

Montana Board of Investments



Shandell VanDonsel – Financial Compliance Audit Supervisor

Financial – Compliance Audit for the fiscal year ended June 30, 2023

Unified Investment Program(UIP)

Activity includes:

- Short-Term Investment Pool (STIP)
- Trust Fund Investment Pool (TFIP)
- Consolidated Asset Pension Pool (CAPP)
- Separately Managed Accounts (SMA)

Opinion on UIP financial statements: **Unmodified**

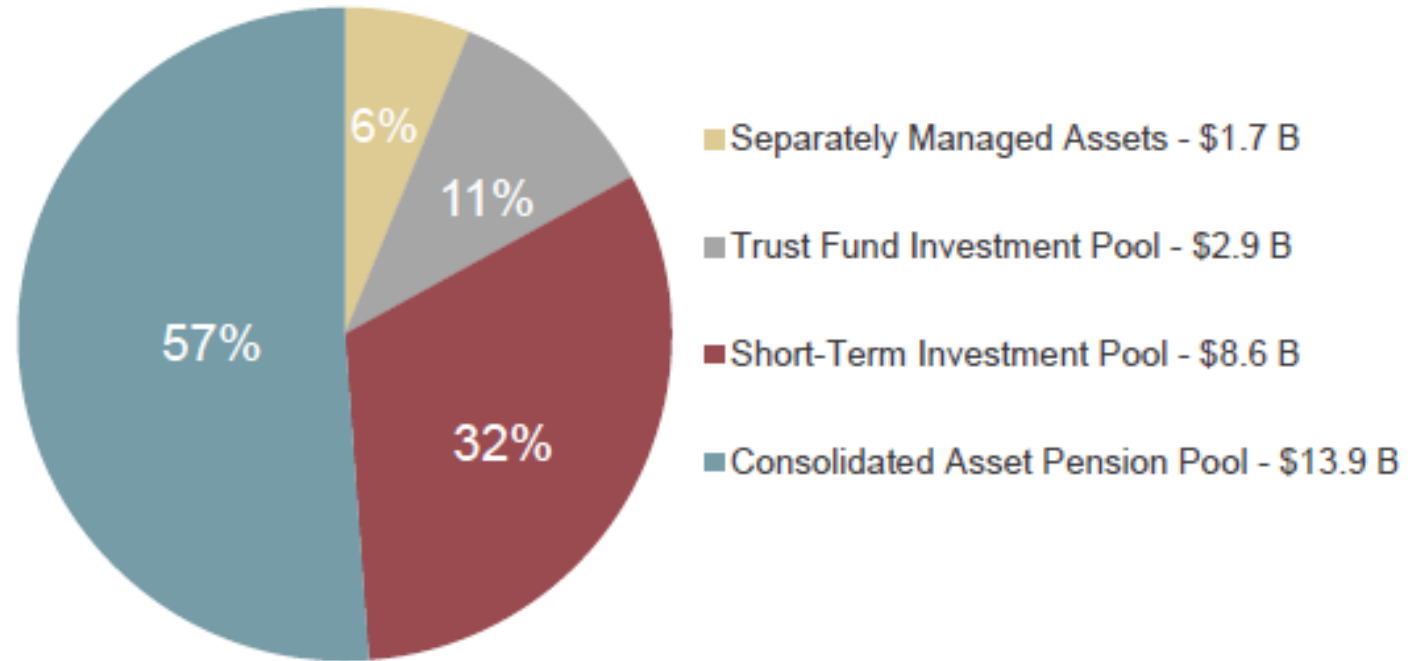
Recommendations: 0

Prior Audit Recommendations: 0

Total Investments

Figure 1
Total Investments Managed of \$27.1 Billion for the Unified Investment Program
June 30, 2023

CAPP continues to make up the majority of investments in fiscal year 2023.



