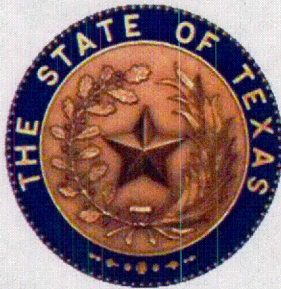


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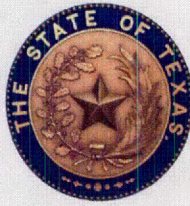
ANNUAL FINANCIAL REPORT

For the year ended August 31, 2015



Texas Emergency Services
Retirement System

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Austin, Texas 78701
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www.tesrs.texas.gov



TEXAS EMERGENCY SERVICES RETIREMENT SYSTEM

November 20, 2015

Honorable Greg Abbott, Governor
Honorable Glenn Hegar, Texas Comptroller
Ursula Parks, Director, Legislative Budget Board
John Keel, CPA, State Auditor

Ladies and Gentlemen:

We are pleased to submit the annual financial report of the Texas Emergency Services Retirement System for the year ended Aug. 31, 2015, in compliance with Texas Government Code Annotated, Section 2101.011, and in accordance with the requirements established by the Texas Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board (GASB) 34, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the state auditor as part of the audit of the State of Texas *Comprehensive Annual Financial Report* (CAFR); therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

A separate audit and opinion will be expressed on the financial statements contained in this report.

If you have questions or need additional information, please contact Judy Johnson, Chief Financial Officer, at (512) 565-1735 or judy.johnson@tesrs.texas.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Michelle Jordan", with a long horizontal flourish extending to the right.

Michelle Jordan
Executive Director

TABLE OF CONTENTS

Letter of Transmittal.....	i
COMBINED GENERAL PURPOSE FINANCIAL STATEMENTS	
Exhibit I - Combined Balance Sheet/Statement of Net Position-Governmental Funds	1
Exhibit II - Combined Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities-Governmental Funds	2
Exhibit VI - Combined Statement of Position-Fiduciary Funds	3
Exhibit VII - Combined Statement of Changes in Fiduciary Net Position.....	4
NOTES TO THE FINANCIAL STATEMENTS	
1. Summary of Significant Accounting Policies	5
2. Capital Assets.....	9
3. Deposits, Investments, and Repurchase Agreements	10
4. Short-Term Debt.....	10
5. Summary of Long Term Liabilities.....	11
6. Bonded Indebtedness.....	11
7. Derivatives.....	11
8. Leases	11
9. Pension Plans.....	11
10. Deferred Compensation	11
11. Postemployment Health Care and Life Insurance Benefits.....	11
12. Interfund Balances/Activities	12
13. Continuance Subject to Review	12
14. Adjustments to Fund Balance/Net Assets	12
15. Contingencies and Commitments	12
16. Subsequent Events	12
17. Risk Management.....	13
18. Management Discussion and Analysis.....	13
19. The Financial Reporting Entity	13
20. Stewardship, Compliance and Accountability	13
21. Not Applicable to the AFR	13
22. Donor Restricted Endowments.....	13
23. Pension Disclosures.....	14
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Funding Progress and Employer Contributions- TESRS Plan.....	
Notes to Required Supplementary Information	
SCHEDULES	
1. Pension Fund Investments.....	15
COMBINING FINANCIAL STATEMENTS	
A-1-Combining Balance Sheet-All General and Consolidated Funds.....	28
A-2 Combining Statement of Revenues, Expenditures, and Changes In Fund Balances-All General and Consolidated Funds.....	29
G-1 Combining Statement of Fiduciary Net Position.....	30
G-2 Combining Statement of Changes in Fiduciary Net Position	31

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Texas Emergency Services Retirement System (326)
Exhibit I - Combined Balance Sheet/Statement of Net Position - Governmental Funds
August 31, 2015

	General Funds (Ex A-1)	Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Statement of Net Position
ASSETS AND DEFERRED OUTFLOWS					
Current Assets:					
Cash in State Treasury	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Legislative Appropriations	59,212.94	59,212.94			59,212.94
Accounts Receivable					0.00
Consumable Inventories	4,059.00	4,059.00			4,059.00
Other Current Assets					
Total Current Assets	<u>63,271.94</u>	<u>63,271.94</u>	<u>0.00</u>	<u>0.00</u>	<u>63,271.94</u>
Non-Current Assets:					
Capital Assets (Note 2):					
Depreciable:					
Other Capital Assets			14,552.00		14,552.00
Less Accumulated Depreciation			-7,000.45		-7,000.45
Other Non-Current Assets					
Total Non-Current Assets	<u>0.00</u>	<u>0.00</u>	<u>7,551.55</u>	<u>0.00</u>	<u>7,551.55</u>
Total Assets and Deferred Outflow:	<u>\$63,271.94</u>	<u>\$63,271.94</u>	<u>\$7,551.55</u>	<u>\$0.00</u>	<u>\$70,823.49</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities					
Current Liabilities:					
Payables from:					
Accounts	\$22,404.90	\$22,404.90			\$22,404.90
Payroll	36,549.66	36,549.66			36,549.66
Due To Other Funds (Note 12)					0.00
Employees' Compensable Leave (Note 5)	0.00	0.00		22,749.33	22,749.33
Total Current Liabilities	<u>58,954.56</u>	<u>58,954.56</u>	<u>0.00</u>	<u>22,749.33</u>	<u>81,703.89</u>
Non-Current Liabilities					
Employees' Compensable Leave (Note 5)	0.00	0.00		5,926.48	5,926.48
Total Non-Current Liabilities	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>5,926.48</u>	<u>5,926.48</u>
Total Liabilities and Deferred Inflows	<u>58,954.56</u>	<u>58,954.56</u>	<u>0.00</u>	<u>28,675.81</u>	<u>87,630.37</u>
Fund Financial Statement					
Fund Balances (Deficits):					
Nonspendable	4,059.00	4,059.00			4,059.00
Restricted					
Committed					
Assigned					
Unassigned	258.38	258.38			258.38
Total Fund Balances	<u>4,317.38</u>	<u>4,317.38</u>			<u>4,317.38</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$63,271.94</u>	<u>\$63,271.94</u>		<u>\$28,675.81</u>	<u>\$91,947.75</u>
Government-Wide Statement of Net Position					
Net Position					
Invested in Capital Assets, net of Related Debt			7,551.55		7,551.55
Restricted For					
Debt Service					
Capital Projects					
Other					
Funds Held as Permanent Investments:					
Expendable					
Non-Expendable					
Other					
Unrestricted				-28,675.81	-28,675.81
Total Net Position			<u>\$7,551.55</u>	<u>-\$28,675.81</u>	<u>-\$16,806.88</u>

The accompanying notes to the financial statements are an integral part of this statement.

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Texas Emergency Services Retirement System (326)
Exhibit II - Combined Statement of Revenues, Expenditures
and Changes in Fund Balances/Statement of Activities -Governmental Funds
For the Fiscal Year Ended August 31, 2015

	General Funds (Ex A-2)	Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Statement of Activities
REVENUES					
Legislative Appropriations					
Original Appropriations (GR)	\$617,345.00	\$617,345.00	\$0.00	\$0.00	\$617,345.00
Additional Appropriations (GR)	95,016.56	95,016.56			95,016.56
Other (PR - Seminar Fees)	0.00	0.00			0.00
Other (GR)					
Total Revenues	<u>712,361.56</u>	<u>712,361.56</u>	<u>0.00</u>	<u>0.00</u>	<u>712,361.56</u>
EXPENDITURES					
Salaries and Wages	336,385.24	336,385.24		12,651.96	349,037.20
Payroll Related Costs	92,588.35	92,588.35			92,588.35
Professional Fees and Services	192,944.08	192,944.08			192,944.08
Travel	10,899.10	10,899.10			10,899.10
Materials and Supplies	25,375.18	25,375.18			25,375.18
Communication and Utilities	7,829.82	7,829.82			7,829.82
Repairs and Maintenance	2,654.50	2,654.50			2,654.50
Rentals and Leases	9,622.50	9,622.50			9,622.50
Printing and Reproduction	1,694.32	1,694.32			1,694.32
Judgments and Settlements	0.00	0.00			0.00
Other Expenditures	26,368.27	26,368.27			26,368.27
Capital Outlay	7,615.00	7,615.00	-7,615.00		0.00
Depreciation Expense			63.45		63.45
Total Expenditures/Expenses	<u>713,976.36</u>	<u>713,976.36</u>	<u>-7,551.55</u>	<u>12,651.96</u>	<u>719,076.77</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-1,614.80</u>	<u>-1,614.80</u>	<u>7,551.55</u>	<u>-12,651.96</u>	<u>-6,715.21</u>
OTHER FINANCING SOURCES (USES)					
Transfers In					
Total Other Financing Sources (Uses)	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
SPECIAL ITEMS					
					0.00
EXTRAORDINARY ITEMS					
					0.00
Net Change in Fund Balances/Net Position	<u>-1,614.80</u>	<u>-1,614.80</u>	<u>7,551.55</u>	<u>-12,651.96</u>	<u>-6,715.21</u>
Fund Financial Statement - Fund Balances					
Fund Balances - Beginning	6,912.11	6,912.11			6,912.11
Restatements					
Fund Balances - September 1, 2014, as Restated	<u>6,912.11</u>	<u>6,912.11</u>			<u>6,912.11</u>
Appropriations Lapsed	979.93	979.93			979.93
Fund Balances, August 31, 2015	<u>\$4,317.38</u>	<u>\$4,317.38</u>	<u>\$7,551.55</u>	<u>-\$12,651.96</u>	<u>-\$783.03</u>
Government-Wide Statement of Net Position					
Net Position/Net Change in Net Position			<u>7,551.55</u>	<u>-12,651.96</u>	
Net Position, Beginning			0.00	-16,023.85	-16,023.85
Restatements					
Net Position, September 1, 2014, as Restated			<u>0.00</u>	<u>-16,023.85</u>	<u>-16,023.85</u>
Net Position as of August 31, 2015			<u>\$7,551.55</u>	<u>-\$28,675.81</u>	<u>-\$16,806.88</u>

The accompanying notes to the financial statements are an integral part of this statement.

