



PUBLIC ENTITY JOINT INSURANCE FUND MEETING AGENDA

October 25th, 2016

NIP Management – 900 Route 9 North Woodbridge, NJ – at 10:00am in the Conference Center

○ **MEETING OF BOARD OF FUND COMMISSIONERS CALLED TO ORDER**

○ **OPEN PUBLIC MEETING ACT STATEMENT**

In accordance with the Open Public Meetings Act, notice of this meeting was provided by:

1. Sending sufficient notice to the Fund's designated newspapers, the Newark Star Ledger and The Times of Trenton
2. Filing advanced written notice of this meeting with each member municipality; and
3. Posting notice of this meeting on the Public Bulletin Board of all member municipalities.

○ **PLEDGE OF ALLEGIANCE**

○ **SWEARING IN OF NEW FUND COMMISSIONER**

- Christopher Hartwyk - Commissioner, City of Orange Township

○ **ROLL CALL**

○ **APPROVAL OF MINUTES** for 9/27/16 meeting

○ **ADOPTION OF RESOLUTIONS**

- Resolution 24-16 – Approving Certain Disbursements totaling \$89,445.53
- Resolution 25-16 – Approving Claims Payments totaling \$405,124

○ **EXECUTIVE DIRECTOR REPORTS – Jonathan Hall (NIP Group)**

- Mid-Year Actuarial Study
- Fast Track Report
- 2017 Requests for Proposals
- Member Stewardship Meetings
- Presentation – David Smith of Princeton Public Affairs Group

○ **TREASURER'S REPORT (Patrick DeBlasio)**

○ **UNDERWRITING REPORT – Robert Smith (NIP Group)**

- 2017 Member Renewals

○ **SAFETY DIRECTOR – A. Ven Graitis and D. Perillo (NIP Group)**

- Speaker: PEOSH Inspector – Charlie Tracey
- Risk Control Stewardship Reports
- DPW Roundtable Recap
- Fire Roundtable

- Flagger Safety
- Leaf Cleanup
- Contractual Risk Transfer

- **MEMBER UPDATES – in Alphabetical Order**
 - City of East Orange
 - City of Orange Township
 - City of Passaic
 - City of Perth Amboy
 - City of Plainfield
 - Borough of Roselle
 - Township of Teaneck
 - Town of West New York

- **NEW BUSINESS**

- **ADJOURNMENT**

- ❖ *Our next Commissioner meeting will be held on Tuesday November 29, 2016.*

**PUBLIC ENTITY JOINT INSURANCE FUND
MEETING MINUTES
September 27th, 2016**

NIP Conference Center – 900 Route 9 North Woodbridge, NJ at 10:00am

MEETING OF THE GARDEN STATE MUNICIPAL JOINT INSURANCE FUND CALLED TO ORDER AT 10:15 AM.

OPEN PUBLIC MEETING ACT STATEMENT READ INTO RECORD

PLEDGE OF ALLEGIANCE

ROLL CALL OF FUND COMMISSIONERS

Ricardo Fernandez – City of Passaic
Adam Cruz - City of Perth Amboy
Karen Dabney – City of Plainfield
Jamie Cryan - Town of West New York – *Absent (late)*
Naiima Fauntleroy- City of East Orange – *Absent (late)*
David Brown – Borough of Roselle - *Absent*
Dean Kazinci – Township of Teaneck
Chris Hartwyk – City of Orange – *Absent*

APPROVAL OF MINUTES OF July 26th 2016 Meeting

MOTION: Commr. Fauntleroy

SECOND: Commr. Dabney

ABSTAIN: Commr. Kazinci

VOTE: ROLL CALL

Ricardo Fernandez – City of Passaic
Adam Cruz - City of Perth Amboy
Karen Dabney – City of Plainfield
Jamie Cryan - Town of West New York – *Absent*
Naiima Fauntleroy- City of East Orange
David Brown – Borough of Roselle - *Absent*
Dean Kazinci – Township of Teaneck
Chris Hartwyk – City of Orange – *Absent*

ADOPTION OF RESOLUTIONS

MOTION TO APPROVE RESOLUTIONS

- Resolution 22-16 – Approving Certain Disbursements totaling \$159,138.78
- Resolution 23-16 – Approving Claims Payments totaling \$845,963.39

MOTION: Commr. Fauntleroy

SECOND: Commr. Fernandez

Ricardo Fernandez – City of Passaic
Adam Cruz - City of Perth Amboy
Karen Dabney – City of Plainfield
Jamie Cryan - Town of West New York – *Absent (late)*
Naiima Fauntleroy- City of East Orange
David Brown – Borough of Roselle - *Absent*
Dean Kazinci – Township of Teaneck
Chris Hartwyk – City of Orange – *Absent*

EXECUTIVE DIRECTOR REPORT

- **Request for Proposals 2017** – Mr. Hall announced that the 2017 Requests for Proposals have been posted on the PEJIF website, in The Newark Star Ledger and in The Times of Trenton. Respondents are asked to submit their proposals to Madeline Delgado no later than 2:00pm on October 21, 2016.
- **Fast Track Report** – Mr. Hall reported that the updated Fast Track Reports will be distributed to all Commissioners once the Mid-Year Actuarial Report has been finalized.
- **Mid-Year Actuarial Report Status** – Mr. Hall reported that the Administrator’s office is in receipt of the first draft of the Actuarial Report. The report should be finalized within the next month, for discussion at the September meeting.
- **Stewardship Meetings** – Mr. Hall reminded the Commissioners that Stewardship Meetings are being scheduled through each member’s Risk Manager, through the end of the year.

UNDERWRITING REPORT – Robert Smith (NIP Group)

- **Member 2017 Renewal Update** – Robert indicated that submissions are now past due. We will be following up with all risk manager sin coming days for any missing items. It is imperative; every effort is made to get us all items requested as soon as possible. Please ensure accuracy and quality of data. Updated apps and quality data ensure the best possible rates and assessments. If there are any website issues, please contact me immediately.

SAFETY DIRECTOR (Anthony Ven Graitis and Debbie Perillo)

- **Presentation – FLSA Changes** – Robin Ross of EANJ - Robin Ross and Amy Vasquez discussed the USDOL published final regulations re-defining the criteria necessary to qualify as an exempt employee under the Fair Labor Standards Act. The salary threshold will be increasing

from \$23,660 to \$47,476 per year (or from \$455 to \$913 per week). Additionally, this salary level is set to increase every 3 years. The DOL estimates that in the first year of implementation, over 4.2 million workers will gain access to overtime nationwide, 130,000 in NJ alone. The new rules are effective December 1, 2016. A free webinar has also been offered for October 20, 2016, from 10:00 to 11:00. A handout with additional information was provided.