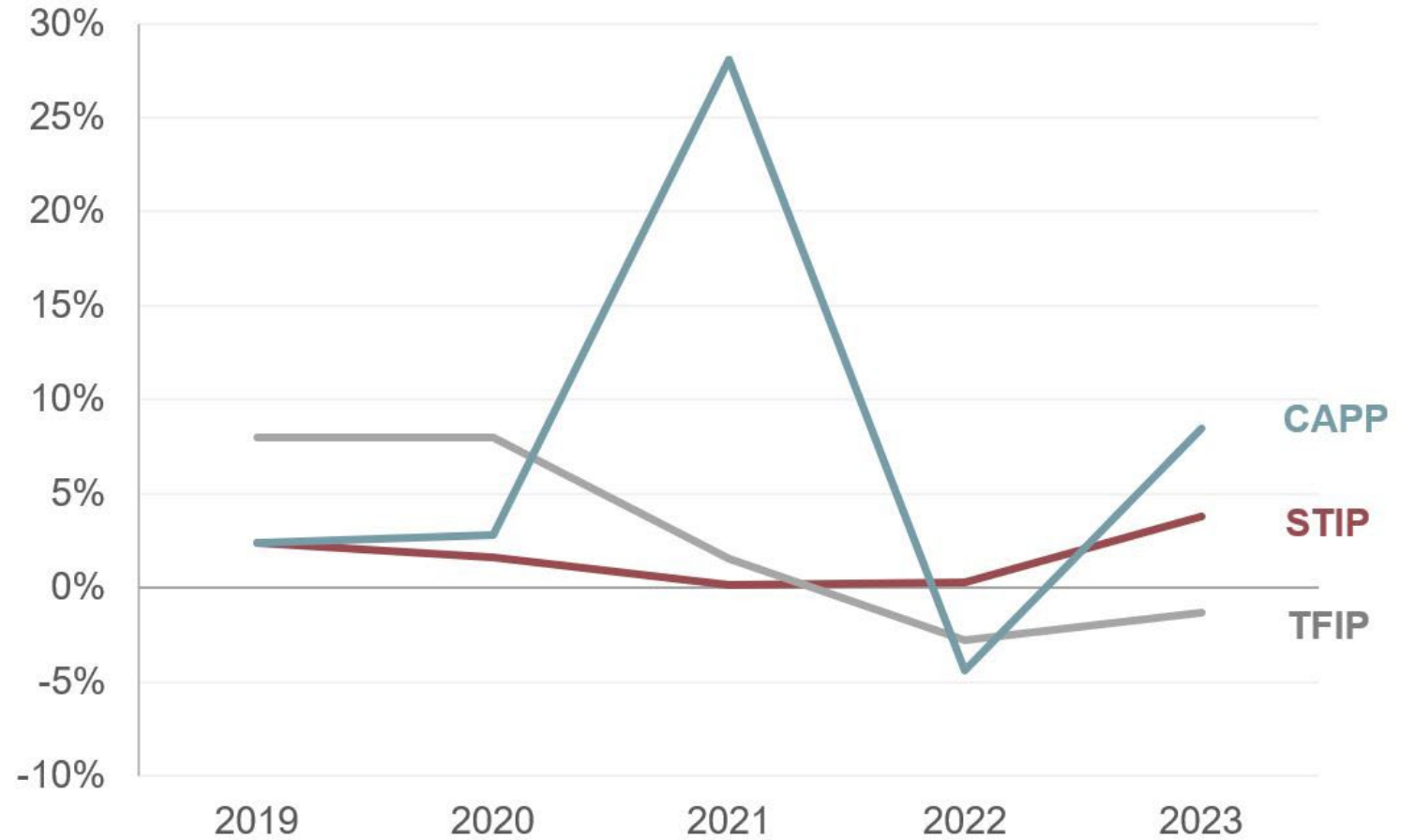
Source: Compiled by the Legislative Audit Division from board accounting records.