Texas Emergency Services Retirement System (326)
Exhibit VI - Combined Statement of Fiduciary Net Position
August 31, 2015

	Pension and Other Employee Benefit Trust Funds (Exhibit G-1)	Agency Funds (Exhibit J-1)	Totals
ASSETS			
Cash and Cash Equivalents			
Cash in State Treasury	\$205,711.37	\$0.00	\$205,711.37
Short Term Investments (Note 3)			
Other Short Term Investments	1,398,391.62		1,398,391.62
Investments (Note 3)		0.00	
Corporate Equity	41,228,208.85		41,228,208.85
Other Investments	45,081,795.89		45,081,795.89
Receivables from:			
Retirement System Contributions Receivable	1,078,098.92		1,078,098.92
Interest and Dividends	101,045.05	0.00	101,045.05
Sale of Investments	14,629.19	0.00	14,629.19
Other	0.00	0.00	0.00
Other Assets		0.00	
Due From Other Funds (Note 12)	0.00		0.00
Properties, at Cost, net of Accumulated Depreciation			
Total Assets	\$89,107,880.89	\$0.00	\$89,107,880.89
LIABILITIES			
Payables from:			
Accounts Payable	103,778.35	0.00	103,778.35
Investment Payable	112,666.38		112,666.38
Unearned Revenue	59,957.94	0.00	59,957.94
Payroll	2,337.49	0.00	2,337.49
Retirement Benefits	680.49		680.49
Due To Other Funds (Note 12)	0.00	0.00	0.00
Funds Held for Others		0.00	0.00
Claims and Judgments			
Employees' Compensable Leave (Note 5)	0.00		0.00
Capital Lease Obligations (Note 7)			
Total Liabilities	279,420.65	0.00	279,420.65
NET Position			
Held in Trust For			
Pension and Other Employee Benefits	88,828,460.24		88,828,460.24
Total Net Position	\$88,828,460.24	\$0.00	\$88,828,460.24

The accompanying notes
to the financial statements
are an integral part of this statement.

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Texas Emergency Services Retirement System (326)
Exhibit VII - Combined Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended August 31, 2015

	Pension and Other Employee Benefit Trust Funds (Exhibit G-2)	Totals
Additions		
Contributions:		
Original Appropriations (GR)	\$1,637,308.00	\$1,637,308.00
Dues	3,389,000.65	3,389,000.65
Prior Service	126,545.77	126,545.77
Total Contributions	<u>5,152,854.42</u>	<u>5,152,854.42</u>
Investment Income		
From Investing Activities:		
Net Appreciation (Depreciation) in Fair Value of Investments	-4,425,279.87	-4,425,279.87
Treasury Interest	2,157.33	2,157.33
Interest and Investment Income	1,655,761.74	1,655,761.74
Total Investing Income (Loss)	<u>-2,767,360.80</u>	<u>-2,767,360.80</u>
Less Investing Activities Expense	527,663.88	527,663.88
Net Income from Investing Activities	<u>-3,295,024.68</u>	<u>-3,295,024.68</u>
Other Additions		
Other Revenue	2,135.66	2,135.66
Total Other Additions	<u>2,135.66</u>	<u>2,135.66</u>
Total Additions	<u>1,859,965.40</u>	<u>1,859,965.40</u>
Deductions		
TESRS Retirement System Benefits Paid:		
Death Benefits	110,240.08	110,240.08
Retirement Benefits	3,840,442.04	3,840,442.04
Disability Benefits	34,200.00	34,200.00
Survivor's Benefits	513,879.21	513,879.21
Salaries and Wages	28,049.88	28,049.88
Payroll related Costs	0.00	0.00
Professional Fees and Services	144,069.25	144,069.25
Travel	33,356.13	33,356.13
Materials & Supplies	0.00	0.00
Communications & Utilities	0.00	0.00
Repairs & Maintenance	0.00	0.00
Rentals & Leases	3,484.28	3,484.28
Printing and Reproduction	0.00	0.00
Depreciation Expense	0.00	0.00
Interest Expense	0.01	0.01
Other Expense	6,940.43	6,940.43
Transfer Out	0.00	0.00
Total Deductions	<u>4,714,661.31</u>	<u>4,714,661.31</u>
Net Increase (Decrease)	<u>-2,854,695.91</u>	<u>-2,854,695.91</u>
Net Position - Beginning	91,683,156.15	91,683,156.15
Restatements	0.00	0.00
Net Position, September 1, 2014, as Restated	<u>91,683,156.15</u>	<u>91,683,156.15</u>
Net Position, August 31, 2015	<u>\$88,828,460.24</u>	<u>\$88,828,460.24</u>

The accompanying notes
to the financial statements
are an integral part of this statement.

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NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ENTITY

The Texas Emergency Services Retirement System (TESRS) is an agency of the State of Texas and its financial records comply with state statutes and regulations. This includes compliance with the Texas Comptroller of Public Accounts' Reporting Requirements for State Agencies.

The TESRS was created as a standalone agency by the 83rd Legislature via the passage of SB 220, effective September 1, 2013, to assume the related functions of the abolished Office of the Fire Fighters' Pension Commissioner (agency 325). While the agency is new, the System has been in existence since 1977. TESRS, which is under the authority of Title 8, Subtitle H, Chapters 861-865 of the Texas Government Code, provides death and disability benefits to active volunteer firefighters and first responders, and a pension to members with vested service, as well as to their survivor/beneficiaries.

No blended or discretely presented component units have been identified as having a relationship to the TESRS.

Due to the statewide requirements embedded in Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the State Auditor as part of the audit of the State of Texas Comprehensive Annual Financial Report; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

B. FUND STRUCTURE

The accompanying financial statements of the TESRS are presented on the basis of funds each of which is considered a separate accounting entity.

GOVERNMENTAL FUND TYPE

General Fund

The General Fund is the principal operating fund used to account for most of the state's general activities. It accounts for all financial resources except those accounted for in another fund.

FIDUCIARY FUND TYPES

Fiduciary Fund

Fiduciary funds account for assets held by the state in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. When assets are held under the terms of a formal trust agreement, either a pension trust fund, or a private purpose trust fund is used.

The TESRS Fund is used to account for the accumulation of resources for pension benefit payments to qualified volunteer firefighters and emergency responders and their beneficiaries. Administrative expenses totaling \$215,899.98 were funded out of the TESRS Fund.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. BASIS OF ACCOUNTING

The basis of accounting determines when revenues and expenses/expenditures are recognized in the accounts reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Governmental fund types that build the fund financial statements are accounted for using the modified accrual method basis of accounting. Under the modified accrual method, revenues are recognized in the period in which they become both measurable and available to finance operations of the fiscal year or liquidate liabilities existing at fiscal year end. The State of Texas considers receivables collected within sixty days after year-end to be available and recognizes them as revenues of the current year for Fund Financial Statements prepared on the modified basis of accrual. Expenditures and other uses of financial resources are recognized when the related liability is incurred.

Governmental adjustment fund types that will build the government-wide financial statements are accounted for using the full accrual method of accounting. This includes capital assets, accumulated depreciation, unpaid Employee Compensable Leave, the unmatured debt service (principal and interest) on general long-term liabilities, long-term capital leases, long-term claims and judgments and full accrual revenues and expenses. The activity will be recognized in these fund types.

Pension Trust Funds are accounted for on the accrual basis of accounting. Revenues, including contributions, are recognized when earned and expenses are recognized when the liability is incurred. Benefit expenses are recognized when the benefit is earned and refunds are recognized when processed.

D. BUDGETS AND BUDGETARY ACCOUNTING

The budget is prepared biennially and represents appropriations authorized by the Legislature and approved by the Governor (the General Appropriations Act).

Unencumbered appropriations are generally subject to lapse 60 days after the end of the fiscal year for which they were appropriated.

E. ASSETS, LIABILITIES AND FUND BALANCES/NET ASSETS

ASSETS

Investments

Investments of the Plan are reported at fair value. The fair value of investments is based on market prices provided by the fund custodian, Bank of Texas. For investments where no readily ascertainable market value exists, management, in consultation with their investment advisors, determines the fair values for the individual investments.

Accounts Receivable

Accounts receivable represents contributions due to the TESRS Funds, investment income earned but not received as of August 31, 2015, and investment trades initiated before August 31, 2015 with settlement dates after August 31, 2015.

