



Comprehensive Annual Financial Report (CAFR)

Presented by Fran Lawrence

January 16, 2014



North Carolina Department of State Treasurer
Financial Operations

Learn. Invest. Grow. Prosper.

What is the CAFR?

- The North Carolina **Comprehensive Annual Financial Report** (CAFR) is a set of audited annual, governmental financial statements that complies with governmental accounting standards
- Our fiscal year ends June 30



CAFR Owner

- Office of the State Controller:
General Statute 143B-426.40H
- Agencies and component units of the State:
General Statute 143B-426.40H
- State Law: An annual financial audit of the State is completed each year by the NC Office of the State Auditor



North Carolina CAFR Includes:

- All fund types of the departments, agencies, boards, commissions and authorities governed and legally controlled by the State
- The pension plans are reported as:
 - A fiduciary fund in the main financial statements
 - Financial statements by retirement system in CAFR footnotes



DST Role in CAFR

- Maintain accurate accounting records
- Maintain adequate internal controls over all financial information
- Adapt and compile the CAFR report to comply with new accounting standards
- Data provider to Office of State Controller



Pension information in the CAFR

- **Note 16:**
 - Pension Plan Financial Statements
 - Combining Statement of Plan Net Position
 - Combining Statement of Changes in Plan Net Position
 - 12 Plans administered by DST
 - 7 Defined benefit pension plans
 - 2 Other Postemployment Benefit plans (OPEB): disability, retiree health
 - 1 other benefit plan: death benefit
 - 2 defined contribution plans: 401(k) and 457 plans
 - 1 Sheriffs' pension fund: administered by DOJ



Pension information in the CAFR

- **Note 12:**

- 7 Pension plan descriptions, actuarial methods and assumptions
- Funding status including annual required contributions, annual pension cost, funding progress
- No stand alone financial statements for Pension Plans administered by DST

- **Note 14:**

- 2 Other Postemployment Benefits Plans (OPEB): the Retiree Health Benefit Fund and the Disability Income Fund
- Plan descriptions, funding progress, required contributions, actuarial methods and assumptions



Pension information in the CAFR

- **Note 15:**
 - 1 Other Benefit Plan: Death Benefit Plan of North Carolina and additional Disability Plan disclosure
- **Note 3:**
 - Pension Plan Investment Pool (includes all assets except 401(k) and 457 Plans)
 - Extensive disclosures regarding asset types and risk (GASB 40)



Pension information in the CAFR

- **Required Supplementary Information:**
 - Schedules of Funding Progress of Defined Benefit Plans and OPEB Plans
 - Schedule of Employer Contributions to Defined Benefit Plans and OPEB Plans



Questions?





Thank You!

Together we can build and maintain a fiscally strong and prosperous North Carolina.

www.NCTreasurer.com



North Carolina Department of State Treasurer
Financial Operations

Learn. Invest. Grow. Prosper.