



New Jersey Schools Insurance Group

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Board of Trustees Meeting of November 29, 2017 Action Item Investments

As per NJSIG's Bylaws (Article VII Powers & Duties, #2 and Article XIV Trust Fund Accounts, Investments and Disbursements, B. Investments, #1) and NJSIG's Investment Policy #3615, it is the Board of Trustees ultimate responsibility for the investment of funds and the appropriateness of the investment policy and its execution.

Wilmington Trust (WT) was awarded the financial advisory and custodial services as part of an RFP process last fiscal year. Since that point, NJSIG and WT have executed all respective legal documents and the respective NJSIG accounts have been opened. Representatives from WT will attend the November meeting to present different investment options to the Trustees for their analysis and investment decision.

Attached please also find an analysis of different investment amount options as per NJSIG's audited 06/30/2017 financial reports.

The investment options presented by WT and the investment amount threshold analysis are tools provided to the Trustees for their determination of NJSIG's investment action plan. Please note that all questions and/or concerns will be addressed and discussed at the meeting.

Recommended Resolution: approve an investment plan (as per Wilmington Trust's presentation and advice) and an investment amount (as per the attached analysis and discussions with Wilmington Trust).

Michele Carosi

Michele Carosi, Comptroller

**NEW JERSEY SCHOOLS INSURANCE GROUP
 INVESTMENT AMOUNT THRESHOLDS
 AS OF 06/30/2017 AUDITED FINANCIALS:**

OPTION A METHODOLOGY:	OPTION A	OPTION B METHODOLOGY: MIDPOINT OF A & C	OPTION C	OPTION C METHODOLOGY:
(Cash Balance Less Reserve/Liability Balances)			(Cash Balance Less Actual Annual Cash Flow Amount)	
Cash Balance	\$325,631,556	\$325,631,556	\$325,631,556	Cash Balance
LESS:				LESS:
	Claims Loss Reserves (\$218,935,000)		(\$126,010,540)	FY2016/2017 Annual Cash Outflow
	Safety Grant Reserves (\$11,920,840)			
	Net Pension Liability (\$20,713,990)			
TOTAL INVESMENT AMOUNT	\$74,061,726	\$136,841,371	\$199,621,016	TOTAL INVESMENT AMOUNT
TOTAL INVESMENT %	22.74%	42.02%	61.30%	TOTAL INVESMENT %