In addition, included in this category are receivables relating to the financing of prior service contracts. Pursuant to Senate Bill No. 411, 65th Legislature, Regular Session (1977), pension plans that elect to participate in the pension system administered by the TESRS must make contributions to the pension system to fund the unfunded prior service costs applicable to their volunteer emergency service personnel. The sponsors of these plans have the option of financing these contributions with TESRS. The time period for financing is established by board rule at a maximum of 10 years; however, there are some contracts still outstanding which were operating under a previous rule which set the maximum at 40 years. The TESRS has entered into written contracts with these merging sponsors, establishing the terms of the funding of the buybacks and unfunded prior service costs. The contracts specify interest on the unpaid balance, which is the actuarially assumed investment rate of return at the effective date of the contract.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVENTORIES AND PREPAID ITEMS

Inventories include both merchandise inventories on hand for sale and consumable inventories. Inventories are valued at cost, generally utilizing the last-in, first-out method. The consumption method of accounting is used to account for inventories and prepaid items that appear in the governmental and proprietary fund types. The cost of these items is expensed when the items are consumed.

Capital Assets

Assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year should be capitalized. These assets are capitalized at cost or, if not purchased, at appraised fair value as of the date of acquisition. Purchases of assets by governmental funds are reported as expenditures. Depreciation is reported on all "exhaustible" assets. "Inexhaustible" assets such as works of art and historical treasures are not depreciated. Road and highway infrastructure is reported on the modified basis. Assets are depreciated over the estimated useful life of the asset using the straight-line method.

All capital assets acquired by proprietary funds or trust funds are reported at cost or estimated historical cost, if actual historical cost is not available. Donated assets are reported at fair value on the acquisition date. Depreciation is charged to operations over the estimated useful life of each asset, using the straight-line method.

LIABILITIES

Payables

Accounts Payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending, as well as unpaid retirement obligations of the TESRS Fund.

Unearned Revenue

Unearned Revenue represents the liability that the TESRS has to pay future retirement benefits that were prepaid.

Employees' Compensable Leave

Employees' Compensable Leave Balances represent the liability that becomes "due" upon the occurrence of relevant events such as resignations, retirements, and uses of leave balances by covered employees. Liabilities are reported separately as either current or noncurrent in the statement of net position.

FUND BALANCE / NET POSITION

"Fund Balance" is the difference between assets plus deferred outflow of resources and liabilities plus deferred inflows of resources on the governmental fund statements. "Net position" is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources on the government-wide and fiduciary fund statements. Fund Balances for governmental funds are classified as nonspendable, restricted, committed, assigned or unassigned.

Nonspendable fund balance includes amounts not available to be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact. The balance in this category as of August 31, 2015 is \$4,059.00, representing the amount of supplies to be used in the next fiscal year.

Restricted fund balance includes those resources that have constraints placed on their use through external parties or by law through constitutional provisions.

Committed fund balance can be used only for specific purposes pursuant to constraints imposed by a formal action of the Texas Legislature, the state's highest level of decision making authority.

Assigned fund balance includes amounts constrained by the state's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (1) the Texas Legislature or (2) a body (for example, a budget or finance committee) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unassigned fund balance is the residual classification for the General fund. This classification represents fund balance that was not assigned to other funds and was not restricted, committed or assigned to specific purposes within the General fund. The balance at August 31, 2015 was \$258.38.

TESRS NET POSITION HELD IN TRUST FOR PENSION BENEFITS

TESRS Reserves

This represents reserves available to fund future retirement, death, and survivor benefits. The balance in this reserve is sufficient to meet the statutory requirements of the TESRS Fund. The balance at August 31, 2015 was \$88,828,460.24.

F. INTERFUND TRANSACTIONS AND BALANCES

The TESRS has the following type of transactions between agencies:

Due to other funds: Represents the liability for the value of assets or services received at the balance sheet date for which payment is pending.

The composition of the TESRS' interfund receivables and payables at August 31, 2015 is presented in Note 12.

NOTE 2: CAPITAL ASSETS

A summary of changes in General Fixed Assets for the year ended August 31, 2015, is presented below.

	PRIMARY GOVERNMENT					
	Balance 9/1/2014	Adjust- ments	Reclass- ification	Additions	Deletions	Balance 08/31/15
Governmental Activities:						
Depreciable Assets						
Furniture and Equipment				\$7,615.00		\$7,615.00
Other Assets	\$6,937.00					\$6,937.00
Total depreciable assets at historical cost:	\$6,937.00			\$7,615.00		\$14,552.00
Less accumulated depreciation for:						
Furniture and Equipment				\$(63.45)		\$(63.45)
Other Assets	\$(6,937.00)					\$(6,937.00)
Total accumulated depreciation	\$(6,937.00)			\$(63.45)		\$(7,000.45)
Depreciable assets, net	0.00					\$0.00
Governmental activities						
Capital assets, net:	0.00			\$7,551.55		\$7,551.55

	PRIMARY GOVERNMENT					
	Balance 9/1/2014	Adjust- ments	Reclass- ification	Additions	Deletions	Balance 08/31/15
Fiduciary Activities						
Depreciable Assets						
Furniture and Equipment	\$13,965.00					\$13,965.00
Total depreciable assets at historical cost:	\$13,965.00					\$13,965.00
Less accumulated depreciation for:						
Furniture and Equipment	\$(13,965.00)					\$(13,965.00)
Total accumulated depreciation	\$(13,965.00)					\$(13,965.00)
Depreciable assets, net	\$0.00			-		\$0.00
Fiduciary activities						
Capital assets, net:	\$0.00			-		\$0.00

NOTE 3: DEPOSITS, INVESTMENTS, & REPURCHASE AGREEMENTS

Title 8, Government Code Subtitle H. Texas Emergency Services Retirement System Section 865.008 states if a surplus exists in the fund over the amount necessary to pay benefits due for a reasonable period of time, the state board shall invest the surplus. The assets of the pension system shall be invested and reinvested in accordance with Section 67, Article XVI, Texas Constitution. A determination of whether the state board has exercised prudence with respect to an investment decision must be made, taking into consideration the investment of all assets of the trust over which the state board has management and control rather than considering the prudence of a single investment. The Board's investment objectives are to achieve an annualized investment return that equals or exceeds the actuarial investment return assumption of the System.

The TESRS contracts with Bank of Texas for custodial services and Milliman USA, Inc. for investment consulting services. The TESRS contracts with five money managers to manage the fixed income and equity portfolios. The money managers are Luther King Capital Management Corp., Atlanta Capital Management Co, LLC., Robeco Investment Management Inc., Pier Capital LLC, and Harvest Fund Advisors LLC. The TESRS also invests with four mutual funds—PIMCO, T-Rowe Price, Wells Fargo, and OFITC..

INVESTMENTS

As of August 31, 2015, the fair value of investments are as presented below:

Fiduciary Funds	Fair Value
Equity	\$41,228,208.85
Fixed Income Money Market and Bond Mutual Funds	\$22,480,148.57
Other Commingled Funds	\$1,398,391.62
International Other Commingled Funds	\$22,601,647.32
Total	\$87,708,396.36

G. CREDIT RISK

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Investment policies of the System require that investments in the fixed income money market and core bond investments not exceed 26% (21.0% actual) of the portfolio, and International Bond investments not exceed 10% (4.6% actual).

Although, TESRS's Fixed Income Mutual Fund itself is not rated, the average credit quality of the fund's security holdings is AA. The high average credit quality is a function of the higher weighting in AAA governments and MBS investments, and underweight in high yield bond portfolios. The System's International Bond fund holdings are comprised primarily of high-quality (A or better) foreign bonds, with lower percentages of high yield, below investment-grade bonds. Credit risk is managed through diversification and by operating within defined parameters.

Standard & Poor's

Fund Type	GAAP Fund	Investment Type	Not Rated
10	976	Fixed Income Money Market and Bond Mutual Fund	\$18,453,616.85
10	976	International Bond Fund	\$4,026,531.72

All investments are registered and held in the name of the TESRS or in the name of the Agency's custodian, which was established through a custodial agreement.

The Agency has contracted with Bank of Texas, to serve as a custodian of the Agency's securities. The Agency has authorized their five money managers to invest cash in money market funds pending completion of an investment settlement.

NOTE 4: SHORT-TERM DEBT

Not Applicable

NOTE 5: SUMMARY OF LONG TERM LIABILITIES

Changes in Long-Term Liabilities

During the year ended August 31, 2015, the following changes occurred in long-term liabilities.