- **DPW Roundtable** - Scheduled for September 29, 2016, at the Vermeule Community Center in North Plainfield. This Roundtable is for Public Works, Parks and Utilities representatives to discuss current issues impacting departments including;
 - Indoor Air Quality – what does the New Jersey PEOSHA standard require to ensure our facilities are in compliance?
 - Playgrounds – What does the New Jersey Standard require, and how can your town comply with the standards.
 - Trees – Are we doing enough to ensure that the trees in our parks and on public property are safe?
 - Other issues of concern will also be discussed.
- **PPE for Fall Tasks** - Discussed tree removal of trees with cherry picker trucks Must wear fall protection (Harness and lanyard) attached to truck. OSHA and PEOSH will fine for this and could possibly fine per person exposed to the fall. Remember to utilize the correct PPE for the task being performed.
- **Work Area Protection** - Advised that whenever performing any work including tree or branch removals, remembers area below to be protected. Protect for vehicles, property and pedestrians. Training in work area protection is strongly recommended.
- **Supervisor Training** - Suggested PEJIF Initiative for Supervisor training to empower supervisors to ensure that RC efforts are being adhered to. Advised all options available to members such as supervisor in person workshops with real scenarios and on-line training. Advised members to contact RC for further information. Also reminded members that supervisors should have the authority to begin the disciplinary action should an employee not follow the rules.
- **Crossing Guard Safety** - Re-distributed Crossing Guard Safety RC Bulletin. Also discussed the importance of the health of crossing guards to be reviewed yearly and training to be done for each guard.
- **Risk Control Bulletin: Top 10 injuries for DPW and Law Enforcement Personnel** - RC Bulletin to be distributed by the end of the week. One will discuss the topic of top 10 injuries for DPW and the other will discuss top 10 injuries for law enforcement personnel.
- **Travelers Inspections** - Advised members that the first week of October that property inspections will be performed by Travelers accompanied by the Risk Control Dept. (Perth Amboy, Roselle, East Orange, Teaneck).

MEMBER UPDATES - Each member gave an update on their respective Township/Borough/City since our last meeting.

TREASURER'S REPORT

- Mr. DeBlasio reported that monthly financial report and cash management account has been reviewed. He advised that the Fund has met all outstanding obligations and its financial position is secure. There were no questions.

NEW BUSINESS

OPEN FORUM

MOTION TO ADJOURN

Commissioner Fernandez made a motion to adjourn the meeting at 10:48am and Secretary Fauntleroy seconded the motion. Motion carried unanimously.

Prepared by J. Hall.

Jonathan Hall

Ricardo Fernandez

ALSO PRESENT:

Matt Baron – InservCo
Keith Platt – InservCo
Tom Fitzpatrick – Fairview Insurance
Scott Readinger – HUB International
Michael Griffith – NIP
Carra Donegan – Convery
Patti Fahy – Reliance Insurance Group
Robin Ross – EANJ
Amy Vazquez – EANJ
Debbie Perillo – NIP
Kathy Martin – City of Passaic
Gail White - Scirocco
Kathleen Guze – D & H Alternative
Michael O’Connell – Pringle Quinn Anzano
Patrick DeBlasio – Treasurer
Monette Galello – Claims Resolution Corp.
Thomas Mooney – First MCO
Jonathan Hall – NIP
James Renner – NIP
Madeline Delgado – NIP
Conrad Cyriax - NIP
David Springer – NIP
Robert Smith – NIP
George Crosby – BGIA

Earl Miller – Advisor
Brian Erlandsen – BGIA
Robert Persico – NIP
Anthony Ven Graitis – NIP
Steve Edwards – BGIA
Steve Daveggia – NIP
Jamie Cryan – Town of West New York



October 25, 2016

MEMO TO: INSURANCE FUND CHAIRMAN FERNANDEZ

FROM: PATRICK J. DEBLASIO, CPA, CMFO, CGFM, -FUND TREASURER

Please be advised that the following is an update of the status of the Public Entity Joint Insurance Fund:

		August <u>2016</u>	September <u>2016</u>
Beginning Cash Balance	Operating Account-Bank of America	\$ 424,610.98	\$ 493,031.41
	Claims Fiduciary Account-Bank of America	8,254.19	8,254.19
	Claims-TD Bank	10,789.20	10,653.20
	Custodial-Investments	808,442.53	20,585.56
	Total Balance	<u>\$ 1,252,096.90</u>	<u>\$ 532,524.36</u>
 Receipts:			
	Operating Account-Bank of America	\$ 233,309.00	\$ -
	D&H Claims Fiduciary Account-Bank of America	142,003.22	126,400.23
	Claims-TD Bank	22,119.10	1,321.30
	Custodial-Deposits and Interest Income		147,925.00
Total Receipts		<u>\$ 397,431.32</u>	<u>\$ 275,646.53</u>
 Disbursements:			
	Operating Account-Bank of America	\$ (164,888.57)	\$ (287,699.52)
	D&H Claims Fiduciary Account-Bank of America	(142,003.22)	(126,400.23)
	Claims-TD Bank	(22,255.10)	(1,458.36)
	Custodial-Investments	(787,856.97)	
Total Disbursements		<u>\$ (1,117,003.86)</u>	<u>\$ (415,558.11)</u>
Ending Cash Balance	Operating Account-Bank of America	\$ 493,031.41	\$ 205,331.89
	Claims Fiduciary Account-Bank of America	8,254.19	8,254.19
	Claims-TD Bank	10,653.20	10,516.14
	Custodial-Investments	20,585.56	168,510.56
Total Cash Account Balance		<u>\$ 532,524.36</u>	<u>\$ 392,612.78</u>
Beginning Investment Balance		\$ 3,339,858.84	\$ 4,126,418.54
	Change in accrued Income	(670.65)	(667.06)
	Change in Unrealized gain	(3,617.31)	1,412.70
	Income Received	2,990.69	2,925.00
	Realized Gain/Loss		
	Transfer to/From Custodial Account	787,856.97	(147,970.80)
Total Investment Account		<u>\$ 4,126,418.54</u>	<u>\$ 3,982,118.38</u>
Ending Cash and Investment Balance		<u><u>\$ 4,658,942.90</u></u>	<u><u>\$ 4,374,731.16</u></u>



BANK RECONCILIATION

ACCT.NAME Bank of America
 BANK/ACCT# Custody Investment Acct -602553.1
 DATE From 09/01/16 To 09/30/16

BOOK BALANCE AS OF	09/01/16	\$	4,140,589.41
ADD DEPOSITS (PER BANK LEDGER)			147,925.00
SUBTRACT:DISBURSEMENTS(PER BANK LEDGER)			143,633.10
BOOK BALANCE AS OF	09/30/16	\$	4,144,881.31

BALANCE PER BANK STATEMENT 09/30/16 \$4,144,881.31

ADD: DEPOSIT IN TRANSIT
 DATE AMOUNT

TOTAL 0.00 0.00

SUBTRACT: CHECKS OUTSTANDING
 DATE CHECK# AMOUNT

TOTAL 0.00 0.00

LIST ITEMS IN LEDGER NOT ON STATEMENT
 DATE AMOUNT

TOTAL \$ - 0.00

LIST ITEMS ON STATEMENT NOT IN LEDGER
 DATE AMOUNT

TOTAL - 0.00

ADJUSTED BANK BALANCE(BOOK BAL)AS OF 09/30/16 4,144,881.31

Difference 0.00

PREPARED BY Patrick J. DeBlasio, CPA REVIEWED BY Mary Foulks



BANK RECONCILIATION

ACCT.NAME Bank of America
 BANK/ACCT# D & H Claims Fiduciary Acct -3810-3273-4856
 DATE From 09/01/16 To 09/30/16

BOOK BALANCE AS OF	09/01/16 \$	8,254.19
ADD DEPOSITS (PER BANK LEDGER)		126,400.23
SUBTRACT:DISBURSEMENTS(PER BANK LEDGER)		126,400.23
BOOK BALANCE AS OF	09/30/16 \$	8,254.19

