *Government Auditing Standards***

Senator Robert Cowles and  
Representative Samantha Kerkman, Co-chairpersons  
Joint Legislative Audit Committee

Mr. Michael Williamson, Executive Director  
Members of the Board of Trustees and  
State of Wisconsin Investment Board

### **Report on the Financial Statements**

We have audited the Statement of Net Position, Statement of Operations and Changes in Net Position, and the related notes of the State Investment Fund of the State of Wisconsin as of and for the year ended June 30, 2015.

#### **Management's Responsibility for the Financial Statements**

Management of the State of Wisconsin Investment Board (SWIB) is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, which is issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on these financial statements.

## **Opinion**

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the State Investment Fund as of June 30, 2015, and the respective changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note 1 to the financial statements, the financial statements referred to in the first paragraph present only the State Investment Fund. These financial statements do not purport to, and do not, present fairly the financial position of SWIB or of the State of Wisconsin as of June 30, 2015, or the changes in its financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

## **Other Matters**

*Required Supplementary Information*—Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis on page 8 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, which considers it to be essential for placing the financial statements in an appropriate operational, economic, or historical context. In accordance with auditing standards generally accepted in the United States of America, we have applied certain limited procedures to the required supplementary information that included inquiries of management about the methods of preparing the information. We further compared the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to do so.

*Accompanying Information*—Our audit was conducted for the purpose of forming an opinion on the financial statements of the State Investment Fund. The message from the State Investment Fund portfolio managers on page 3 and the schedule of investments on pages 17 through 20 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated November 20, 2015, on our consideration of SWIB's internal control over financial reporting; our tests of its compliance with certain provisions of laws, regulations, contracts; and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be used when considering SWIB's internal control over financial reporting and compliance.

LEGISLATIVE AUDIT BUREAU

A handwritten signature in black ink, appearing to read "Joe Chrisman", written in a cursive style.

Joe Chrisman  
State Auditor

November 20, 2015



This page left blank intentionally

# State Investment Fund

## Management Discussion and Analysis

Management Discussion and Analysis provides general information on the financial activities of the State Investment Fund (SIF). The SIF temporarily invests the operating funds of the State of Wisconsin and agencies, the Wisconsin Retirement System (WRS), and various local government units (Local Government Investment Pool – LGIP). The table below provides information about ownership at June 30.

Following this section are the financial statements and notes to the financial statements. The **Statement of Net Position** provides information on the types of assets and the liabilities of the SIF. The **Statement of Operations and Changes in Net Position** provides information on the net income of the SIF and its net position at year end. The **Notes to the Financial Statements** provide additional information that is essential to a full understanding of the data provided in the SIF financial statements. The table entitled **SIF Condensed Financial Information** contains a summary for the fiscal years (FYs) ended June 30, 2015 and 2014 (for comparison). Reference Note 2F for further information regarding an accounting change in FY2015.

Because the SIF is used to temporarily invest participants' operating cash flows, investments are

in highly liquid, short-term fixed income securities. At June 30, 2015, SIF Net Position had increased by \$406 million from the prior year due to the combined increase in the WRS (\$258 million) and the LGIP (\$263 million) and decrease in the State of Wisconsin and agencies (-\$115 million) balances. The SIF Average Daily Balance decreased by (-\$1.060 billion) in the current fiscal year compared to the prior year. The monthly average balance peaked at \$9.666 billion in April 2015.

The Net Income increased 6.6% from the previous fiscal year due to an increase in repurchase agreement yield and trading profits. The Federal Reserve continued to maintain the Federal Funds "target range" at between zero and 0.25% where it has remained since December 16, 2008. For FY2015, the average Federal Funds effective rate was 0.11%. The one year SIF return increased from 0.09% in the prior fiscal year to 0.11%. There was minimal change in the Investment Expense during FY2015 for SWIB's investment and administrative expenses allocated to SIF participants based on time spent on the fund. The Weighted Average Maturity decreased from 88 to 80 days due to the investment mix decrease in Government & Agencies (WAM=90 Days) and the increase in Certificates of Deposit (WAM=115 Days).

### SIF Condensed Financial Information

Fiscal Year Ended	2015	2014	% Change
Total Assets	\$ 8,105,106,483	\$7,722,462,299	5.0
Total Liabilities	169,169,448	193,007,299	(12.4)
Net Position	<u>\$ 7,935,937,035</u>	<u>\$7,529,455,000</u>	5.4
Investment Income	\$ 9,804,815	\$ 9,674,222	1.3
Investment Expenses	1,949,834	1,950,733	0.0
State Working Bank Charges	2,619,479	2,814,235	(6.9)
Net Income	<u>\$ 5,235,502</u>	<u>\$ 4,909,254</u>	6.6
Average Daily Balance	\$ 7,832,729,304	\$8,893,079,423	(11.9)
Weighted Avg. Maturity (WAM)	80 DAYS	88 DAYS	
<b>SIF Ownership:</b>			
State of Wisconsin & Agencies	42%	46%	
Wisconsin Retirement System	23%	21%	
Local Govt Investment Pool	35%	33%	
Total	<u>100%</u>	<u>100%</u>	

### SIF Annualized Returns (as of June 30)

Year	Return %	Benchmark %
<b>One Year:</b>		
2006	4.23	4.15
2007	5.40	5.01
2008	4.02	3.20
2009	1.33	0.81
2010	0.25	0.15
2011	0.19	0.15
2012	0.14	0.09
2013	0.15	0.10
2014	0.09	0.06
2015	0.11	0.05
<b>Multi-Year:</b>		
Three Year	0.12	0.07
Five Year	0.14	0.09
Ten Year	1.57	1.36

FY2015 is reported at fair value and FY2014 is reported at amortized cost, which approximated fair value (Note 2F).