UIP Investment Returns

Compiled from board records



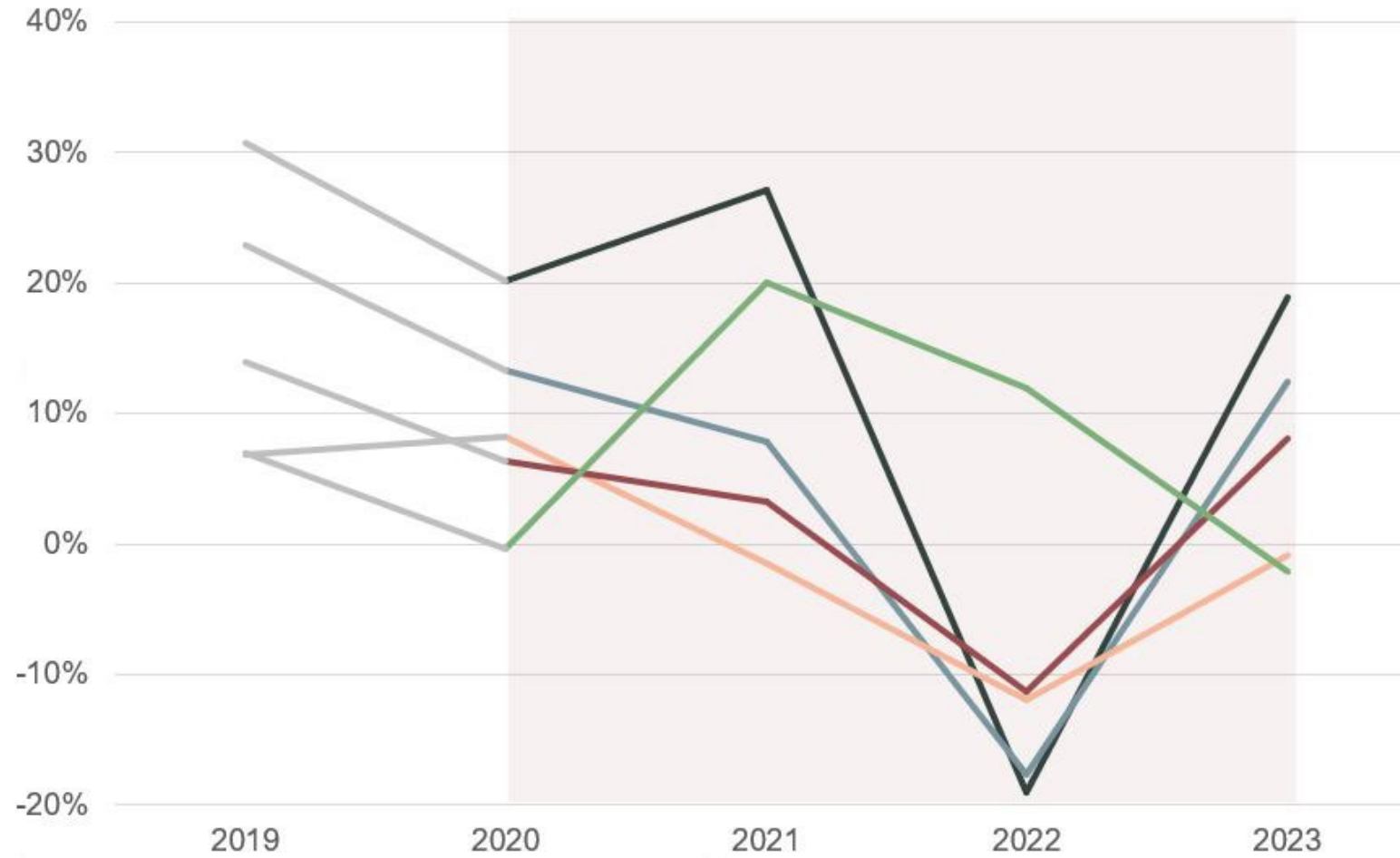
When compared to other investment pools, **CAPP** is the most volatile over time.



Looking Deeper into CAPP

Selected CAPP Asset Classes
2019-2023

Rates of return for **Domestic Equity**, **Internal Equity**, **Core Fixed Income**, **Non-Core Fixed Income**, and **Real Estate** were most volatile between 2020 and 2023.