BALANCE PER BANK STATEMENT 09/30/16 \$24,416.87

ADD: DEPOSIT IN TRANSIT
 DATE AMOUNT

TOTAL 0.00 0.00

SUBTRACT: CHECKS OUTSTANDING

DATE	CHECK#	AMOUNT
08/31/16	various	16,162.68

TOTAL 16,162.68 (16,162.68)

LIST ITEMS IN LEDGER NOT ON STATEMENT

DATE	AMOUNT	TOTAL
		\$ -
		0.00

LIST ITEMS ON STATEMENT NOT IN LEDGER

DATE	AMOUNT	TOTAL
		-
		0.00

ADJUSTED BANK BALANCE(BOOK BAL)AS OF 09/30/16 8,254.19

Difference 0.00

PREPARED BY Patrick J. DeBlasio, CPA REVIEWED BY Mary Foulks



BANK RECONCILIATION

ACCT.NAME Bank of America
 BANK/ACCT# Claims/Operating Account -3810-3273-1969
 DATE From 09/01/16 To 09/30/16

BOOK BALANCE AS OF	09/01/16	\$	493,031.41
ADD DEPOSITS (PER BANK LEDGER)			
SUBTRACT:DISBURSEMENTS(PER BANK LEDGER)			287,699.52
BOOK BALANCE AS OF	09/30/16	\$	205,331.89
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BALANCE PER BANK STATEMENT	09/30/16		\$283,177.85

ADD: DEPOSIT IN TRANSIT
 DATE AMOUNT

TOTAL	0.00	0.00
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SUBTRACT: CHECKS OUTSTANDING

DATE	CHECK#	AMOUNT
06/07/16	302	29,723.23
07/15/16	318	29,723.23
09/13/16	325	1,250.00
09/13/16	326	449.50
09/13/16	327	6,570.00
09/13/16	328	1,250.00
09/13/16	329	50.00
09/13/126	330	100.00
09/13/16	331	1,080.00
09/13/16	332	7,650.00

TOTAL	77,845.96	(77,845.96)
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LIST ITEMS IN LEDGER NOT ON STATEMENT

DATE	AMOUNT
TOTAL	\$ -

LIST ITEMS ON STATEMENT NOT IN LEDGER

DATE	AMOUNT
TOTAL	-

ADJUSTED BANK BALANCE(BOOK BAL)AS OF	09/30/16	205,331.89
		Difference (0.00)

PREPARED BY Patrick J. DeBlasio, CPA REVIEWED BY Mary Foulks



BANK RECONCILIATION

ACCT.NAME TD Bank
 BANK/ACCT# Claims Acct -430-2862184
 From 09/01/16 To 09/30/16
 DATE

BOOK BALANCE AS OF	09/01/16	\$	10,653.20
ADD DEPOSITS (PER BANK LEDGER)			1,321.30
SUBTRACT:DISBURSEMENTS(PER BANK LEDGER)			1,458.36
BOOK BALANCE AS OF	09/30/16	\$	10,516.14

BALANCE PER BANK STATEMENT 09/30/16 \$10,516.14

ADD: DEPOSIT IN TRANSIT
 DATE AMOUNT

TOTAL 0.00 0.00

SUBTRACT: CHECKS OUTSTANDING

DATE CHECK# AMOUNT
 various various -

TOTAL 0.00 0.00

LIST ITEMS IN LEDGER NOT ON STATEMENT

DATE AMOUNT
 TOTAL \$ - 0.00

LIST ITEMS ON STATEMENT NOT IN LEDGER

DATE AMOUNT
 TOTAL - 0.00

ADJUSTED BANK BALANCE(BOOK BAL)AS OF 09/30/16 10,516.14

Difference 0.00

PREPARED BY Patrick J. DeBlasio, CPA REVIEWED BY Mary Foulks



RESOLUTION NO. 24-16

PUBLIC ENTITY JOINT INSURANCE FUND
(Hereinafter the “FUND”)

APPROVING CERTAIN DISBURSEMENTS

WHEREAS, the Bylaws of the PEJIF require that the Fund Commissioners approve all disbursements by a majority vote, and

WHEREAS, the attached bill of items sets forth certain bills or demands for monies;

NOW, THEREFORE BE IT RESOLVED, by the FUND’s Board of Fund Commissioners that the attached bill of items totaling **\$89,445.53** is approved for payment.

Adopted: *this day by the Board of Fund Commissioners*

Chairman

Date

October 25, 2016

Secretary

Date

October 25, 2016

October 25th 2016- PEJIF Commissioners Meeting Bills List

Date: 10.18.16
Bills List #: 31



<u>PAY TO</u>	<u>DESCRIPTION</u>	<u>Check #/WT</u>	<u>Invoice Amt.</u>
Patrick DeBlasio	Treasurer Services October 2016	#333	\$ 416.64
Princeton Public Affairs	inv# 5103 Retainer Fee October and Outstanding inv#4082 for April 2016	#334	\$ 416.67
Pringle Quinn Anzano	inv# 40138 Fund Attorney September fees	#335	\$ 589.00
Department of te Treasury Div. of Admin Fiscal & Resources	Investment Receivables - 4 ransactions	#336	\$ 160.00
Fairview Insurance	RM fee 2nd install for 2016 City of East Orange \$28,787 and City of Passaic \$53,126	#337	\$ 81,913.00
EANJ	inv#1744 discrimination training City of Perth Amboy \$360; inv#1747 Ethics & Professionalism training for City of East Orange \$4,140; inv#1748 Ethics training East Orange Police Dept. \$720	#338	\$ 5,220.00
Connell Consulting	Training - Proactive Police Supervision city of Plainfield & Twp. of Teaneck	#339	\$ 200.00
The Star Ledger	Posting of 2017 RFP (3 days)	#340	\$ 123.42
Café on Nine	September Meeting Breakfast	#341	\$ 256.80
Total in Checks \$89,295.53			
<u>WIRE TRANSFERS/ACH</u>		WT	
NIP Management	PEJIF Meeting Room for September 2016	ACH	\$ 150.00
Total Payments to NIP Management \$150.00			
BGIA		ACH	
BGIA		ACH	
Total BGIA \$0			
Total			\$ 89,445.53

RESOLUTION NO. 25-16

PUBLIC ENTITY JOINT INSURANCE FUND
(Hereinafter referred to as the “FUND”)

APPROVING CLAIMS PAYMENTS

BE IT RESOLVED by the Board of Fund Commissioners of the Public Entity Joint Insurance Fund that confirmation and authorization approval is made in issuance of the attached claims payments totaling **\$405,124** against the fund.