SIF annualized returns are reported at amortized cost.

State of Wisconsin Investment Board

**State Investment Fund**  
Statement of Net Position  
As of June 30, 2015

	2015
<b>Assets</b>	
Investments (Note 2C):	
Repurchase Agreements	\$ 958,000,000
Government & Agencies	7,076,549,027
Certificates of Deposit	39,830,000
Banker's Acceptances	30,690,428
	<hr/>
Total Investments	8,105,069,455
Other Assets:	
Accrued Interest Receivable	37,028
	<hr/>
Total Assets	8,105,106,483
	<hr/>
<b>Liabilities</b>	
Check Float Invested	168,306,386
Earnings Distribution Payable	741,250
Accrued Expenses	121,812
	<hr/>
Total Liabilities	169,169,448
	<hr/>
<b>NET POSITION</b>	<b>\$ 7,935,937,035</b>
	<hr/>
Net Position consists of:	
Participating Shares	\$ 7,935,330,000
Undistributed Unrealized Gains (Losses) (Note 2F)	607,035
	<hr/>
<b>NET POSITION</b>	<b>\$ 7,935,937,035</b>
	<hr/>

The accompanying notes are an integral part of this statement.

# State Investment Fund

## Financial Statements

### State Investment Fund

#### Statement of Operations and Changes in Net Position

For the Fiscal Year Ended June 30, 2015

	2015
<b>Additions</b>	
<b>Investment Income (Note 2A)</b>	
Net Increase (Decrease) in the Fair Value of Investments	\$ 7,925,815
Interest	1,879,000
<b>Less</b>	
Management Operating Expenses (Note 2D)	1,575,249
Custodial Bank Charges	164,872
Electronic Services	186,313
Legal and Consulting Fees	23,400
<b>Net Investment Income</b>	7,854,981
<b>Less</b>	
State Working Bank Charges (Note 2E)	2,619,479
<b>Net Income</b>	5,235,502
Distributions Paid and Payable	5,319,557
Change in Undistributed Unrealized Gains (Losses)	(84,055)
Beginning of Period Undistributed Unrealized Gains (Losses) (Note 2F)	691,090
End of Period Undistributed Unrealized Gains (Losses)	607,035
Participant Transactions: (Note 3)	
Receipts by Transfer to Fund	32,065,811,000
Disbursements by Transfer from Fund	31,659,936,000
Net Change in Participating Shares	405,875,000
Beginning of Period Participating Shares	7,529,455,000
End of Period Participating Shares	7,935,330,000
<b>NET POSITION</b>	<b>\$ 7,935,937,035</b>

The accompanying notes are an integral part of this statement.

**Notes to the Financial Statements****1. Description of Funds**

The State Investment Fund (SIF) pools the cash of the State of Wisconsin and its agencies, the Wisconsin Retirement System (WRS), and various local government units (Local Government Investment Pool – LGIP) into a commingled fund with the investment objective of safety of principal and liquidity while earning a competitive money market rate of return. Only State of Wisconsin agencies are required to invest their operating cash in the SIF. In the State's Comprehensive Annual Financial Report (CAFR), the SIF is not reported as a separate fund; rather, each State fund's share in the "pool" is reported on the balance sheet as "Cash and Cash Equivalents." Shares of the SIF belonging to other participating public institutions are presented in the Local Government Pooled Investment Fund, an investment trust fund. The staff of the State of Wisconsin Investment Board (SWIB) manages the SIF with oversight by the Board of Trustees as authorized in Wisconsin Statutes 25.14 and 25.17. The SWIB is not registered with the SEC as an investment company.

Section 25.17(3)(b), (ba), (bd), and (dg) of the Wisconsin Statutes enumerate the various types of securities in which the SIF can be invested, which include obligations of the United States or its agencies, corporations wholly owned by the United States or chartered by an act of Congress, securities guaranteed by the United States, the unsecured notes of financial and industrial issuers, direct obligations of or guaranteed by the government of Canada, certificates of deposit issued by banks in the United States including solvent financial institutions in Wisconsin and bankers acceptances. The Board of Trustees may specifically approve other prudent legal investments.

**2. Significant Accounting Policies****A. Basis of Presentation**

The accompanying financial statements of the investment activity of the SIF are prepared in conformity with accounting principles generally accepted in the United States as prescribed by the Governmental Accounting Standards Board (GASB).

**B. Basis of Accounting**

The accompanying statements are prepared based upon the flow of economic resources measurement focus and the full accrual basis of accounting.

Under the accrual basis of accounting, revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recognized in the period incurred, if measurable. Security transactions and the related gains and losses are recorded on a trade date basis. Interest income is accrued as earned.