Governmental Activities	Balance 9/1/2014	Additions	Reductions	Balance 8/31/2015	Amounts Due Within One Year
Compensable Leave	\$ 16,023.85	\$ 32,078.21	\$ 19,426.25	\$ 28,675.81	\$ 22,749.33
Total Governmental Activities	\$ 16,023.85	\$ 32,078.21	\$ 19,426.25	\$ 28,675.81	\$ 22,749.33

Employees' Compensable Leave

A state employee is entitled to be paid for all unused vacation time accrued, in the event of the employee's resignation, dismissal, or separation from employment, provided the employee has had continuous employment with the State for six months. Expenditures for accumulated annual leave balances are recognized in the period paid or taken in governmental fund types. For these fund types, the liability for unpaid benefits is recorded in the Statement of Net Position. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

NOTE 6: BONDED INDEBTEDNESS

Not Applicable

NOTE 7: DERIVATIVES

Not Applicable

NOTE 8: LEASES

Not Applicable

NOTE 9: PENSION PLANS

See note 23

NOTE 10: DEFERRED COMPENSATION

Not Applicable

NOTE 11: POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

Not Applicable

NOTE 12: INTERFUND BALANCES/ACTIVITIES

As explained in Note 1 on Interfund Transactions and Balances there are transactions between funds. At year-end amounts to be received or paid are reported as:

- Interfund Receivables or Interfund Payables (Note 12 presentation required)
- Due From Other Agencies or Due to Other Agencies
- Due From Other Funds or Due To Other Funds
- Transfers In or Transfers Out (Note 8 presentation required)
- Legislative Transfers In or Legislative Transfers Out (Note 12 presentation required)

Individual balances and activity at August 31, 2015, follows:

Current Portion	Current Interfund Receivable	Current Interfund Payable
General Revenue (01)	\$	\$
TESRS (976)	\$	\$
Total Interfund	\$	\$
Receivable/Payable	\$	\$
Non-Current Portion	Non-Current Interfund Receivable	Non-Current Interfund Payable
General Revenue (01)	\$	\$
TESRS (976)	\$	\$
Total Interfund	\$	\$
Receivable/Payable	\$	\$
	Due From Other Funds	Due To Other Funds
Agy 325, Fd 1, D23 Fund 0050		
Agy 325, Fd 1, D23 Fund 0001	\$	\$
Agy 325, Fd 976, D23 Fd 976 TESRS	\$	\$
Agy 325, FD 976, D23 Fd 976 TLFFRA	\$	
Total Due From/To Other Funds	\$ 0	\$0

NOTE 13: CONTINUANCE SUBJECT TO REVIEW

TESRS is subject to Sunset review (but not abolishment) in 2025 and every 12 years thereafter.

NOTE 14: ADJUSTMENTS TO FUND BALANCE/NET ASSETS

Not Applicable

NOTE 15: CONTINGENCIES AND COMMITMENTS

Not Applicable

NOTE 16: SUBSEQUENT EVENTS

Not Applicable

NOTE 17: RISK MANAGEMENT

The TESRS is exposed to a variety of civil claims resulting from the performance of its duties. It is TESRS policy to periodically assess the proper combination of commercial insurance and retention of risk to cover losses to which it may be exposed.

The TESRS assumes substantially all risks associated with tort claims and liability claims due to the performance of its duties.

The TESRS' liabilities are reported when it is both probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Liabilities are reevaluated periodically to consider current settlements, frequency of claims, past experience and economic factors. Because of the low statewide incident of claims, the TESRS does not hold fidelity dishonesty insurance coverage. Changes in the balances of the TESRS' claims liabilities during fiscal 2014 and 2015 were as follows:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims	Balance at Fiscal Year-End
2014	\$ -0-	\$ -0-	\$ -0-	\$ -0-
2015	\$ -0-	\$ -0-	\$ -0-	\$ -0-

NOTE 18: MANAGEMENT DISCUSSION AND ANALYSIS

Not Applicable

NOTE 19: THE FINANCIAL REPORTING ENTITY

Not Applicable

NOTE 20: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Not Applicable

NOTE 21: NOT APPLICABLE TO THE AFR

Not Applicable

NOTE 22: DONOR RESTRICTED ENDOWMENTS

Not Applicable

NOTE 23: PENSION DISCLOSURES

The Pension Disclosures note and Required Supplementary Information will be submitted as a part of the Audited AFR after the actuarial schedules have been completed.

Texas Emergency Services Retirement System (326)
Schedule 1
Pension Fund Investments
August 31, 2015 (With Comparative totals for August 31, 2014)

	Market Value As of August 31, 2015	Market Value As of August 31, 2014
MONEY MARKET MUTUAL FUND		
Money Market Securities	\$1,398,392	\$1,131,864
BOND FUNDS		
Pimco Total Return Fund	\$18,453,617	\$18,665,151
T Rowe Price International Fund	\$4,026,532	\$4,445,926
Total Bond Funds	\$22,480,149	\$23,111,077
Equity Funds		
OFITC International Growth Fund	\$18,283,203	\$18,197,292
Wells Fargo International Emerging Markets	\$4,318,445	\$5,666,373
Total Equity Funds	\$22,601,648	\$23,863,665
3M CO	\$271,487	
8POINT3 ENERGY LP	\$1,539	
A10 NETWORKS INC		\$48,261
AARON'S INC		\$33,793
ABBVIE INC	\$77,264	\$119,294
ACADIA HEALTHCARE	\$118,309	\$64,269
ACCENTURE PLC-A	\$191,180	
ACCESS MIDSTREAM PARTNERS LP		\$91,120
ACE LTD	\$224,650	\$207,450
ACETO CORP	\$44,484	\$53,623
ACI WORLDWIDE INC	\$66,550	\$60,746
ACTIVISION BLIZZARD INC	\$187,469	\$44,679
ACTUANT CORP-CL A		\$33,899
ACXIOM CORP		\$45,899
ADEPTUS HEALTH INC	\$49,421	
ADVANCED DRAINAGE SYSTEMS INC	\$27,160	
ADVISORY BOARD CO/THE	\$55,925	
AES CORP	\$172,008	\$183,541
AKORN INC	\$79,461	\$114,407
ALLEGIANT TRAVEL CO	\$29,676	\$44,230
ALLERGAN INC		\$170,064
ALLOT COMMUNICATIONS LTD		\$8,556
ALLSTATE CORP	\$149,430	\$245,714
ALLY FINANCIAL INC	\$126,854	
AMAZON.COM INC		\$185,116
AMBARELLA INC		\$51,238
AMC ENTERTAINMENT HOLDINGS INC	\$25,937	
AMERICAN CAPITAL AGENCY CORP		\$72,062
AMERICAN EXPRESS CO	\$377,156	\$200,144
AMERICAN HOMES 4 RENT	\$51,631	\$58,950
AMERICAN INT'L GROUP INC	\$212,880	

Texas Emergency Services Retirement System (326)
Schedule 1
Pension Fund Investments
August 31, 2015 (With Comparative totals for August 31, 2014)

	Market Value As of August 31, 2015	Market Value As of August 31, 2014
AMERICAN MIDSTREAM PARTNERS LP	\$5,338	
AMERICAN RAILCAR INDUSTRIES		\$0
AMERIGAS PARTNERS- LP	\$16,411	
AMN HEALTHCARE SERVICES INC	\$57,792	
AMPHENOL CORP-CL A	\$306,463	
AMSURG CORP	\$50,346	
ANADARKO PETROLEUM CORP	\$90,406	
ANTERO MIDSTREAM PARTNERS LP	\$20,705	
ANTHEM INC	\$94,927	
AON PLC	\$102,784	
APOGEE ENTERPRISES INC	\$52,932	\$46,879
APOLLO EDUCATION GROUP, INC.		\$73,118
APPLE INC COM	\$847,504	\$1,102,694
APPLIED MICRO CIRCUITS CORP		\$33,999
ASBURY AUTOMOTIVE GROUP INC	\$68,887	
ASPEN TECHNOLOGY INC		\$27,530
ATHLON ENERGY INC		\$94,569
ATRICURE INC	\$46,670	
AVERY DENNISON CORP	\$66,792	
BANCORPSOUTH INC	\$60,065	\$58,599
BANK OF THE OZARKS	\$112,526	\$44,538
BANKUNITED INC	\$50,324	\$64,046
BARNES GROUP INC	\$71,659	\$49,648
BARRICK GOLD CORP	\$34,368	\$69,882
BB&T CORPORATION	\$105,628	\$111,803
BELDEN CDT INC	\$24,439	\$66,859
BELMOND LTD	\$36,930	\$57,037
BENEFITFOCUS INC	\$53,736	\$52,667
BERKSHIRE HATHAWAY INC-CL B	\$613,099	\$563,823
BILL BARRETT CORP		\$93,630
BIOGEN INC	\$336,246	
BOARDWALK PIPELINE PARTNERS LP	\$21,200	
BOOT BARN HOLDINGS INC	\$21,993	
BRINKER INTERNATIONAL INC	\$63,756	
BRISTOL-MYERS SQUIBB CO	\$365,859	\$274,878
BROADSOFT INC	\$45,289	
BROCADE COMMUNICATIONS SYS	\$65,774	\$130,440
BUCKEYE PARTNERS LP	\$182,317	\$111,232
BUFFALO WILD WINGS INC	\$61,836	\$48,166
BURLINGTON STORES INC	\$90,094	
CAESAR STONE SDOT YAM LTD		\$53,466
CAESARSTONE SDOT-YAM LTD	\$31,912	
CALLIDUS SOFTWARE INC	\$55,999	
CALUMET SPECIALTY PRODUCTS LP	\$2,436	

Texas Emergency Services Retirement System (326)
Schedule 1
Pension Fund Investments
August 31, 2015 (With Comparative totals for August 31, 2014)