ADOPTED: *this day before the Board of Fund Commissioners:*

Chairman

October 25th 2016
Date

Secretary

October 25th 2016
Date



PEJIF MONTHLY PAYMENTS		
YEAR MONTH	2016 September	
<i>D&H</i>	Amount	Comments
PASSAIC		
WC	\$ 32,889.83	
LIABILITY, PROP & APD	\$ 10,187.92	
<i>D&H</i>		
PERTH AMBOY		
WC	\$ 27,315.13	
LIABILITY & PROP	\$ 11,961.39	
<i>Inservco</i>		
PLAINFIELD		* One Month Behind*
WC	\$ 96,804.02	August Numbers
LIABILITY & PROP		August Numbers
<i>D&H</i>		
WNY		
WC	\$ 57,142.24	
LIABILITY & PROP	\$ 4,186.44	
<i>NIP & D&H</i>		
Roselle		
WC	\$ 21,441.56	
Liability & Prop	\$ -	
<i>NIP & Inservco</i>		
East Orange		
WC	\$ 46,782.05	
Liability & Prop	\$ 6,032.92	
<i>D&H</i>		
Teaneck		
WC	\$ 86,829.62	
Liability & Prop	\$ 3,550.61	
PEJIF Total for the month	405,124	



Quarterly Investment Report

As of 9/30/2016



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Executive Summary

TRANSACTIONS:

Action	Total	Comments	Average Tax-Equivalent Yield
Sales, Calls, and Maturities	\$145,000	Proceeds reflect the maturity of a Treasury in September.	0.44%
Purchases	\$790,848	With the proceeds we continued to build on the 1-2 year laddered strategy for the portfolio in highly liquid assets. Yields in short assets remain volatile as markets debate Federal Reserve rate increases.	0.62%

PORTFOLIO STATISTICS:

Quarter Ending:	06/30/2016	09/30/2016
Tax-Equivalent Book Yield	0.64%	0.62%
Book Value	\$3,338,561	\$4,144,227
Projected Tax-Equivalent Annual Income	\$21,474	\$25,737
Unrealized Gain	\$5,327	\$622
YTD Realized Gain	\$21	\$21
Portfolio Duration	1.08	0.86
Average Credit Quality	AAA	AAA

PORTFOLIO ALLOCATION:

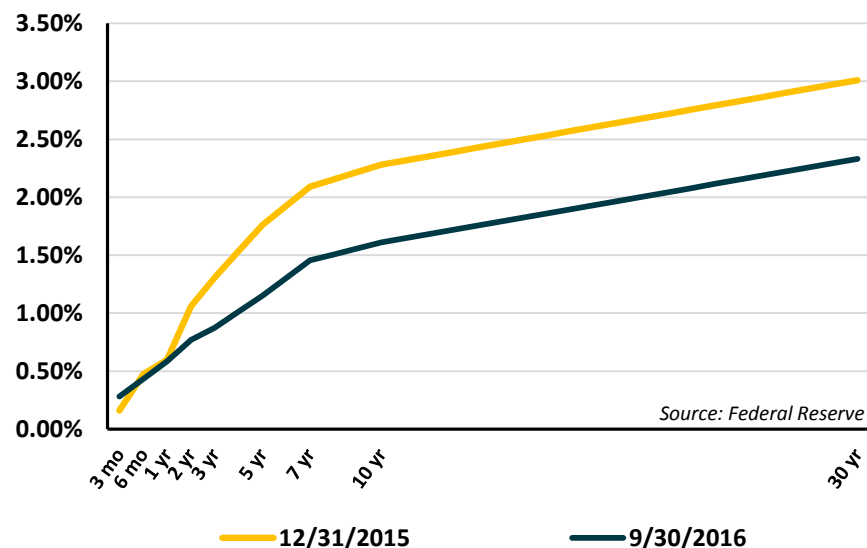
Sector	06/30/2016	09/30/2016
Treasury	100%	96%
Agency	0%	0%
Credit	0%	0%
Exempt Muni	0%	0%
Taxable Muni	0%	0%
MPT	0%	0%
CMO	0%	0%
ABS	0%	0%
CMBS	0%	0%
Short-Term	0%	4%

PERFORMANCE:

Tax-equivalent Performance	Portfolio	Target/Benchmark	Difference
YTD Booked Income	\$15,116	\$13,740	\$1,376
QTD Total Return	0.03%	0.02%	0.01%
YTD Total Return	0.81%	0.87%	-0.06%

Economic Outlook

Treasury Yield Curves



10 Year Treasury Yields



World Bond Yields

Country	Maturities												
	1	2	3	4	5	6	7	8	9	10	15	20	30
Switzerland	-0.94	-0.94	-0.95	-0.89	-0.84	-0.78	-0.73	-0.67	-0.60	-0.55	-0.31	-0.18	-0.05
Japan	-0.32	-0.29	-0.28	-0.26	-0.25	-0.24	-0.24	-0.20	-0.16	-0.09	0.09	0.35	0.46
Germany	-0.65	-0.68	-0.70	-0.67	-0.58	-0.54	-0.48	-0.38	-0.27	-0.12	0.02	0.24	0.45
Austria	-0.55	-0.60	-0.58	-0.53	-0.48	-0.42	-0.39	-0.33	-0.05	0.10	0.05		0.78
Netherlands	-0.67	-0.65	-0.64	-0.63	-0.47	-0.47	-0.39	-0.26	-0.12	0.00			0.52
Belgium	-0.63	-0.64	-0.58	-0.55	-0.47	-0.42	-0.33	-0.18	-0.02	0.14	0.52	0.59	1.07
Finland	-0.61	-0.64	-0.61	-0.54	-0.51	-0.42	-0.34	-0.23	-0.13	0.03	0.28		0.53
France	-0.64	-0.64	-0.61	-0.54	-0.44	-0.35	-0.28	-0.10	0.04	0.19	0.48	0.76	0.97
Sweden		-0.67		-0.55	-0.37		-0.23			0.17	0.70		
Denmark		-0.53			-0.36					0.01			0.48
Ireland		-0.45	-0.44	-0.38	-0.31	-0.24	-0.13	0.06	0.22	0.33	0.65		1.15
Italy	-0.24	-0.11	-0.01	0.05	0.26	0.43	0.61	0.81	1.02	1.19	1.54	1.84	2.25
Spain	-0.26	-0.22	-0.15	-0.04	0.04	0.11	0.27	0.56	0.71	0.88	1.24		1.99
United States	0.59	0.77	0.88		1.15		1.46			1.61			2.33

Source: Bloomberg
As of: 09/30/2016

Comments

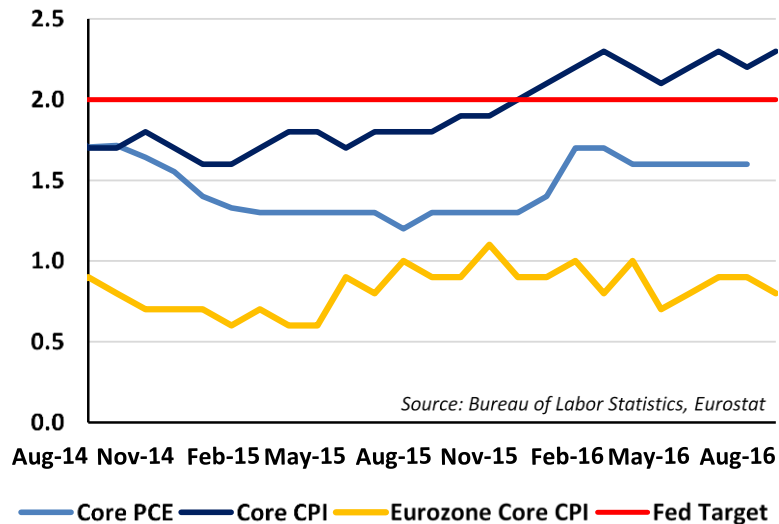
- During the quarter, the 10 year Treasury bond yield rose 12 basis points to 1.59%
 - Overall the change in yields was fairly small, masking the wide range of 1.36% to 1.73%
- Early in the quarter, yields fell on Brexit concerns, but rebounded higher in September with the ECB's decision not to increase levels of quantitative easing and market angst over possible rate hikes by the Fed
- Given global uncertainty, the Fed remained dovish in their approach to rates, but preparing the markets for a hike in future meetings
- Market expectations for a Fed rate hike this year has been very volatile
 - Currently the markets are pricing in a 59% chance of a 25 basis point hike at the December meeting
- With a majority of global government bonds trading at negative yields, demand by foreign investors remains high for U.S. fixed income assets