**C. Valuation of Securities**

For financial statement purposes, the carrying value of securities depends on asset class and maturity date. Per GASB Statement No. 31, Repurchase Agreements and non-negotiable Certificates of Deposit are carried at cost because they are nonparticipating contracts that do not capture interest rate changes in their value.

Also per GASB Statement No. 31, all short-term debt investments with remaining maturities of up to ninety days (certain U.S. Government/Agency securities & Bankers Acceptances) are carried at amortized cost, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer.

Finally, per GASB Statement No. 31, all short-term investments with remaining maturities of over ninety days (certain U.S. Government/Agency securities) are



# State Investment Fund

## Notes to Financial Statements

carried at fair value. Because quoted market prices for SIF securities are often not available at month end BNY Mellon, as SWIB's custodial bank, compiles fair values from third party pricing services which use matrix pricing models to estimate a security's fair value.

The table entitled **Summary of Information by Investment Classification** contains summarized SIF information by asset class, and discloses that carrying (book) value and fair value were within 0.0075% as of June 30, 2015.

### D. Management Operating Expenses

Management Operating Expenses are SWIB's investment and administrative costs that are allocated to the SIF participants.

### E. State Working Bank Charges

State Working Bank Charges represent charges for various state banking services such as lockbox, ePay, and depository services. These expenses are allocated to SIF participants based on their proportionate usage of banking services and, accordingly, reduce the participant's share of the Net Investment Income.

### F. Accounting Changes

The FY2014 financial statements were presented at amortized cost, which approximated fair value. The

FY2015 SIF financial statements are presented at fair value in conformity with GASB Statement No. 31. The cumulative effect of this change for years prior to FY2015 are shown as a restatement of the "Beginning of Period Undistributed Unrealized Gain (Losses)" of \$691,090. The FY2014 net position was understated by this amount. This change in presentation also resulted in a net change in unrealized gains (losses) of (\$84,055) for FY2015.

### 3. SIF Investment Income and Pool Shares

For purposes of calculating earnings to each participant, all investments are valued at amortized cost. Specifically, the SIF distributes income to pool participants monthly, based on their average daily share balance. Distributions include interest income based on stated rates (both paid and accrued), amortization of discounts and premiums on a straight-line basis, realized investment gains and losses calculated on an amortized cost basis, and investment expenses. This method does not distribute to participants any unrealized gains or losses generated by the pool's investments. Unrealized gains (losses) are reported in the equity section of the Statement of Net Position as "Undistributed Unrealized Gains (Losses)."

SIF pool shares are bought and redeemed at \$1.00 based on the amortized cost of the investments in the SIF. The State of Wisconsin does not provide any

## Summary of Information by Investment Classification

June 30, 2015

Investment Type	Yield %	Maturity Dates	Book Value (Amortized Cost)	Fair Value
Repurchase Agreements	0.20 - 0.30	07/01/15	\$ 958,000,000	\$ 958,000,000
Government & Agencies	0.00 - 0.22	07/01/15 - 02/01/16	7,075,941,992	7,076,549,027
Certificates of Deposit	0.20 - 1.00	07/15/15 - 05/16/16	39,830,000	39,830,000
Banker's Acceptances	0.16 - 0.40	07/13/15 - 09/11/15	30,690,428	30,690,428
Total Investments			<u>\$ 8,104,462,420</u>	<u>\$ 8,105,069,455</u>
Ratio of Fair Value to Carrying (Book) Value			100.0075%	

legally binding guarantees to support the value of pool shares.

#### **4. Deposit and Investment Risk**

SWIB recognizes that risk issues permeate the entire investment process from asset allocation to performance evaluation. SWIB monitors risk through multiple forms of analysis and reporting. For the SIF, evaluations of levels of diversification, nominal risk exposures including sector, maturity, and interest rate exposures, and risk/return plots form the core of the monitoring process. In addition, the portfolio is reviewed daily for compliance with investment guidelines. At least quarterly, comprehensive reporting is presented to SWIB's Investment Committee and the Board of Trustees.

##### **A. Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the SIF. The Board established SIF investment guidelines with maximum exposure limits by security type based on the minimum credit ratings as issued by Nationally Recognized Statistical Rating Organizations (NRSROs). As of June 30, 2015, these credit ratings and aggregate exposures by investment type are found in the table entitled **Credit Quality Distribution for Securities**.

##### **B. Custodial Credit Risk**

Deposits — Custodial credit risk related to deposits is the risk that, in the event of the failure of a depository financial institution, SWIB will not be able to recover deposits that are in possession of an outside party. SWIB does not have a deposit policy specifically for custodial credit risk. As of June 30, 2015, the SIF held Certificates of Deposit (CD) with a value of \$39,830,000 invested pursuant

to the Wisconsin Certificate of Deposit Program (administered by Bankers' Bank) established in July 1987. Investment guidelines provide that to be accepted into this program, banks must accept deposits in Wisconsin and meet credit-screening criteria designed to assure the safety of the deposits.

The Federal Deposit Insurance Corporation (FDIC) insures the pro rata share of CDs held by the LGIP up to \$250,000, and the State of Wisconsin appropriation for losses on public deposits protects a depositing municipality up to \$400,000 if the local governing body has designated the LGIP as a public depository. Approximately \$39,830,000 was insured through FDIC insurance and the State of Wisconsin appropriation for losses on public deposits as of June 30, 2015. The actual coverage of these deposits can fluctuate daily based on the allocable share of participants' accounts.