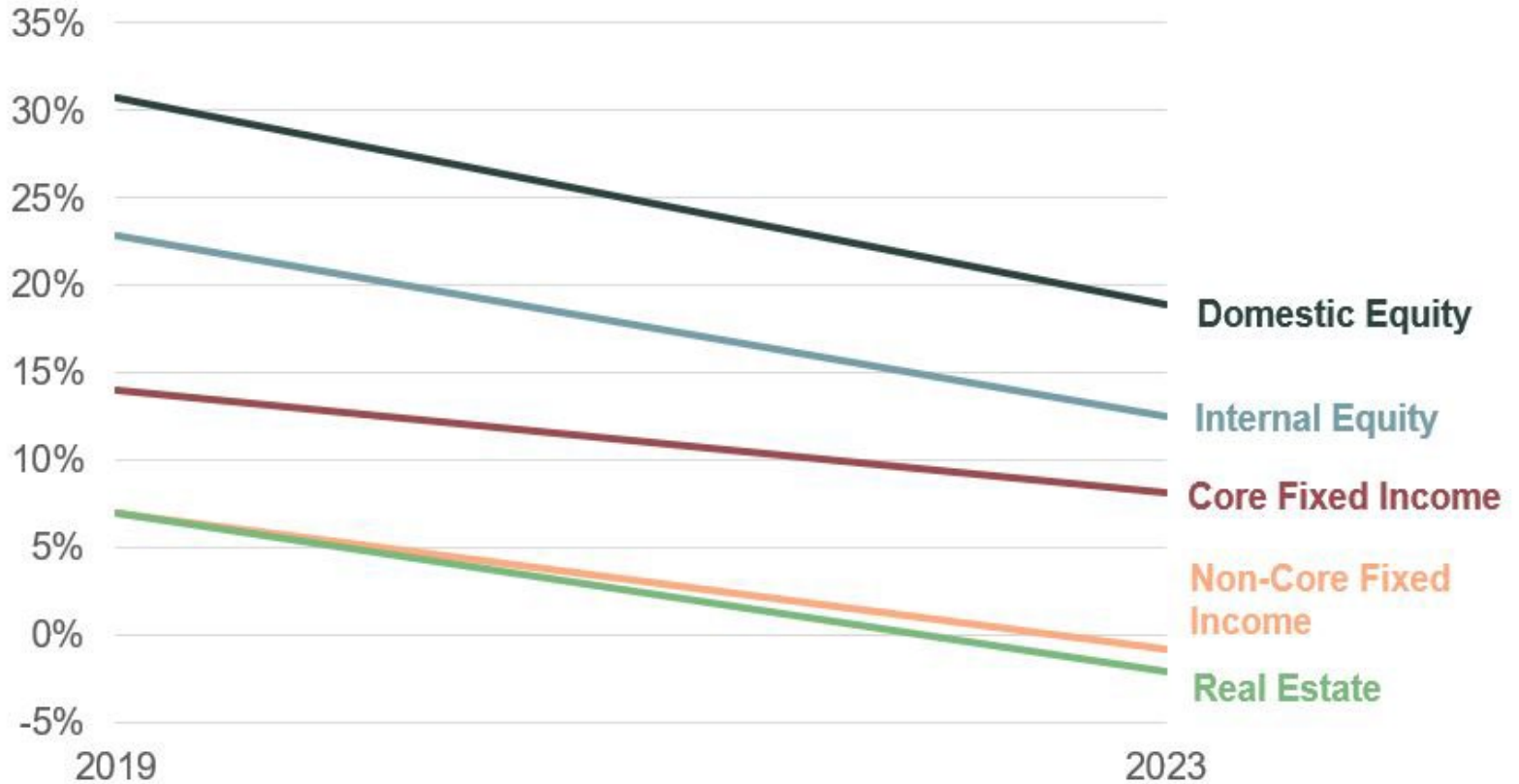


A Five-Year Trend

Selected CAPP Asset Classes



However, if you look overall five years, returns are show downward trend for these asset classes.