	Market Value As of August 31, 2015	Market Value As of August 31, 2014
CAMERON INTERNATIONAL CORP	\$113,025	\$242,093
CANADIAN NATURAL RESOURCES	\$106,193	
CAPITAL ONE FINANCIAL CORP	\$455,382	\$431,225
CAPITOL FED FINL INC		\$39,582
CARDINAL HEALTH INC	\$44,179	
CARPENTER TECHNOLOGY		\$35,301
CARTER'S INC	\$52,989	\$45,529
CAVIUM INC	\$55,844	\$56,573
CELGENE CORP		\$281,354
CEMPRA INC		\$23,254
CENTENE CORP		\$47,659
CEPHEID INC		\$64,769
CEVA INC	\$25,660	
CHARLES RIVER LABORATORIES	\$70,957	\$10,933
CHART INDUSTRIES INC		\$26,890
CHECK POINT SOFTWARE TECH	\$147,127	
CHENIERE ENERGY PARTNERS LP	\$16,744	
CHIASMA INC	\$46,832	
CIENA CORP	\$80,384	\$59,173
CIGNA CORP	\$265,108	
CISCO SYSTEMS INC	\$308,205	\$303,678
CITIGROUP INC	\$418,107	\$457,981
CLARCOR INC	\$43,630	
COCA-COLA CO/THE	\$367,996	\$390,457
COGNIZANT TECH SOLUTIONS-A	\$157,728	
COHERENT INC		\$47,063
COLUMBIA BANKING SYSTEM INC	\$68,198	\$58,522
COLUMBIA PIPELINE PARTNERS LP	\$19,473	
COMCAST CORP-CL A	\$457,231	\$449,963
COMFORT SYSTEMS USA INC	\$58,572	
COMMERCIAL METALS CO		\$35,424
COMSCORE INC	\$52,837	\$22,450
CONE MIDSTREAM PARTNERS LP	\$3,932	
CONMED CORP		\$32,587
CORE LABORATORIES N.V.		\$103,167
CORNERSTONE ONDEMAND INC		\$43,964
COSTCO WHOLESALE CORP	\$255,311	\$339,145
COVIDIEN PLC		\$168,103
CRANE CO	\$42,978	\$91,441
CRESTWOOD MIDSTREAM PARTNERS LP	\$4,748	\$9,858
CRITEO SA ADR	\$66,265	
CROSSAMERICA PARTNERS LP	\$30,353	
CROWN HOLDINGS INC	\$122,190	\$96,057
CUBESMART	\$55,259	

Texas Emergency Services Retirement System (326)
Schedule 1
Pension Fund Investments
August 31, 2015 (With Comparative totals for August 31, 2014)

	Market Value As of August 31, 2015	Market Value As of August 31, 2014
CUSTOMERS BANCORP INC		\$48,308
CVENT INC	\$59,453	\$66,216
CVS HEALTH CORPORATION	\$856,166	\$733,721
CYBERONICS		\$92,513
CYNOSURE INC-A	\$55,212	\$42,469
DANAHER CORP	\$204,323	\$246,991
DCP MIDSTREAM PARTNERS LP	\$27,326	
DEL FRISCOS RESTAURANT		\$44,149
DELEK LOGISTICS PARTNERS LP	\$996	
DELTA AIR LINES INC	\$204,759	\$97,446
DEPOMED INC	\$51,248	
DEVRY EDUCATION GROUP INC.		\$39,496
DEXCOM INC	\$80,113	\$132,600
DIAMONDBACK ENERGY INC	\$94,377	\$49,219
DIPLOMAT PHARMACY INC	\$44,031	
DISCOVER FINANCIAL SERVICE	\$197,082	\$192,287
DOMINION MIDSTREAM PARTNERS LP	\$13,520	
DORMAN PRODUCTS		\$22,415
DOVER CORP		\$76,359
DYNAVAX TECHNOLOGIES CORP	\$53,288	
E2OPEN INC		\$0
EATON CORP PLC	\$66,475	\$129,148
EBAY INC	\$15,236	\$229,104
ECOLAB INC	\$323,164	\$180,727
EL PASO PIPELINE PARTNERS LP		\$29,175
ELLIE MAE INC	\$49,470	
EMC CORP MASS	\$286,552	\$268,014
EMERSON ELECTRIC CO		\$70,294
ENABLE MIDSTREAM PARTNERS LP		\$9,970
ENBRIDGE ENERGY PARTNERS LP	\$49,462	\$55,606
ENDOLOGIX INC	\$36,279	\$43,294
ENERGEN CORP	\$83,408	\$66,476
ENERGY TRANSFER EQUITY LP	\$311,860	\$382,156
ENERGY TRANSFER PARTNERS LP	\$300,000	\$283,975
ENLINK MIDSTREAM LLC	\$8,518	\$5,261
ENLINK MIDSTREAM PARTNERS LP	\$44,692	\$58,261
ENTERPRISE PRODUCTS PARTNERS LP	\$453,499	\$608,394
ENVIVA PARTNERS LP	\$2,205	
EOG RESOURCES INC	\$366,569	\$115,044
EPAM SYSTEMS INC	\$59,665	\$44,163
EQT CORPORATION	\$50,816	\$142,845
EQT GP HOLDINGS LP	\$10,439	
EQT MIDSTREAM PARTNERS LP	\$60,062	\$138,728
ESTEE LAUDER COMPANIES-CL A	\$194,080	\$119,855

Texas Emergency Services Retirement System (326)
Schedule 1
Pension Fund Investments
August 31, 2015 (With Comparative totals for August 31, 2014)

	Market Value As of August 31, 2015	Market Value As of August 31, 2014
EURONET WORLDWIDE INC	\$92,192	\$74,354
EV ENERGY PARTNER LP		\$29,594
EVERCORE PARTNERS INC- CL A		\$47,388
EVOLENT HEALTH INC	\$50,932	
EW SCRIPPS CO-CL A	\$58,254	\$55,174
EXACT SCIENCES CORP	\$82,913	\$78,187
EXLSERVICE HOLDINGS INC	\$51,086	
EXPRESS SCRIPTS HOLDING CO	\$595,399	\$509,230
EXTERRAN HOLDINGS INC	\$17,968	\$77,686
EXTERRAN PARTNERS LP	\$39,676	\$60,900
EXXON MOBIL CORP		\$645,296
FACEBOOK INC-A	\$224,738	
FAIR ISAAC CORP	\$65,033	
FASTENAL CO		\$230,475
FCB FINANCIAL HOLDINGS INC	\$50,558	
FIDELITY NATIONAL INFO SVCS, INC.		\$60,779
FIFTH THIRD BANCORP	\$72,489	\$198,112
FIVE BELOW INC	\$26,644	\$76,740
FLUIDIGM CORP		\$30,350
FOGO DE CHAO INC	\$26,466	
FORTINET INC		\$44,832
FRANKLIN ELECTRIC CO INC		\$55,042
FTI CONSULTING INC	\$71,150	
GASLOG LTD	\$15,168	\$27,385
GASLOG PARTNERS LP	\$3,959	\$10,032
GENERAC HOLDINGS INC	\$21,953	
GENERAL DYNAMICS CORP	\$156,801	
GENESEE & WYOMING INC-CL A		\$71,683
GENESIS ENERGY LP	\$67,105	\$81,656
GIGAMON INC	\$37,405	
G-III APPAREL GROUP LTD	\$57,821	
GILEAD SCIENCES INC	\$477,649	\$623,633
GLOBAL PAYMENTS INC		\$61,376
GLOBANT SA	\$45,179	
GLOBE SPECIALTY METALS INC	\$34,900	\$16,945
GOLAR LNG PARTNERS LP	\$3,183	
GOOGLE INC-CL A		\$323,210
GOOGLE INC-CL C	\$698,605	\$317,238
GREENBRIER COMPANIES INC		\$75,168
GREIF INC-CL A		\$37,594
GT ADVANCED TECHNOLOGIES INC		\$53,572
HANCOCK HOLDING CO		\$33,406
HANMI FINANCIAL CORP	\$52,843	\$39,353
HARLEY-DAVIDSON INC	\$78,918	

Texas Emergency Services Retirement System (326)
Schedule 1
Pension Fund Investments
August 31, 2015 (With Comparative totals for August 31, 2014)

	Market Value As of August 31, 2015	Market Value As of August 31, 2014
HARRIS CORP	\$116,382	
HARSCO CORP		\$2,299
HEADWATERS INC	\$69,016	\$48,258
HEALTHCARE SERVICES GROUP	\$74,070	\$51,790
HERSHEY CO/THE	\$226,665	
HEWLETT-PACKARD CO	\$139,627	
HEXCEL CORP	\$58,395	\$46,545
HFF INC-A	\$80,544	\$58,020
HILLENBRAND INC		\$63,536
HOLLY ENERGY PARTNERS LP	\$19,953	\$21,992
HOME BANCSHARES INC	\$68,235	\$59,054
HOME DEPOT INC		\$132,583
HONEYWELL INTERNATIONAL INC	\$386,558	\$402,918
HORTONWORKS INC	\$23,237	
HSN INC	\$62,938	
HUNTSMAN CORP	\$81,989	\$104,710
HURON CONSULTING GROUP INC	\$50,311	\$45,118
ICON PLC		\$49,986
IDEX CORP	\$299,387	
IGATE CORP		\$45,241
IMAX CORP	\$49,063	
IMPRIVATA INC	\$26,238	
INC RESEARCH HOLDINGS INC	\$46,095	
INCOME CASH		
INFINERA CORP	\$156,886	\$47,874
INGERSOLL-RAND PLC	\$65,574	
INOGEN INC	\$25,631	
INPHI CORP		\$43,991
INSTALLED BUILDING PRODUCTS INC	\$50,207	
INSULET CORP		\$43,296
INTERACTIVE INTELLIGENCE GROUP	\$50,064	\$26,542
INTERCEPT PHARMACEUTICALS INC		\$35,636
INTERCONTINENTAL EXCHANGE, INC	\$133,163	\$306,747
INTERFACE INC	\$53,207	
INTERNATIONAL PAPER CO	\$91,500	\$144,672
INTERSECT ENT INC	\$47,967	
INTRALINKS HOLDINGS INC		\$10,878
IPG PHOTONICS CORP	\$24,988	\$46,016
JACK IN THE BOX INC	\$50,504	
JOHNSON & JOHNSON	\$473,001	\$385,149
JPMORGAN CHASE & CO	\$605,809	\$514,778
JUNIPER NETWORKS INC		\$161,472
K2M GROUP HOLDINGS INC	\$48,850	\$41,323
KANSAS CITY SOUTHERN		\$156,659