Although SWIB has not adopted a formal deposit or investment policy specifically related to custodial credit risk, SWIB investment staff monitor the creditworthiness of SWIB's custodian as a counterparty and depository financial institution. Concerns and issues are discussed with SWIB's credit task force for further action.

##### **C. Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of an organization's investment in a single issuer. The SIF's investment guidelines limit concentrations of credit risk by establishing maximum issuer and/or issue exposure limits based on credit rating. These guidelines do not place a limit on maximum exposure for any U.S. Treasury or Agency securities. As of June 30, 2015 the SIF has more than five percent of its investments in FHLB (28.8%), FHLMC (28.7%), FNMA (29.8%), and Repurchase Agreement collateral (11.8%) consisting

# State Investment Fund

## Notes to Financial Statements

### Credit Quality Distribution for Securities

As of June 30, 2015

Investment Type	Rating	Carrying Value	%
Repurchase Agreements (Collateral):			
U.S. Government Debt & Agencies	AA	\$ 958,000,000	11.8
Government Sponsored Entity U.S. Agency:			
Federal Home Loan Bank (FHLB)	A-1+	2,334,326,223	28.8
Federal Home Loan Mortgage Corp (FHLMC)	A-1+	2,324,583,342	28.7
Federal National Mortgage Association (FNMA)	A-1+	2,417,639,462	29.8
Certificates of Deposit:			
Non-Negotiable (Wisconsin CD Program)	NR	39,830,000	0.5
Banker's Acceptances	A-1+	30,690,428	0.4
Total Investments		<u>\$ 8,105,069,455</u>	<u>100.0</u>

of various securities issued by these same three U.S. Agencies. Since the Repurchase Agreements mature each day, new collateral, consisting of a different blend of U.S. Treasury and Agency securities, is assigned each night.

#### D. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The SIF uses the Weighted Average Maturity (WAM) method to analyze interest rate risk and investment guidelines mandate that the WAM for the entire portfolio will not exceed one year.

WAM can be used as a measure of sensitivity to interest rate changes and markets changes. Generally, the longer the maturity, the greater the sensitivity to such changes. WAM is based on the dollar-weighted average length of time until principal payments must be paid. Depending on the types of securities held in a fund, certain maturity shortening devices (e.g., interest rate resets, call options, and demand features) are taken into account when calculating the WAM.

SIF WAM summary by investment type is found in the table entitled **Weighted Average Maturities (WAM) for Securities**.

### Weighted Average Maturities (WAM) for Securities

June 30, 2015

Investment Type	Carrying Value	WAM (Days)
Repurchase Agreements	\$ 958,000,000	1
Government & Agencies	7,076,549,027	90
Certificates of Deposit	39,830,000	115
Banker's Acceptances	30,690,428	41
Total Investments	<u>\$ 8,105,069,455</u>	
Portfolio Weighted Average Maturity (Days)		<u>80</u>

#### E. Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely impact the fair value of an investment. SIF guidelines allow the investment in U.S. dollar denominated issues only, thus there are no foreign investments in the SIF.

#### 5. State Inter-Fund Loans

Section 20.002 (11) of the Wisconsin Statutes provides for the short-term temporary reallocation of surplus monies between statutory funds, provided that the borrowing fund anticipates receiving future revenues to pay back the temporary loan. For FY 2015, Section 20.002(11)(b)2 provides that General Fund borrowings may not exceed 9% of defined revenues (estimated borrowing cap of \$1.433 billion). Chapter 20.002(11)(b)3 permits an additional temporary allocation not to exceed 3% of defined revenues for a period of up to 30 days (estimated total borrowing cap of \$1.910 billion). Further, Chapter 20.002(11)(b)1 limits the

#### Inter-Fund Loans

June 30, 2015

Fund	Loan Amount
Industrial Building Construction Loan	\$ 1,000
Medical Assistance Trust Fund	227,976,000
Recycling & Renewable Energy Fund	1,000
Total Loans	<u>\$ 227,978,000</u>

total amount of any temporary reallocations to a fund other than the General Fund to \$400 million. The borrowing fund is charged interest on the inter-fund loan at the SIF monthly interest rate. As of June 30, 2015 the amount of inter-fund borrowings between statutory funds invested in the SIF is listed in the table entitled **Inter-Fund Loans**.

This page left blank intentionally





# State Investment Fund Schedule of Investments

*Fiscal Year Ended June 30, 2015*





**REPURCHASE AGREEMENTS**

SECURITY NAME	TYPE	RATE OR YIELD	MATURITY DATE	RATING	BOOK VALUE (AMORTIZED COST)	FAIR VALUE
JEFFERIES TRI GOVT	TRIPARTY	0.20	07/01/2015	NR	479,000,000	479,000,000
DAIWA TRI GOVT	TRIPARTY	0.30	07/01/2015	NR	479,000,000	479,000,000
<b>TOTAL REPURCHASE AGREEMENTS .....</b>					<b>958,000,000</b>	<b>958,000,000</b>