Enterprise Fund Financial Statements

The board administers

- Municipal Finance Consolidation (MFC) Act and Economic Development Bond (EDB) Act programs.
- Through this program the board administers the Intermediate Term Capitalization Program (INTERCAP).

Opinion on EF financial statements: **Unmodified**

Recommendations: 0

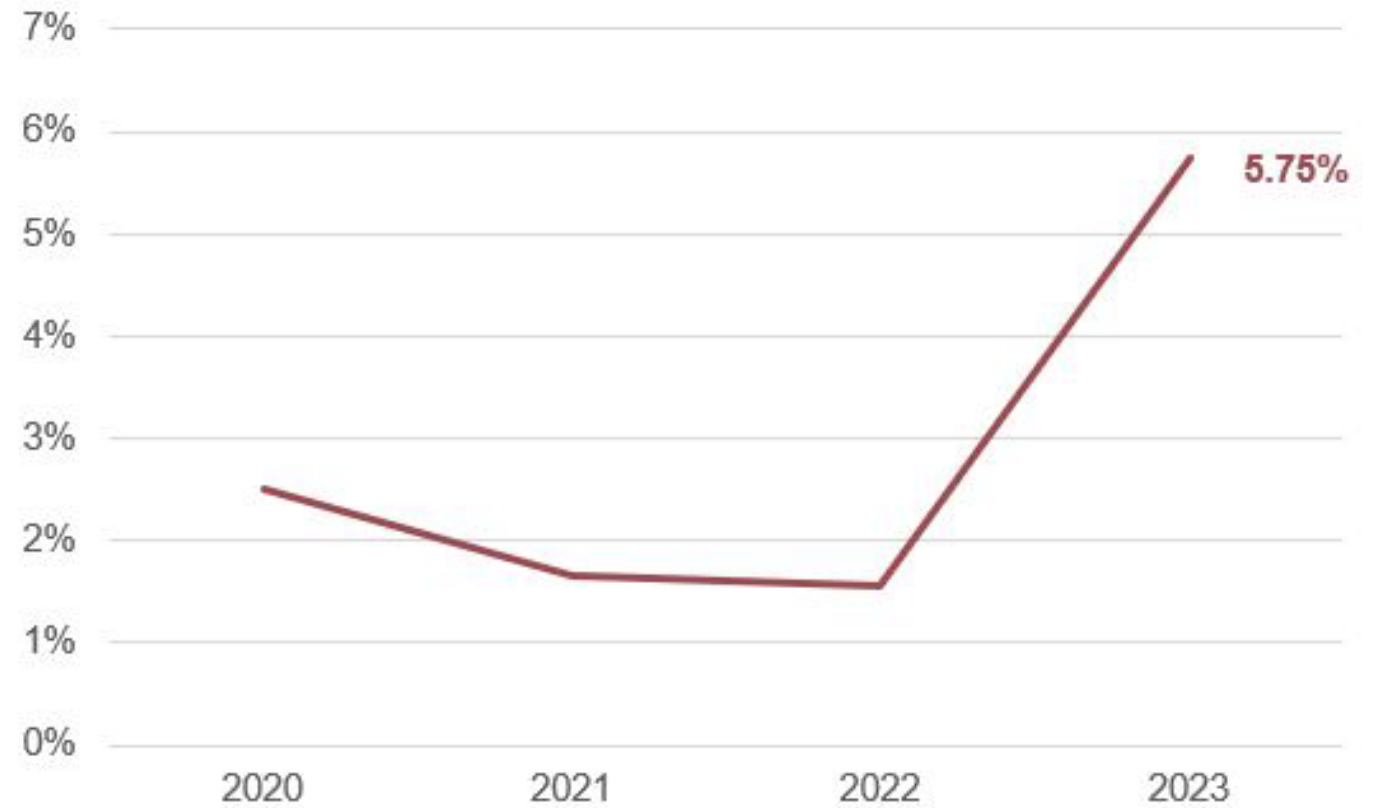
Prior Audit Recommendations: 0

INTERCAP

Rate changes 2020-2023



The **INTERCAP rate** increases February 16, 2023 to 5.75%



Questions?