Texas Emergency Services Retirement System (326)
Schedule 1
Pension Fund Investments
August 31, 2015 (With Comparative totals for August 31, 2014)

	Market Value As of August 31, 2015	Market Value As of August 31, 2014
KATE SPADE & CO		\$44,306
KENNEDY-WILSON HOLDINGS INC	\$56,761	\$54,042
KINDER MORGAN ENERGY PRTNRS LP		\$79,899
KINDER MORGAN INC/DELAWARE	\$21,974	\$18,036
KINDER MORGAN MANAGEMENT LLC		\$177,850
KIRKLAND'S INC	\$41,939	
KNOLL INC	\$54,227	
KNOWLES CORP		\$22,386
LA QUINTA HOLDINGS INC	\$57,398	\$47,993
LABORATORY CRP OF AMER HLDGS		\$107,337
LANDSTAR SYSTEM INC	\$57,263	
LDR HOLDING CORP	\$83,560	
LEAR CORP	\$98,678	\$170,303
LEHIGH GAS PARTNERS LP		\$17,842
LENDINGTREE INC	\$21,508	
LHC GROUP INC	\$20,048	
LIBERTY BROADBAND CORP WI	\$60,435	
LIBERTY GLOBAL-C	\$228,119	\$188,098
LIBERTY LILAC C	\$8,446	
LIBERTY MEDIA CL C WI	\$89,934	\$122,823
LIBERTY MEDIA CORP		\$62,374
LIFEPOINT HOSPITALS INC		\$46,675
LINEAR TECHNOLOGY CORP	\$146,378	
LITHIA MOTORS INC	\$92,209	\$41,699
LOCKHEED MARTIN CORP	\$288,291	\$268,482
LOGMEIN INC	\$57,665	\$39,109
LOWE'S COS INC	\$444,071	\$379,542
M/A-COM TECHNOLOGY SOLUTIONS H	\$47,600	
MACQUARIE INFRASTRUCTURE CO	\$77,697	\$49,337
MACY'S INC	\$87,563	\$94,930
MAGELLAN MIDSTREAM PARTNERS LP	\$236,410	\$248,097
MALIBU BOATS INC		\$27,136
MANHATTAN ASSOCIATES INC	\$118,480	
MANITOWOC COMPANY INC	\$24,339	\$55,604
MARATHON PETROLEUM CORP	\$91,971	\$131,600
MARCUS & MILLICHAP INC	\$52,523	\$23,074
MARCUS CORPORATION	\$26,126	
MARKETAXESS HOLDINGS INC		\$42,422
MARKETO INC	\$49,102	\$45,589
MARKWEST ENERGY PARTNERS LP	\$132,977	\$181,067
MARSH & MCLENNAN COS	\$227,547	\$224,878
MATADOR RESOURCES CO		\$57,456
MAXIMUS INC		\$39,428
MCDONALD'S CORP		\$138,424

Texas Emergency Services Retirement System (326)
Schedule 1
Pension Fund Investments
August 31, 2015 (With Comparative totals for August 31, 2014)

	Market Value As of August 31, 2015	Market Value As of August 31, 2014
MCKESSON CORP		\$50,513
MDC PARTNERS INC		\$39,508
MEDIDATA SOLUTIONS INC		\$44,865
MEDTRONIC INC		\$176,481
MEDTRONIC PLC	\$278,678	
MELLANOX TECHNOLOGIES LTD		\$56,375
MEMORIAL PRODUCTION PARTNERS LP		\$9,805
MEMORIAL RESOURCE DEVELOPMENT	\$37,655	
MERCK & CO INC/NJ	\$267,796	
MERCURY SYSTEMS INC	\$44,605	
METHANEX CORP	\$56,453	
METLIFE INC	\$110,070	\$92,620
MICHAEL KORS HOLDINGS LTD		\$109,284
MICROSOFT CORP	\$356,472	\$302,518
MICROSTRATEGY INC-CL A	\$51,861	
MONOLITHIC POWER SYSTEMS INC	\$47,657	
MONRO MUFFLER BRAKE INC	\$71,948	
MONSANTO CO	\$461,103	\$546,099
MOTORCAR PARTS OF AMERICA INC		\$54,424
MOVADO GROUP		\$52,539
MPLX LP	\$17,863	\$18,544
MRC GLOBAL INC		\$30,777
MSA SAFETY INC		\$53,422
MWI VETERINARY SUPPLY INC		\$63,923
NANOSTRING TECHNOLOGIES INC	\$25,233	\$18,481
NCI BUILDING SYSTEMS	\$38,257	\$47,185
NEOGEN CORP	\$43,378	
NEVRO CORP	\$24,857	
NEWS CORP CLASS A		\$63,274
NGL ENERGY PARTNERS LP	\$32,583	\$49,563
NIKE INC -CL B	\$149,522	\$105,100
NORD ANGLIA EDUCATION INC	\$42,045	\$47,856
NORDSTROM INC	\$158,368	\$150,480
NORFOLK SOUTHERN CORP		\$124,762
NORTHERN TIER ENERGY LP	\$8,540	\$11,598
NOVARTIS AG-ADR	\$260,744	
NOW INC		\$23,022
NUSTAR ENERGY LP	\$67,782	\$31,988
NXP SEMICONDUCTOR NV	\$93,623	
OASIS PETROLEUM INC		\$42,205
OCCIDENTAL PETROLEUM CORP	\$398,489	\$566,470
OILTANKING PARTNERS LP		\$84,778
OLD DOMINION FREIGHT LINE	\$62,966	\$49,736
OMNICARE INC		\$128,497

Texas Emergency Services Retirement System (326)
Schedule 1
Pension Fund Investments
August 31, 2015 (With Comparative totals for August 31, 2014)

	Market Value As of August 31, 2015	Market Value As of August 31, 2014
OMNICELL INC	\$49,441	\$52,134
OMNICOM GROUP	\$57,670	\$63,297
ON ASSIGNMENT INC		\$41,059
ON SEMICONDUCTOR CORPORATION		\$70,955
ONEOK INC	\$8,930	\$80,239
ONEOK PARTNERS LP	\$36,426	
ORACLE CORP	\$170,874	\$397,234
ORBCOMM INC		\$19,562
OXFORD INDUSTRIES INC		\$47,224
PACIRA PHARMACEUTICALS INC		\$69,070
PANERA BREAD COMPANY-CL A		\$124,150
PAREXEL INTERNATIONAL CORP		\$43,233
PARSLE ENERGY INC SER A		\$48,662
PAYCOM SOFTWARE INC	\$61,587	
PBF LOGISTICS LP	\$11,848	\$17,347
PDC ENERGY INC	\$51,068	\$53,781
PEBBLEBROOK HOTEL TRUST	\$44,911	\$44,551
PEGASYSTEMS INC		\$42,402
PENNTX MIDSTREAM PARTNERS LP	\$6,257	
PEPSICO INC	\$235,113	
PERRIGO CO PLC	\$165,588	\$283,201
PFIZER INC	\$420,954	\$417,896
PGT INC	\$82,760	\$29,657
PHILIP MORRIS INTERNATIONAL		\$394,609
PHILLIPS 66	\$307,977	\$367,137
PHILLIPS 66 PARTNERS LP	\$14,102	
PIER 1 IMPORTS INC		\$31,599
PINNACLE FOODS INC	\$56,902	
PLAINS ALL AMER PIPELINE LP	\$239,547	\$321,405
PLAINS GP HOLDINGS LP	\$46,448	\$67,583
PLANET FITNESS INC	\$25,504	
POLYONE CORPORATION		\$58,242
POOL CORP	\$74,209	\$57,227
POPEYES LOUISIANA KITCHEN INC	\$68,413	\$46,316
PORTFOLIO RECOVERY ASSOCIATE		\$44,782
POST HOLDINGS INC	\$81,274	\$46,028
PRA GROUP INC	\$94,643	
PRA HEALTH SCIENCES INC	\$53,096	
PRAXAIR INC	\$111,989	\$139,311
PRECISION CASTPARTS CORP		\$289,455
PRIMORIS SERVICES CORP		\$101,640
PRINCIPAL CASH	\$0	
PROOFPOINT INC	\$99,835	\$47,936
PROSPERITY BANCSHARES INC		\$48,622

Texas Emergency Services Retirement System (326)
Schedule 1
Pension Fund Investments
August 31, 2015 (With Comparative totals for August 31, 2014)