**GOVERNMENTS AND AGENCIES**

SECURITY NAME	TYPE	RATE OR YIELD	MATURITY DATE	RATING	BOOK VALUE (AMORTIZED COST)	FAIR VALUE
FHLB DN 0.000	DN	0.00	07/01/2015	A-1+	50,000,000	50,000,000
FHLB DN 0.010	DN	0.01	07/01/2015	A-1+	61,099,000	61,099,000
FHLB DN 0.025	DN	0.03	07/01/2015	A-1+	100,000,000	100,000,000
FHLB DN 0.030	DN	0.03	07/08/2015	A-1+	24,399,858	24,399,858
FHLB DN 0.035	DN	0.04	07/17/2015	A-1+	19,999,689	19,999,689
FHLB DN 0.040	DN	0.04	07/17/2015	A-1+	49,999,111	49,999,111
FHLB DN 0.145	DN	0.15	08/03/2015	A-1+	28,896,158	28,896,157
FHLB DN 0.165	DN	0.17	08/03/2015	A-1+	1,283,806	1,283,806
FHLB DN 0.130	DN	0.13	08/14/2015	A-1+	69,988,875	69,988,875
FHLB DN 0.135	DN	0.14	08/14/2015	A-1+	14,997,525	14,997,525
FHLB DN 0.130	DN	0.13	08/19/2015	A-1+	26,927,233	26,927,234
FHLB DN 0.137	DN	0.14	08/19/2015	A-1+	141,973,481	141,973,482
FHLB DN 0.160	DN	0.16	08/20/2015	A-1+	184,958,863	184,958,863
FHLB DN 0.130	DN	0.13	08/21/2015	A-1+	20,226,273	20,226,273
FHLB DN 0.138	DN	0.14	08/21/2015	A-1+	74,385,504	74,385,504
FHLB DN 0.140	DN	0.14	08/21/2015	A-1+	1,199,762	1,199,762
FHLB DN 0.200	DN	0.20	08/21/2015	A-1+	4,298,781	4,298,781
FHLB DN 0.135	DN	0.14	08/26/2015	A-1+	49,989,498	49,989,498
FHLB DN 0.137	DN	0.14	08/26/2015	A-1+	22,995,097	22,995,097
FHLB DN 0.150	DN	0.15	08/28/2015	A-1+	29,992,746	29,992,746
FHLB DN 0.150	DN	0.15	09/01/2015	A-1+	49,987,078	49,987,079
FHLB DN 0.135	DN	0.14	09/02/2015	A-1+	39,990,548	39,990,548
FHLB DN 0.150	DN	0.15	09/04/2015	A-1+	6,598,212	6,598,212
FHLB DN 0.155	DN	0.16	09/04/2015	A-1+	12,496,500	12,496,500
FHLB DN 0.155	DN	0.16	09/08/2015	A-1+	61,191,807	61,191,807
FHLB DN 0.160	DN	0.16	09/08/2015	A-1+	44,986,193	44,986,193
FHLB DN 0.150	DN	0.15	09/09/2015	A-1+	2,599,241	2,599,241
FHLB DN 0.165	DN	0.17	09/09/2015	A-1+	1,549,502	1,549,502
FHLB DN 0.170	DN	0.17	09/09/2015	A-1+	99,966,927	99,966,927
FHLB DN 0.150	DN	0.15	09/11/2015	A-1+	47,085,863	47,085,863
FHLB DN 0.157	DN	0.16	09/25/2015	A-1+	193,927,225	193,927,225
FHLB DN 0.145	DN	0.15	10/01/2015	A-1+	74,972,194	74,982,975
FHLB DN 0.100	DN	0.10	10/14/2015	A-1+	14,895,654	14,896,126
FHLB DN 0.150	DN	0.15	10/14/2015	A-1+	10,995,187	10,997,140
FHLB DN 0.155	DN	0.16	10/14/2015	A-1+	255,359,485	255,408,577
FHLB DN 0.145	DN	0.15	10/16/2015	A-1+	41,981,896	41,988,870
FHLB DN 0.150	DN	0.15	10/16/2015	A-1+	49,977,705	49,986,750
FHLB DN 0.135	DN	0.14	10/23/2015	A-1+	49,978,623	49,985,900
FHLB DN 0.140	DN	0.14	11/03/2015	A-1+	24,987,847	24,991,325
FHLB DN 0.145	DN	0.15	11/03/2015	A-1+	24,987,412	24,991,325
FHLB DN 0.180	DN	0.18	11/03/2015	A-1+	48,744,506	48,758,075
FHLB DN 0.140	DN	0.14	11/04/2015	A-1+	68,886,226	68,895,878
FHLB DN 0.150	DN	0.15	11/06/2015	A-1+	4,997,333	4,998,220
FHLB DN 0.150	DN	0.15	11/12/2015	A-1+	14,616,834	14,619,560
FHLB DN 0.153	DN	0.15	11/13/2015	A-1+	24,985,655	24,990,625
FHLB DN 0.150	DN	0.15	11/16/2015	A-1+	4,997,125	4,998,085
FHLB DN 0.150	DN	0.15	11/16/2015	A-1+	5,996,550	5,997,702
FHLB DN 0.155	DN	0.16	11/25/2015	A-1+	4,996,835	4,997,960
FHLB DN 0.190	DN	0.19	12/01/2015	A-1+	2,273,163	2,273,849
FHLB DN 0.155	DN	0.15	12/02/2015	A-1+	24,703,609	24,707,418
FHLB DN 0.190	DN	0.19	12/04/2015	A-1+	5,995,059	5,996,904
FHLB DN 0.175	DN	0.18	12/11/2015	A-1+	4,996,038	4,997,305
FHLB DN 0.180	DN	0.18	12/16/2015	A-1+	14,987,400	14,991,675
FHLB DN 0.184	DN	0.18	12/16/2015	A-1+	16,878,494	16,883,624
FHLMC DN 0.120	DN	0.12	07/07/2015	A-1+	24,999,500	24,999,500
FHLMC DN 0.130	DN	0.13	07/07/2015	A-1+	1,694,963	1,694,963
FHLMC DN 0.035	DN	0.04	07/10/2015	A-1+	9,999,913	9,999,913
FHLMC DN 0.120	DN	0.12	07/10/2015	A-1+	9,499,715	9,499,715
FHLMC DN 0.130	DN	0.13	07/10/2015	A-1+	9,999,675	9,999,675
FHLMC DN 0.150	DN	0.15	07/10/2015	A-1+	2,299,914	2,299,914
FHLMC DN 0.160	DN	0.16	07/10/2015	A-1+	1,399,944	1,399,944
FHLMC DN 0.035	DN	0.04	07/13/2015	A-1+	15,862,815	15,862,815
FHLMC DN 0.129	DN	0.13	07/20/2015	A-1+	24,998,297	24,998,298
FHLMC DN 0.120	DN	0.12	07/21/2015	A-1+	23,798,413	23,798,413
FHLMC DN 0.130	DN	0.13	07/21/2015	A-1+	12,069,128	12,069,128
FHLMC DN 0.170	DN	0.17	07/21/2015	A-1+	7,999,244	7,999,244
FHLMC DN 0.185	DN	0.19	07/21/2015	A-1+	20,997,841	20,997,841
FHLMC DN 0.120	DN	0.12	07/22/2015	A-1+	49,996,499	49,996,499