Economic Outlook

Inflation

- PCE core inflation remains below the 2% target and wage inflation has been contained providing flexibility to the Fed in deciding course of action
- Inflation measures in both the Eurozone and Japan remain low prompting easy money policies by both Central Banks to defend against deflation

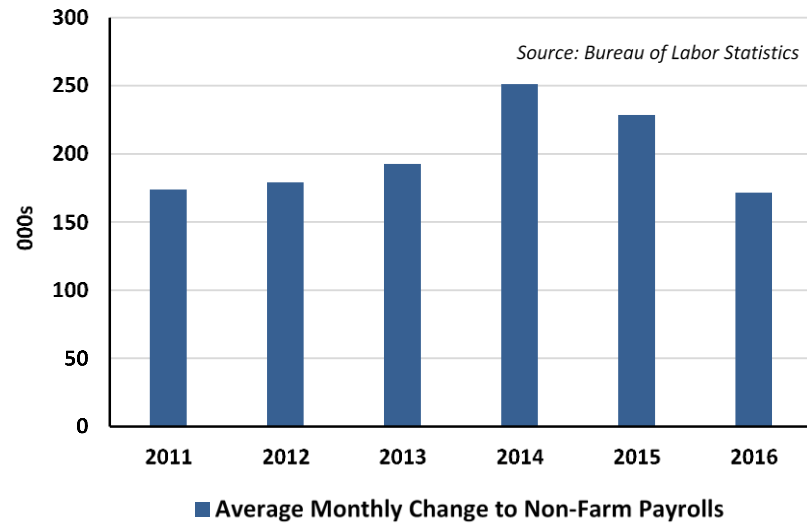
Inflation



Employment

- Domestically, employment continues to show strength with positive monthly additions, albeit at a slower pace than experienced over the past 3 years
- Monthly average payrolls have fallen to +181,600 from the pace of +229,000 last year
- Unemployment Rate has stabilized around 5%
- Participation Rate continues to remain at the lowest levels since 1977

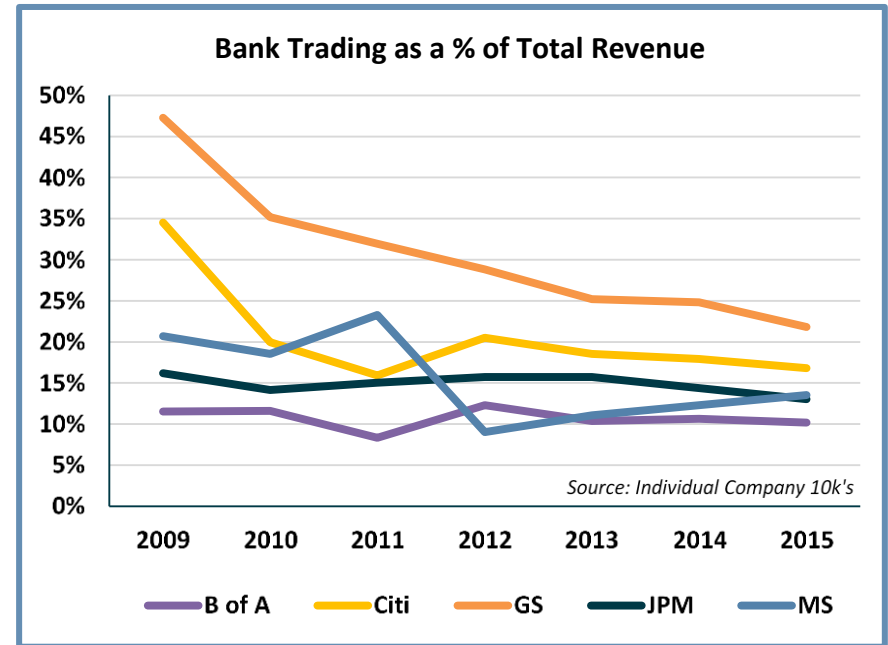
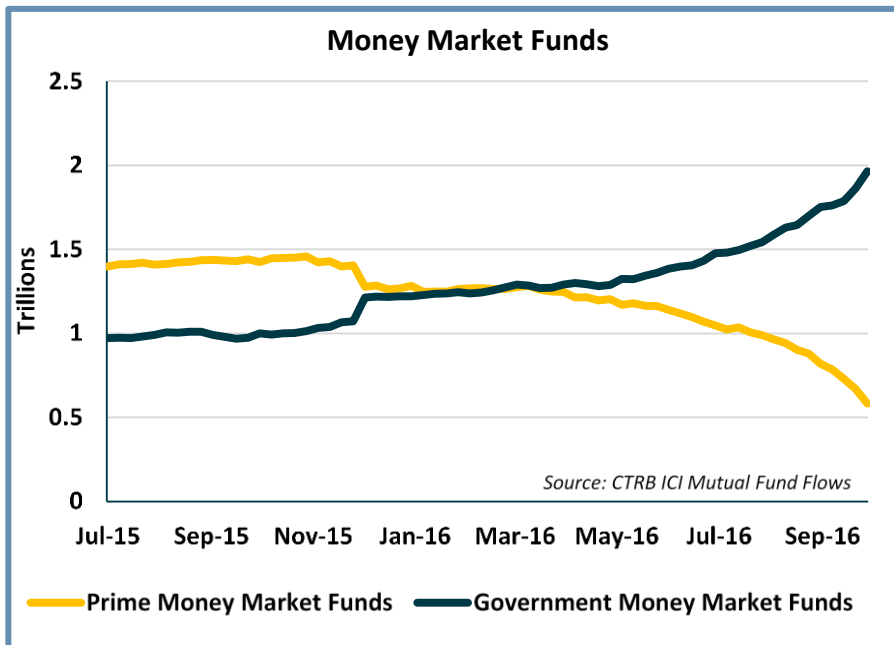
Employment



Economic Outlook

Market Liquidity

- Trading revenues generated by the top five banking institutions continue to fall in response to increased government regulation and limits placed on risk taking
- While the intent was to improve banking stability, market liquidity within fixed income has been impacted and could experience increased volatility in times of stress
- With recent changes in money market regulations, only government money market funds will maintain fixed \$1 net asset value (NAV), while institutional prime funds will have a floating NAV
- As these rule take effect mid-October, many investors have moved away from prime funds that take additional risk to increase yield
- Institutional prime funds outstanding have fallen nearly \$1 trillion this year and prompted the selling in many short non-government securities



Economic Outlook

Corporates

Following the shock and spread widening of the Brexit decision, corporate spreads gradually tightened during the quarter. Government officials announced that Brexit would bring slow, gradual changes and the U.K. Government added stimulus to mute the impact. Although all spreads tightened, financials recovered the most from the initial Brexit news with spreads tightening to a low of +130 before ending the quarter at +137.