	Market Value As of August 31, 2015	Market Value As of August 31, 2014
PROTO LABS INC	\$50,253	\$51,163
PRUDENTIAL FINANCIAL INC	\$0	\$138,497
PTC THERAPEUTICS INC		\$28,177
PZENA INVESTMENT MANAGEMENT INC		\$23,202
Q2 HOLDINGS INC	\$61,738	
QEP MIDSTREAM PARTNERS LP		\$38,610
QEP RESOURCES INC	\$69,372	\$149,785
QLIK TECHNOLOGIES	\$61,788	
QUALCOMM INC	\$138,112	\$543,202
QUEST DIAGNOSTICS	\$108,616	\$96,142
RADWARE LTD	\$44,087	
RALPH LAUREN CORP		\$199,656
RAMBUS INC	\$66,479	\$56,217
RAVEN INDUSTRIES INC		\$27,993
RAYMOND JAMES FINANCIAL INC	\$274,647	\$147,364
RAYTHEON COMPANY	\$201,633	\$193,258
RED ROBIN GOURMET BURGERS		\$36,214
REGENCY ENERGY PARTNERS LP		\$1,715
RESTORATION HARDWARE HOLDINGS	\$47,720	\$43,277
RETAILMENOT INC		\$38,568
RICE ENERGY INC	\$21,317	\$26,528
RICE MIDSTREAM PARTNERS LP	\$42,143	
RINGCENTRAL INC	\$53,523	
RITCHIE BROS. AUCTIONEERS	\$65,916	
ROADRUNNER TRANSPORTATION		\$41,824
ROSE ROCK MIDSTREAM LP		\$37,692
ROSS STORES INC	\$183,200	\$160,041
RSP PERMIAN INC	\$42,158	\$65,809
RUCKUS WIRELESS INC		\$32,549
SAIA INC		\$50,650
SANCHEZ ENERGY CORP		\$59,775
SANOFI		\$54,700
SAPIENT CORPORATION		\$47,085
SCHLUMBERGER LTD	\$300,118	\$573,966
SCRIPPS NETWORKS INTER-CL A	\$32,916	\$74,051
SEAGATE TECHNOLOGY	\$59,778	\$74,282
SEMGROUP INC	\$43,065	
SEQUENTIAL BRANDS GROUP INC		\$22,762
SHELL MIDSTREAM PARTNERS LP	\$124,012	
SHIRE PLC ADR	\$67,048	\$43,983
SHOPIFY INC W/I	\$39,410	
SIGNATURE BANK		\$49,990
SIX FLAGS ENTERTAINMENT	\$62,958	\$63,876
SKECHERS USA INC-CL A	\$70,651	\$86,388

Texas Emergency Services Retirement System (326)
Schedule 1
Pension Fund Investments
August 31, 2015 (With Comparative totals for August 31, 2014)

	Market Value As of August 31, 2015	Market Value As of August 31, 2014
SOLARWINDS INC		\$43,389
SONUS NETWORKS INC		\$44,203
SOUTHCROSS ENERGY	\$98	
SOVRAN SELF STORAGE INC REIT	\$73,130	\$42,499
SPANSION INC		\$51,602
SPECTRANETICS CORP		\$127,994
SPIRIT AIRLINES INC	\$44,434	\$75,599
SPRAGUE RESOURCES LP	\$5,439	\$20,606
SPS COMMERCE INC	\$54,756	\$35,522
STAG INDUSTRIAL	\$40,432	\$44,166
STAGE STORES INC	\$18,419	
STAMPS.COM INC	\$30,713	
STARBUCKS CORP	\$315,950	\$267,978
STEVEN MADDEN LTD	\$67,501	
STRATEGIC HOTELS & RESORTS INC. REIT	\$50,992	\$34,987
SUBURBAN PROPANE PARTNERS LP	\$898	
SUMMIT MATERIALS INC	\$54,779	
SUMMIT MIDSTREAM PARTNERS LP	\$25,985	\$50,139
SUNOCO LOGISTICS PARTNERS LP	\$35,386	
SURGICAL CARE AFFILIATES INC	\$55,337	\$67,109
SWIFT TRANSPORTATION	\$43,599	
SYNAGEVA BIOPHARMA CORP		\$18,909
SYNERGY RESOURCES CORP	\$41,456	\$51,956
T ROWE PRICE GROUP INC		\$137,287
TAKE-TWO INTERACTIVE SOFTWARE	\$65,688	
TALLGRASS ENERGY GP LP	\$20,907	
TALLGRASS ENERGY PARTNERS LP	\$39,762	\$10,101
TARGA RESOURCES CORP	\$51,263	\$38,655
TARGA RESOURCES PARTNERS LP	\$41,209	\$69,118
TARGET CORP	\$186,737	
TE CONNECTIVITY LTD		\$101,730
TEAM HEALTH HOLDINGS INC	\$134,809	\$96,851
TEEKAY LNG PARTNERS LP	\$30,552	\$87,581
TEEKAY OFFSHORE PARTNERS LP	\$15,558	\$46,834
TEEKAY SHIPPING CORP		\$2,208
TELEDYNE TECHNOLOGIES INC	\$54,830	\$60,183
TESORO LOGISTICS	\$85,288	\$76,675
TEVA PHARMACEUTICAL-SP ADR	\$102,347	\$127,939
TEXAS CAPITAL BANCSHARES INC	\$52,514	\$64,236
TEXAS INSTRUMENTS INC	\$263,742	\$205,343
TEXTRON INC	\$41,244	
THE FINISH LINE-CL A		\$45,719
THE PRICELINE GROUP INC	\$367,100	\$282,458
THE TRAVELERS COMPANIES INC	\$87,206	\$157,029

Texas Emergency Services Retirement System (326)
Schedule 1
Pension Fund Investments
August 31, 2015 (With Comparative totals for August 31, 2014)

	Market Value As of August 31, 2015	Market Value As of August 31, 2014
THE WALT DISNEY CO.	\$306,863	\$270,719
TIME INC	\$32,256	\$9,956
TIME WARNER INC		\$226,930
TRANSCANADA CORP	\$13,259	
TREEHOUSE FOODS INC	\$49,209	
TRIMAS CORP		\$16,864
TRINET GROUP INC		\$76,811
TRINITY BIOTECH PLC - SPON ADR		\$37,164
TRUECAR INC		\$19,120
TUTOR PERINI CORP		\$55,457
TWENTY-FIRST CENTURY FOX INC	\$232,295	\$300,397
TYLER TECHNOLOGIES INC	\$54,250	
TYSON FOODS INC-CL A	\$231,821	\$113,952
UNITED CONTINTETAL HOLDINGS INC	\$114,396	\$49,372
UNITED TECHNOLOGIES CORP	\$202,825	
UNITEDHEALTH GROUP INC		\$63,016
US ECOLOGY INC	\$55,306	
USA COMPRESSION PARTNERS LP	\$16,320	\$23,413
VALERO ENERGY CORP		\$104,003
VALERO ENERGY PARTNERS LP	\$34,622	\$46,753
VALIDUS HOLDINGS LTD		\$40,635
VARONIS SYSTEMS INC		\$49,504
VERINT SYSTEMS INC	\$46,824	
VERIZON COMMUNICATIONS INC	\$205,895	\$124,749
VIEWPOINT FINANCIAL GROUP		\$44,467
VIRGIN AMERICA INC	\$50,740	
VISA INC-CLASS A SHARES	\$571,256	\$357,671
VMWARE INC- CL A	\$174,684	\$217,566
VTTI ENERGY PARTNERS LP	\$22,697	\$24,460
VWR CORP	\$75,469	
WADDELL & REED FINANCIAL-A	\$48,838	
WAGEWORKS	\$36,251	
WATSCO INC	\$74,701	
WELLS FARGO & COMPANY	\$822,349	\$910,128
WESCO INTERNATIONAL INC		\$53,334
WEST PHARMACEUTICAL SERVICES	\$51,885	
WESTERN ALLIANCE BANCORP	\$49,442	
WESTERN DIGITAL CORP	\$139,414	\$124,539
WESTERN GAS EQUITY PARTNERS LP	\$20,497	
WESTERN REFINING LOGISTICS LP	\$43,501	\$71,835
WESTLAKE CHEMICAL PARTNERS LP	\$15,956	\$50,475
WESTROCK CO W/I	\$83,090	
WEX INC	\$45,185	\$45,233
WHOLE FOODS MARKET INC	\$233,349	\$159,300

Texas Emergency Services Retirement System (326)
Schedule 1
Pension Fund Investments
August 31, 2015 (With Comparative totals for August 31, 2014)

	Market Value As of August 31, 2015	Market Value As of August 31, 2014
WILLBROS GROUP INC		\$45,795
WILLIAM LYON HOMES	\$48,583	
WILLIAMS COS INC	\$74,710	\$207,148
WILLIAMS PARTNERS LP	\$71,053	\$97,432
WINNEBAGO INDUSTRIES		\$43,154
WIX.COM LTD		\$34,418
WORTHINGTON INDUSTRIES		\$52,370
WUXI PHARMATECH CAYMAN INC		\$49,607
XL GROUP PLC	\$92,815	
ZELTIQ AESTHETICS	\$48,728	\$47,483
ZENDESK INC	\$51,514	
ZIMMER BIOMET HOLDINGS INC	\$106,253	
ZIMMER HOLDINGS INC		\$103,978
ZOE'S KITCHEN INC	\$22,451	
ZULILY INC		\$42,706
 Grand Total	 <u>\$41,228,209</u>	 <u>\$42,268,491</u>
 TOTAL INVESTMENTS	 <u>\$87,708,398</u>	 <u>\$90,375,097</u>
 Short Term Investments (Exhibit VI)	 \$1,398,392	 \$1,131,864
 Investments (Exhibit VI)		
Corporate Equity	\$41,228,209	\$42,268,491
Other Investments	\$45,081,796	\$46,974,742
Total	<u>\$87,708,397</u>	<u>\$90,375,097</u>

Texas Emergency Services Retirement System (326)
Exhibit A-1 - Combining Balance Sheet - All General and Consolidated Funds
August 31, 2015