SECURITY NAME	TYPE	RATE OR YIELD	MATURITY DATE	RATING	BOOK VALUE (AMORTIZED COST)	FAIR VALUE
FHLMC DN 0.130	DN	0.13	07/22/2015	A-1+	16,698,733	16,698,733
FHLMC DN 0.150	DN	0.15	07/22/2015	A-1+	3,199,720	3,199,720
FHLMC DN 0.130	DN	0.13	07/23/2015	A-1+	9,799,221	9,799,221
FHLMC DN 0.125	DN	0.13	07/27/2015	A-1+	49,748,507	49,748,507
FHLMC DN 0.130	DN	0.13	08/18/2015	A-1+	113,696,984	113,696,984
FHLMC DN 0.140	DN	0.14	08/18/2015	A-1+	1,999,626	1,999,626
FHLMC DN 0.150	DN	0.15	08/18/2015	A-1+	1,999,600	1,999,600
FHLMC DN 0.160	DN	0.16	08/18/2015	A-1+	25,109,639	25,109,639
FHLMC DN 0.200	DN	0.20	08/18/2015	A-1+	6,248,332	6,248,333
FHLMC DN 0.210	DN	0.21	08/18/2015	A-1+	10,696,980	10,696,980
FHLMC DN 0.130	DN	0.13	08/19/2015	A-1+	27,732,091	27,732,091
FHLMC DN 0.065	DN	0.07	08/21/2015	A-1+	10,099,070	10,099,070
FHLMC DN 0.125	DN	0.13	08/28/2015	A-1+	57,153,485	57,153,485
FHLMC DN 0.220	DN	0.22	09/01/2015	A-1+	28,989,006	28,989,006
FHLMC DN 0.150	DN	0.15	09/04/2015	A-1+	24,993,228	24,993,228
FHLMC DN 0.160	DN	0.16	09/04/2015	A-1+	13,041,231	13,041,231
FHLMC DN 0.150	DN	0.15	09/11/2015	A-1+	28,991,298	28,991,298
FHLMC DN 0.170	DN	0.17	09/11/2015	A-1+	39,986,397	39,986,397
FHLMC DN 0.175	DN	0.18	09/11/2015	A-1+	69,975,494	69,975,494
FHLMC DN 0.135	DN	0.14	10/02/2015	A-1+	54,980,816	54,987,350
FHLMC DN 0.136	DN	0.14	10/09/2015	A-1+	71,217,082	71,226,403
FHLMC DN 0.140	DN	0.14	10/09/2015	A-1+	7,097,239	7,098,246
FHLMC DN 0.080	DN	0.08	10/14/2015	A-1+	69,983,667	69,981,800
FHLMC DN 0.100	DN	0.10	10/19/2015	A-1+	5,998,167	5,998,368
FHLMC DN 0.100	DN	0.10	10/20/2015	A-1+	4,998,458	4,998,630
FHLMC DN 0.135	DN	0.14	10/20/2015	A-1+	18,992,090	18,994,794
FHLMC DN 0.133	DN	0.13	10/23/2015	A-1+	51,212,419	51,219,552
FHLMC DN 0.120	DN	0.12	11/03/2015	A-1+	24,989,583	24,991,325
FHLMC DN 0.125	DN	0.13	11/03/2015	A-1+	9,995,660	9,996,530
FHLMC DN 0.140	DN	0.14	11/03/2015	A-1+	9,995,139	9,996,530
FHLMC DN 0.180	DN	0.18	11/03/2015	A-1+	9,993,748	9,996,530
FHLMC DN 0.110	DN	0.11	11/04/2015	A-1+	20,791,992	20,792,720
FHLMC DN 0.120	DN	0.12	11/04/2015	A-1+	52,278,033	52,281,695
FHLMC DN 0.125	DN	0.13	11/04/2015	A-1+	41,781,712	41,785,370
FHLMC DN 0.140	DN	0.14	11/04/2015	A-1+	5,997,060	5,997,900
FHLMC DN 0.133	DN	0.13	11/06/2015	A-1+	61,327,092	61,334,157
FHLMC DN 0.135	DN	0.14	11/13/2015	A-1+	85,745,566	85,756,829
FHLMC DN 0.135	DN	0.14	11/13/2015	A-1+	44,962,225	44,968,131
FHLMC DN 0.155	DN	0.16	11/16/2015	A-1+	30,281,994	30,288,395
FHLMC DN 0.180	DN	0.18	11/16/2015	A-1+	99,930,961	99,961,700
FHLMC DN 0.130	DN	0.13	11/20/2015	A-1+	74,961,539	74,970,450
FHLMC DN 0.185	DN	0.19	11/23/2015	A-1+	13,989,565	13,994,358
FHLMC DN 0.125	DN	0.13	11/27/2015	A-1+	139,927,566	139,942,040
FHLMC DN 0.129	DN	0.13	11/27/2015	A-1+	99,946,606	99,958,600
FHLMC DN 0.130	DN	0.13	12/01/2015	A-1+	11,593,591	11,594,130
FHLMC DN 0.135	DN	0.14	12/01/2015	A-1+	49,971,310	49,974,700
FHLMC DN 0.180	DN	0.18	12/01/2015	A-1+	15,474,151	15,478,164
FHLMC DN 0.130	DN	0.13	12/04/2015	A-1+	49,971,832	49,974,200
FHLMC DN 0.130	DN	0.13	12/04/2015	A-1+	37,595,809	37,597,590
FHLMC DN 0.130	DN	0.13	12/07/2015	A-1+	19,988,515	19,989,480
FHLMC DN 0.180	DN	0.18	12/07/2015	A-1+	24,980,119	24,986,850
FHLMC DN 0.130	DN	0.13	12/08/2015	A-1+	17,854,678	17,855,549
FHLMC DN 0.130	DN	0.13	12/15/2015	A-1+	24,984,924	24,986,200
FHLMC DN 0.165	DN	0.17	01/04/2016	A-1+	24,978,569	24,983,125
FHLMC DN 0.165	DN	0.17	01/04/2016	A-1+	129,888,561	129,912,250
FHLMC DN 0.170	DN	0.17	02/01/2016	A-1+	49,949,230	49,958,200
FNMA DN 0.010	DN	0.01	07/01/2015	A-1+	5,000,000	5,000,000
FNMA DN 0.105	DN	0.11	07/01/2015	A-1+	77,025,000	77,025,000
FNMA DN 0.110	DN	0.11	07/01/2015	A-1+	31,786,000	31,786,000
FNMA DN 0.125	DN	0.13	07/01/2015	A-1+	25,000,000	25,000,000
FNMA DN 0.130	DN	0.13	07/01/2015	A-1+	5,000,000	5,000,000
FNMA DN 0.135	DN	0.14	07/01/2015	A-1+	12,875,000	12,875,000
FNMA DN 0.140	DN	0.14	07/01/2015	A-1+	27,300,000	27,300,000
FNMA DN 0.100	DN	0.10	08/03/2015	A-1+	199,981,660	199,981,660
FNMA DN 0.160	DN	0.16	08/03/2015	A-1+	74,988,996	74,988,996
FNMA DN 0.120	DN	0.12	09/01/2015	A-1+	129,973,122	129,973,123
FNMA DN 0.180	DN	0.18	09/01/2015	A-1+	321,900,136	321,900,135
FNMA DN 0.133	DN	0.13	09/02/2015	A-1+	46,072,272	46,072,272
FNMA DN 0.134	DN	0.13	09/09/2015	A-1+	20,994,527	20,994,527
FNMA DN 0.160	DN	0.16	09/09/2015	A-1+	47,383,250	47,383,251
FNMA DN 0.150	DN	0.15	10/01/2015	A-1+	364,860,008	364,917,145
FNMA DN 0.170	DN	0.17	10/01/2015	A-1+	4,997,827	4,998,865
FNMA DN 0.140	DN	0.14	10/07/2015	A-1+	152,251,944	152,273,141