Technical factors played an increasingly important role in the corporate bond market with high amounts of foreign investing. Positive U.S. interest rates and corporate spreads attracted investments in the U.S. corporate market relative to the rest of the world. The huge demand for corporate paper has led to favorable borrowing conditions for corporations and has resulted in significant supply. This should lead to another record year of corporate new issuance with over \$1 trillion coming to market. The credit curve flattened moderately as the impact of the pending change in money market rules reduced demand for corporate commercial paper. This in turn pressured short dated non-government spreads.

Fundamental credit metrics deteriorated during the quarter. Companies issued bonds at low rates to finance acquisitions and conduct share buybacks instead of capital investment. They borrowed and spent more than they earned. Even with the weakened financials the technicals have supported spreads which remain (on average) close to year to date tights.

Option Adjusted Corporate Spreads in Basis Points*							
Index Sector	10 year Tights				2Q16 Change	Year to Year Change	Difference from 10-Yr tights
	12/31/06	09/30/15	06/30/16	09/30/16			
Aggregate Index	38	59	55	47	-8	-12	9
Corporates	88	169	156	138	-18	-31	50
Industrials	102	184	159	140	-19	-44	38
Utilities	102	152	142	132	-10	-20	30
Financials	69	145	152	137	-15	-8	68
AAA	53	90	87	85	-2	-5	32
AA	58	99	87	84	-3	-15	26
A	86	132	123	112	-11	-20	26
BBB	122	222	200	175	-25	-47	53

*Data from Barclays Capital as of 09.30.16

With uncertainty revolving around Brexit, pending elections and foreign central banks, Prime remains cautious. We favor pharmaceuticals given their deleveraging efforts. Optimal positioning on the credit curve will be in the 3-5 year area with the greatest spread for a given amount of duration. BBB's still offer the most spread, but Prime will target the BBBs that have more stable cash flows including utility, communication and transportation names.

Economic Outlook

Municipals

Municipals underperformed the broad market in the third quarter as pre-tax yields rose across the curve.

According to Municipal Market Data, 30-year, AAA pre-tax yields rose 32 basis points to finish the quarter at 2.31%. At the same time, 10-year, AAA yields rose 18 basis points, finishing the quarter at 1.52%. 1-year yields rose roughly 25 basis points to finish the quarter at 0.78%.

The impressive demand for tax-exempts continued throughout the quarter, as intermediate and long term bond funds continued to see heavy inflows. As of the September 30, tax-exempt funds have experienced inflows for 52 straight weeks providing over \$58 billion of new capital.

As we enter the fourth quarter, the front end of the curve remains under pressure. Money market funds continue to face redemptions due to the regulatory rule change, while the market anticipates unusually high new issue supply. The recent municipal underperformance to Treasuries has improved ratios and we will look to allocate new cash into municipals for those accounts with room to add.

Mortgage and Asset Backed Securities

Mortgage backed securities (MBS) continued to benefit from the strong demand of both traditional and non-traditional buyers, offsetting the increased supply due to seasonality.

While domestic banks have historically been buyers of MBS, they have substantially increased their buying this year given new regulations, low volatility, attractive yields and liquidity. In addition, banks are also keeping non-securitized mortgage loans on their books, reducing overall MBS supply in the market. Foreign investors, a non-traditional MBS investor, have increased their demand substantially, given the positive yields they offer and fairly protected prepayment environment.

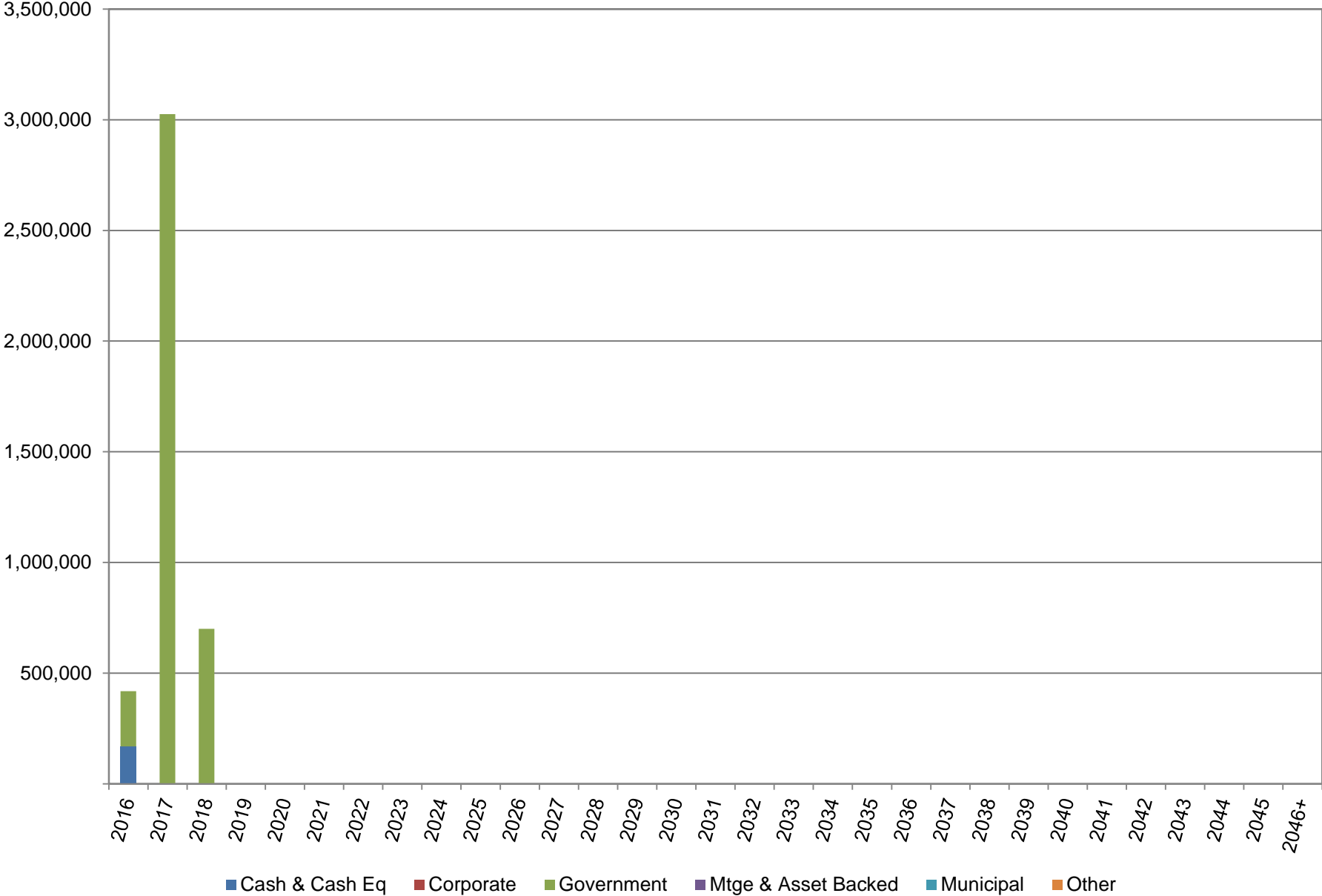
As the Fed remains on hold on rates, reinvestment of their portfolios monthly mortgage paydowns will continue well into next year, possibly through 2018. Prime remains positioned to take advantage of any future spread widening by maintaining a slight underweight. Our focus in residential mortgages remains in agency-backed products only.