	<u>General</u>	<u>Consolidated Accounts</u>	
	Fund 1	Fund 1	Total
	(0001)*	(0001)*	(Ex I)
	U/F (0001)	U/F (0050)	
ASSETS			
Current Assets:			
Cash in State Treasury	\$20,993.49	-\$20,993.49	\$0.00
Legislative Appropriations	47,108.87	12,104.07	59,212.94
Accounts Receivable			
Consumable Inventories	4,059.00		4,059.00
Other Current Assets			
Total Current Assets	<u>72,161.36</u>	<u>-8,889.42</u>	<u>63,271.94</u>
Total Assets	<u>\$72,161.36</u>	<u>-\$8,889.42</u>	<u>\$63,271.94</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Current Liabilities:			
Payables from			
Accounts	\$22,404.90		\$22,404.90
Payroll	36,549.66		36,549.66
Due To Other Funds			
Due To Other Agencies			
Employees' Compensable Leave			
Total Current Liabilities	<u>58,954.56</u>	<u>0.00</u>	<u>58,954.56</u>
Non-Current Liabilities			
Employees' Compensable Leave			
Total Non-Current Liabilities	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Liabilities	<u>58,954.56</u>	<u>0.00</u>	<u>58,954.56</u>
Fund Balances (Deficits):			
Nonspendable	4,059.00		4,059.00
Restricted			
Committed			
Assigned			
Unassigned	9,147.80	-8,889.42	258.38
Total Fund Balances	<u>13,206.80</u>	<u>-8,889.42</u>	<u>4,317.38</u>
Total Liabilities and Fund Balances	<u>\$72,161.36</u>	<u>-\$8,889.42</u>	<u>\$63,271.94</u>

Texas Emergency Services Retirement System (326)
Exhibit A-2 - Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
All General and Consolidated Funds
For the Fiscal Year Ended August 31, 2015

	<u>General</u>	<u>TLFFRA Workshop</u>	
	<u>Fund 1</u>	<u>Fund 1</u>	
	<u>(0001)*</u>	<u>(0001)*</u>	<u>Total</u>
	<u>U/F (0001)</u>	<u>U/F (0050)</u>	<u>(Ex II)</u>
REVENUES			
Legislative Appropriations			
Original Appropriations (GR)	\$617,345.00		\$617,345.00
Additional Appropriations (GR)	95,016.56		95,016.56
Other (PR - Seminar Fees)			0.00
Other (GR)			0.00
Total Revenues	<u>712,361.56</u>	<u>0.00</u>	<u>712,361.56</u>
EXPENDITURES			
Salaries and Wages	336,385.24		336,385.24
Payroll Related Costs	92,588.35		92,588.35
Professional Fees and Services	192,944.08		192,944.08
Travel	10,899.10		10,899.10
Materials and Supplies	25,375.18		25,375.18
Communication and Utilities	7,829.82		7,829.82
Repairs and Maintenance	2,654.50		2,654.50
Rentals and Leases	9,622.50		9,622.50
Printing and Reproduction	1,694.32		1,694.32
Judgments and Settlements			0.00
Other Expenditures	26,368.27		26,368.27
Capital Outlay	7,615.00		7,615.00
Total Expenditures	<u>713,976.36</u>	<u>0.00</u>	<u>713,976.36</u>
Excess (Deficiency) of Revenues over Expenditures	<u>-1,614.80</u>	<u>0.00</u>	<u>-1,614.80</u>
OTHER FINANCING SOURCES (USES)			
Transfers In			
Total Other Financing Sources (Uses)	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
SPECIAL ITEMS			
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
EXTRAORDINARY ITEMS			
Net Change in Fund Balances	<u>-1,614.80</u>	<u>0.00</u>	<u>-1,614.80</u>
Fund Financial Statement - Fund Balances			
Fund Balances - Beginning	15,801.53	-8,889.42	6,912.11
Restatements			0.00
Fund Balances - September 1, 2014, as Restated	<u>15,801.53</u>	<u>-8,889.42</u>	<u>6,912.11</u>
Appropriations Lapsed	979.93		979.93
Fund Balances, August 31, 2015	<u>\$13,206.80</u>	<u>-\$8,889.42</u>	<u>\$4,317.38</u>

Texas Emergency Services Retirement System (326)
Exhibit G-1 - Combining Statement of Fiduciary Net Position
August 31, 2015

	Pension Trust Fund 1 TESRS (976) U/F (0976)	Pension Trust Fund 2 (976) U/F (8976)	Pension Trust Fund 3 (976) U/F (9000)	Totals (Ex VI)
ASSETS				
Cash and Cash Equivalents				
Cash in State Treasury	\$205,971.21	-\$259.84		\$205,711.37
Short Term Investments				
Other Short Term Investments	1,398,391.62			1,398,391.62
Investments				
Corporate Equity	41,228,208.85			41,228,208.85
Other Investments	45,081,795.89			45,081,795.89
Receivables from:				
Retirement System Contributions Receivable	1,078,098.92			1,078,098.92
Interest and Dividends	101,045.05			101,045.05
Sale of Investments	14,629.19			14,629.19
Other				0.00
Due From Other Funds				0.00
Properties, at Cost, net of Accumulated Depreciation	0.00			0.00
Total Assets	\$89,108,140.73	-\$259.84	\$0.00	\$89,107,880.89
LIABILITIES				
Payables from:				
Accounts Payable	103,778.35			103,778.35
Investment Payable	112,666.38			112,666.38
Unearned Revenue	59,957.94			59,957.94
Payroll	2,337.49			2,337.49
Retirement Benefits	680.49			680.49
Due To Other Funds				0.00
Deferred Revenues				
Claims and Judgments				
Employees' Compensable Leave				0.00
Capital Lease Obligations				
Total Liabilities	279,420.65	0.00	0.00	279,420.65
NET Position				
Held in Trust For:				
Pension and Other Employee Benefits	88,828,720.08	-259.84	0.00	88,828,460.24
Total Net Position	\$88,828,720.08	-\$259.84	\$0.00	\$88,828,460.24

UNAUDITED

Texas Emergency Services Retirement System (326)
Exhibit G-2 - Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended August 31, 2015

	Pension Trust Fund 1 TESRS (0976) U/F (0976)	Pension Trust Fund 2 TESRS (0976) U/F (8976)	Pension Trust Fund 3 TESRS (0976) U/F (9000)	Totals (Ex VII)
Additions				
Contributions:				
Original Appropriations (GR)	\$1,637,308.00			\$1,637,308.00
Dues	3,389,000.65	0.00	0.00	3,389,000.65
Default--Voided warrant				0.00
Prior Service	126,545.77			126,545.77
Total Contributions	<u>5,152,854.42</u>	<u>0.00</u>	<u>0.00</u>	<u>5,152,854.42</u>
Investment Income				
From Investing Activities:				
Net Appreciation (Depreciation) in Fair Value of Investments	-4,425,279.87			-4,425,279.87
Treasury Interest	2,157.33			2,157.33
Interest and Investment Income	1,655,761.74			1,655,761.74
Total Investing Income (Loss)	<u>-2,767,360.80</u>	<u>0.00</u>	<u>0.00</u>	<u>-2,767,360.80</u>
Less Investing Activities Expense	527,663.88			527,663.88
Net Income from Investing Activities	<u>-3,295,024.68</u>	<u>0.00</u>	<u>0.00</u>	<u>-3,295,024.68</u>
Total Net Investment Income (Loss)	<u>-3,295,024.68</u>	<u>0.00</u>	<u>0.00</u>	<u>-3,295,024.68</u>
Other Additions				
Voided warrants	2,135.66			2,135.66
Total Other Additions	<u>2,135.66</u>	<u>0.00</u>	<u>0.00</u>	<u>2,135.66</u>
Total Additions	<u>1,859,965.40</u>	<u>0.00</u>	<u>0.00</u>	<u>1,859,965.40</u>
Deductions				
Retirement System Benefits Paid:				
Death Benefits	110,240.08			110,240.08
Retirement Benefits	3,840,442.04			3,840,442.04
Disability Benefits	34,200.00			34,200.00
Survivor's Benefits	513,879.21			513,879.21
Salaries and Wages	28,049.88			28,049.88
Payroll Related Costs				0.00
Professional Fees and Services	144,069.25			144,069.25
Travel	33,356.13			33,356.13
Materials & Supplies				0.00
Communications & Utilities				0.00
Repairs & Maintenance				0.00
Rentals & Leases	3,484.28			3,484.28
Printing and Reproduction				0.00
Depreciation Expense				0.00
Interest Expense	0.01			0.01
Other Expense	6,940.43			6,940.43
Transfer Out				0.00
Total Deductions	<u>4,714,661.31</u>	<u>0.00</u>	<u>0.00</u>	<u>4,714,661.31</u>
Net Increase (Decrease)	<u>-2,854,695.91</u>	<u>0.00</u>	<u>0.00</u>	<u>-2,854,695.91</u>
Net Position - Beginning	91,683,415.99	-259.84	0.00	91,683,156.15
Restatements				0.00
Net Position, September 1, 2014, as Restated	<u>91,683,415.99</u>	<u>-259.84</u>	<u>0.00</u>	<u>91,683,156.15</u>
Net Position, August 31, 2015	<u>\$88,828,720.08</u>	<u>-\$259.84</u>	<u>\$0.00</u>	<u>\$88,828,460.24</u>

The accompanying notes
to the financial statements
are an integral part of this statement.

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