SECURITY NAME	TYPE	RATE OR YIELD	MATURITY DATE	RATING	BOOK VALUE (AMORTIZED COST)	FAIR VALUE
FNMA DN 0.140	DN	0.14	10/07/2015	A-1+	999,619	999,758
FNMA DN 0.140	DN	0.14	10/14/2015	A-1+	80,467,124	80,479,070
FNMA DN 0.125	DN	0.13	11/02/2015	A-1+	49,978,471	49,982,800
FNMA DN 0.170	DN	0.17	11/02/2015	A-1+	28,483,308	28,490,196
FNMA DN 0.175	DN	0.18	11/02/2015	A-1+	249,849,272	249,914,000
FNMA DN 0.175	DN	0.18	11/02/2015	A-1+	174,894,490	174,939,800
FNMA DN 0.133	DN	0.13	11/04/2015	A-1+	24,988,405	24,991,250
FNMA DN 0.185	DN	0.19	11/16/2015	A-1+	24,982,267	24,990,425
FNMA DN 0.135	DN	0.14	11/18/2015	A-1+	19,989,499	19,992,220
FNMA DN 0.150	DN	0.15	12/01/2015	A-1+	149,904,360	149,924,100
FNMA DN 0.170	DN	0.17	12/01/2015	A-1+	62,454,836	62,468,375
FNMA DN 0.170	DN	0.17	12/14/2015	A-1+	2,997,648	2,998,353
<b>TOTAL GOVERNMENT AND AGENCIES .....</b>					<b>7,075,941,99&amp;</b>	<b>7,076,549,027</b>