For shorter duration securities, we prefer an allocation to asset-backed securities. Prime continues to recommend a healthy overweight to this sector, as issuance has been limited and these securities have experienced stable credit performance. We favor these securities in lieu of Treasuries, agencies, and higher-rated corporate credits. Bonds currently offer value in 1-5 year maturities and hold superior AAA rated credit quality.

Portfolio Statistics

Security Type	Book Value	Market Value	Gain / (Loss)	Tax-Equivalent Book Yield	Tax-Equivalent Market Yield	Effective Duration	Convexity	Securities at Gain		Securities at Loss	
								#	Amount	#	Amount
Fixed Income											
Treasury	3,975,717	3,976,339	622	0.65	0.61	0.90	0.01	12	1,164	5	(541)
Agency	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Corporate	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Taxable Municipal	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Tax-exempt Municipal	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Mortgage Pass-CMOs	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
ARMs	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Asset Backed	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
CMBS	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Other	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Total	3,975,717	3,976,339	622	0.65	0.61	0.90	0.01	12	1,164	5	(541)
Short Term											
Sweep Money Market	168,511	168,511	0	0.00	0.00	0.00	0.00	0	0	0	0
Commercial Paper (Payable)/Receivable	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Total	168,511	168,511	0	0.00	0.00	0.00	0.00	0	0	0	0
Total Fixed Income & Short Term											
Total	4,144,227	4,144,850	622	0.62	0.58	0.86	0.01	12	1,164	5	(541)
Equity											
Common Stock	0	0	0					0	0	0	0
Total	0	0	0					0	0	0	0
Grand Total											
Total	4,144,227	4,144,850	622					12	1,164	5	(541)

Maturity Schedule By Weighted Average Life



Effective Maturity Schedule

Year	Book Value	Tax Equiv. Book Yield	% of Total Book Value
2016	250,097	0.47	6%
2017	3,025,194	0.65	76%
2018	700,425	0.71	18%
2019+	0	0.00	0%
Subtotal	3,975,717	0.65	100%
(inc. ABS, Agcy, CMBS, Corp, Muni, UST)			
MBS	0	0.00	0%
TOTAL	3,975,717	0.65	100%

Performance

Tax-Equivalent Total Return
as of 09/30/2016
Inception Date: 08/01/2014

	Prime	Benchmark	Difference
Quarter to Date	0.03%	0.02%	0.01%
Year to Date	0.81%	0.87%	-0.06%
Since Inception	0.43%	0.44%	-0.01%

Benchmark Composition:

100.0% PEJIF Duration Matched Treasury

Bond Purchases

Trade Date	CUSIP	Description	Security Type	S&P Rating	Moody's Rating	Coupon	Maturity Date	Call Date	Price	Cost	Pre-Tax Book Yield	Tax-Equivalent Book Yield
07/29/2016	912828D49	US TREASURY N/B	Treasury	AA+	Aaa	0.875	08/15/2017	N/A	100.27	190,520	0.61	0.61
07/29/2016	912828TS9	US TREASURY N/B	Treasury	AA+	Aaa	0.625	09/30/2017	N/A	100.01	200,023	0.61	0.61
07/29/2016	912828TW0	US TREASURY N/B	Treasury	AA+	Aaa	0.750	10/31/2017	N/A	100.16	200,320	0.62	0.62
07/29/2016	912828UA6	US TREASURY N/B	Treasury	AA+	Aaa	0.625	11/30/2017	N/A	99.99	199,984	0.63	0.63
Total										790,848	0.62	0.62

Bond Sales, Calls & Maturities

Trade Date	Trade Type	CUSIP	Description	Security Type	S&P Rating	Moody's Rating	Coupon	Effective Maturity	Maturity Date	Price	Book Value	Realized Gain/(Loss)	Pre-Tax Book Yield	Tax-Equivalent Book Yield
09/30/2016	Maturity	912828F47	US TREASURY	Treasury	AA+	Aaa	0.500	09/30/2016	09/30/2016	100.00	145,000	0	0.44	0.44
Total											145.000	0	0.44	0.44

Appendix

Detailed Portfolio Report

Portfolio Holdings Report

CUSIP	Date Acquired	S&P Rating	Moody's Rating	Quantity	Description	Coupon	Effective Maturity	Maturity	Original Cost	Book Value	Market Value	Unrealized Gain/(Loss)	Book Yield	Market Yield	Effective Duration	Avg Life	Convexity
Money Market																	
99C001734	08/01/2016			168,511	BANK OF AMERICA/MERRILL	0.00			168,511	168,511	168,511	0	0.00	0.00	0.00	0.00	
Total Money Market				168,511					168,511	168,511	168,511	0	0.00	0.00	0.00	0.00	0.00
Treasury																	
912828B74	07/21/2015	AA+	Aaa	200,000	US TREASURY N/B	0.63	02/15/2017	02/15/2017	200,173	200,041	200,148	107	0.57	0.43	0.37	0.38	0.00
912828C73	07/31/2015	AA+	Aaa	225,000	US TREASURY N/B	0.88	04/15/2017	04/15/2017	226,073	225,341	225,452	111	0.59	0.50	0.53	0.54	0.01
912828D49	07/29/2016	AA+	Aaa	190,000	US TREASURY N/B	0.88	08/15/2017	08/15/2017	190,520	190,438	190,378	(60)	0.61	0.65	0.87	0.87	0.01
912828H29	04/27/2015	AA+	Aaa	250,000	US TREASURY N/B	0.63	12/31/2016	12/31/2016	250,655	250,097	250,165	68	0.47	0.36	0.25	0.25	-0.01
912828H78	06/29/2015	AA+	Aaa	200,000	US TREASURY N/B	0.50	01/31/2017	01/31/2017	199,969	199,994	200,094	100	0.51	0.36	0.33	0.33	0.00
912828J92	07/31/2015	AA+	Aaa	225,000	US TREASURY N/B	0.50	03/31/2017	03/31/2017	224,755	224,926	225,020	94	0.57	0.48	0.49	0.50	0.00
912828K25	06/30/2016	AA+	Aaa	100,000	US TREASURY N/B	0.75	04/15/2018	04/15/2018	100,293	100,252	100,014	(238)	0.59	0.74	1.52	1.54	0.03
912828P20	04/01/2016	AA+	Aaa	200,000	US TREASURY N/B	0.75	01/31/2018	01/31/2018	199,969	199,978	200,072	94	0.76	0.72	1.32	1.33	0.02
912828SY7	07/31/2015	AA+	Aaa	210,000	US TREASURY N/B	0.63	05/31/2017	05/31/2017	209,927	209,973	210,063	90	0.64	0.58	0.66	0.66	0.01
912828TM2	09/10/2015	AA+	Aaa	200,000	US TREASURY N/B	0.63	08/31/2017	08/31/2017	199,563	199,796	199,954	158	0.74	0.65	0.91	0.91	0.01
912828TS9	09/10/2015	AA+	Aaa	400,000	US TREASURY N/B	0.63	09/30/2017	09/30/2017	399,399	399,714	399,828	114	0.70	0.67	0.99	1.00	0.02
912828TW0	09/30/2015	AA+	Aaa	400,000	US TREASURY N/B	0.75	10/31/2017	10/31/2017	400,665	400,458	400,288	(170)	0.64	0.68	1.07	1.08	0.02
912828UA6	02/02/2016	AA+	Aaa	400,000	US TREASURY N/B	0.63	11/30/2017	11/30/2017	399,430	399,632	399,664	32	0.70	0.70	1.16	1.16	0.02
912828UE8	04/01/2016	AA+	Aaa	150,000	US TREASURY N/B	0.75	12/31/2017	12/31/2017	149,977	149,984	150,068	84	0.76	0.71	1.24	1.25	0.02
912828UR9	04/11/2016	AA+	Aaa	200,000	US TREASURY N/B	0.75	02/28/2018	02/28/2018	200,164	200,124	200,070	(54)	0.71	0.73	1.40	1.41	0.03
912828UU2	04/11/2016	AA+	Aaa	200,000	US TREASURY N/B	0.75	03/31/2018	03/31/2018	200,094	200,072	200,052	(20)	0.73	0.73	1.49	1.49	0.03
912828XP0	08/28/2015	AA+	Aaa	225,000	US TREASURY N/B	0.63	07/31/2017	07/31/2017	224,763	224,897	225,009	112	0.68	0.62	0.83	0.83	0.01
Total Treasury				3,975,000					3,976,389	3,975,717	3,976,339	622	0.65	0.61	0.90	0.90	0.01
Grand Total				4,143,511					4,144,900	4,144,227	4,144,850	622	0.62	0.58	0.86	0.87	0.01

