



New Jersey Schools Insurance Group

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Board of Trustees Meeting of June 17, 2015

Action Item

NJSIG Investments

On June 6, 2015 a CD in the face value of \$6 million matured. The CD was closed out and the \$6,027,660.94 in funds was moved to the concentration account pending Board action on investment. The concentration account currently pays 0.16% interest. CD rates are:

\$6Million	\$10Million
.48% 365 Days.	.48% 365 Days
.13% 270 Days.	.13% 270 Days
.12% 180 Days.	.13% 180 Days
.12% 120 Days.	.13% 120 Days
.12% 90 Days.	.13% 90 Days

With the help of TD Wealth Management, we have identified a potentially qualified alternative investment vehicle used by public entities. EPOCH Intermediate Government Bond Managed Account Fund is currently yielding 3.5%. For contrast, a \$36 million investment would yield \$1,260,000 in one year versus \$172,000 over a one year period. If there is Trustee appetite to do so, we can seek approval of the product from State Investment Counsel as an alternative to CDs.

There is a \$20 million CD maturing in October and a \$10 million CD maturing in December.

Recommended Resolution: Purchase a \$6 million CD for 365 days.

William Mayo

William M. Mayo, CPCU, ARM
Executive Director