#### CERTIFICATES OF DEPOSIT (CDs)

SECURITY NAME	TYPE	RATE OR YIELD	MATURITY DATE	RATING	BOOK VALUE (AMORTIZED COST)	FAIR VALUE
BANKERS BANK 0.200% 7/15/2015	CD	0.20	07/15/2015	NR	2,000,000	2,000,000
BANKER'S BANK 0.300% 7/15/2015	CD	0.30	07/15/2015	NR	1,000,000	1,000,000
BANKER'S BANK 0.200% 8/17/2015	CD	0.20	08/17/2015	NR	5,250,000	5,250,000
BANKER'S BANK 0.300% 8/17/2015	CD	0.30	08/17/2015	NR	1,500,000	1,500,000
BANKERS BANK 0.200% 9/15/2015	CD	0.20	09/15/2015	NR	9,300,000	9,300,000
BANKER'S BANK 0.300% 9/15/2015	CD	0.30	09/15/2015	NR	1,200,000	1,200,000
BANKER'S BANK 0.300% 10/15/2015	CD	0.30	10/15/2015	NR	1,750,000	1,750,000
BANKER'S BANK 0.300% 11/16/2015	CD	0.30	11/16/2015	NR	2,330,000	2,330,000
BANKER'S BANK 0.300% 12/15/2015	CD	0.30	12/15/2015	NR	10,500,000	10,500,000
BANKER'S BANK 1.000% 12/15/2015	CD	1.00	12/15/2015	NR	2,000,000	2,000,000
BANKER'S BANK 1.000% 2/16/2016	CD	1.00	02/16/2016	NR	2,000,000	2,000,000
BANKER'S BANK 1.000% 5/16/2016	CD	1.00	05/16/2016	NR	1,000,000	1,000,000
<b>TOTAL CERTIFICATES OF DEPOSIT.....</b>					<b>39,830,000</b>	<b>39,830,000</b>

#### BANKER'S ACCEPTANCE (BA)

SECURITY NAME	TYPE	RATE OR YIELD	MATURITY DATE	RATING	BOOK VALUE (AMORTIZED COST)	FAIR VALUE
US BANK NA/MINNEAPOLIS MN 0.250% 7/13/2015	BA	0.25	07/13/2015	A-1+	6,761,374	6,761,374
US BANK NA/MINNEAPOLIS MN 0.200% 7/27/2015	BA	0.20	07/27/2015	A-1+	2,691,611	2,691,611
US BANK NA/MINNEAPOLIS MN 0.160% 8/14/2015	BA	0.16	08/14/2015	A-1+	1,258,754	1,258,754
US BANK NA/MINNEAPOLIS MN 0.200% 8/17/2015	BA	0.20	08/17/2015	A-1+	5,127,661	5,127,661
US BANK NA/MINNEAPOLIS MN 0.400% 8/17/2015	BA	0.40	08/17/2015	A-1+	9,994,778	9,994,778
US BANK NA/MINNEAPOLIS MN 0.180% 8/24/2015	BA	0.18	08/24/2015	A-1+	2,337,369	2,337,369
US BANK NA/MINNEAPOLIS MN 0.200% 9/8/2015	BA	0.20	09/08/2015	A-1+	1,219,532	1,219,532
US BANK NA/MINNEAPOLIS MN 0.250% 9/11/2015	BA	0.25	09/11/2015	A-1+	1,299,350	1,299,350
<b>TOTAL BANKER'S ACCEPTANCES.....</b>					<b>30,690,428</b>	<b>30,690,428</b>
<b>GRAND TOTAL STATE INVESTMENT FUND.....</b>					<b>8,104,462,420</b>	<b>8,105,069,455</b>

## **Agency Information**

### **Location**

121 E. Wilson Street  
Madison, WI 53703

### **Mailing Address**

P.O. Box 7842  
Madison, WI 53707

### **Internet Address**

[www.swib.state.wi.us](http://www.swib.state.wi.us)

### **Main Telephone Number**

(608) 266-2381

### **Central Facsimile Number**

(608) 266-2436

### **Beneficiary Hotline**

(800) 424-7942

### **Email Address**

[info@swib.state.wi.us](mailto:info@swib.state.wi.us)