Glossary of Terms

Security Types	
Adjustable Rate Mortgage (ARM)	A mortgage in which the interest rate is changed at regular intervals to reflect fluctuations in market interest rates. Because the borrower takes some of the risk of rising interest rates, the initial rate may be lower than that on a fixed-rate mortgage. There are often limitations on the interest rate change from one period to the next, with a rate cap for the life of the loan.
Agency	A fixed income security issued by a government-sponsored agency, such as Ginnie Mae, Freddie Mac, or the Tennessee Valley Authority. Depending on the issuer, these bonds may or may not be backed by the full faith and credit of the U.S. government.
Asset-Backed Security (ABS)	A fixed income security backed by the cash flows from loans or leases. Auto loans, home equity loans, and credit card receivables are the most common assets backing these securities. Principal and interest payments made by borrowers are redirected to owners of ABS to meet the scheduled coupon and principal payments.
Collateralized Mortgage Obligation (CMO)	A security similar to a mortgage-pass through. In a CMO, the principal and interest received from borrowers is split into different classes called tranches. The structure of CMO payment tranches makes the timing of cash flows more certain for owners of some tranches and less certain for owners of other tranches. More uncertain tranches typically provide higher yields.
Commercial Mortgage-Backed Security (CMBS)	A fixed income security backed by the cash flows from commercial real estate mortgages. All principal and interest from the mortgages flow to bond holders in a defined sequence. Common types of real estate involved are apartment buildings, office and retail space, hotels, and health care facilities.
Corporate (Corp)	A fixed income security issued by a private corporation.
Mortgage Pass-Through (MPT)	A fixed income security backed by the cash flows from residential mortgages. Monthly principal and interest payments made by borrowers are redirected to owners of MPTs as they are received. Because borrowers may prepay their mortgages (perhaps due to refinancing or selling the house), the timing of cash flows on these securities is uncertain.
Preferred Stock (Preferred)	Capital stock having priority over a corporation's common stock in the distribution of dividends. In the event of a liquidation, preferred stock's claim on assets ranks above that of common stock but below that of bank loans or corporate bonds.
Tax-exempt Municipal (ExMuni)	A fixed income security, issued by a state or municipality, paying interest that is exempt from federal income tax. Interest may or may not be exempt from state and local tax.
Taxable Municipal (TaxMuni)	A fixed income security, issued by a state or municipality, paying interest that is subject to federal income tax. Typically issued much less commonly than tax-exempt municipals.
Treasury	A marketable fixed income security issued by the U.S. Department of the Treasury and backed by the full faith and credit of the U.S. government.

Glossary of Terms

Definitions	
Average Life	The dollar-weighted average time to maturity of a stream of principal cash flows. Also referred to as “weighted average life” or “WAL”.
Basis Point (bp)	1/100 of 1% (or equivalently .0001).
Benchmark	<p>An index against which performance can be measured. Attributes of a good benchmark include:</p> <p><i>Objective:</i> The index should be identified ahead of the time, it should be easily understood, and the construction rules should be clearly defined.</p> <p><i>Replicable:</i> The manager should be able to replicate the returns passively.</p> <p><i>Relevant:</i> The index should represent the manager’s neutral position. In other words, without the manager’s input, the index should represent a reasonable portfolio the company would purchase.</p> <p><i>Tax Adjusted:</i> The benchmark should adjust for the different tax rates on various security types</p>
Book Income	Dollars of investment income that flow through an insurance company’s income statement. This is equal to coupon received plus any accretion/ (amortization) of book value. It can also include any <u>realized</u> gains or losses in the portfolio.
Book Value	The value of a security that is reflected on an insurance company’s balance sheet. For fixed income securities on a statutory and tax basis this is the amortized value. The amortized value periodically writes up any accrual of purchase discount (or writes down amortization of premium) over the life of the security. The amortized value holds the underlying “book yield” constant and therefore does not swing with movements in the market.
Book Yield	The average annual yield which a bond purchased and held to maturity will earn over the period it is owned. This is generally fixed at the time of purchase of the security. The book yield can be used to calculate the book value of the security at any time between purchase and maturity.
Cash Flow	Interest and principal payments from the securities in a fixed income portfolio. A bullet (non-callable) bond will typically pay a coupon payment every 6 months, with a return of principal at maturity. For mortgage-backed securities and asset-backed securities, cash flows generally arrive monthly from both interest and principal. This principal portion contains both the planned return of principal and prepayment of principal due to reasons such as mortgage refinancing.
Convexity	Describes the sensitivity of a bond’s duration to a change in yield. As yields decrease, duration increases on bonds with positive convexity and decreases on bonds with negative convexity. This causes bonds with negative convexity to underperform when yields increase or decrease by large amounts.
Credit Risk	The risk that the issuer of a fixed income security may default and be unable to make timely interest and principal payments on the security.
Duration	The sensitivity of a bond’s price to a change in yield. Duration generally increases for bonds with longer maturities, meaning these bonds are more sensitive to yield changes. Bond price and yield move in opposite directions. Example: A bond with a duration of 5.0 would experience a price decrease of 5% for every 1% (100 bps) increase in interest rates.

Glossary of Terms

Definitions (cont.)	
DYCARRSM	A proprietary model designed specifically for P/C insurance companies to maximize investment income while managing interest rate risk (see definition.) The model applies stress tests to projected operational cash flow and finds the likelihood that bonds in the portfolio will need to be liquidated in order to meet cash flow needs (such as the payment of losses). This may allow a company to invest in longer duration securities with higher yields.
FICO Score	A generic credit score developed by Fair, Isaac and Company, Inc., designed to predict the likelihood of borrowers becoming delinquent in their credit obligations.
Gross Domestic Product (GDP)	The total market value of all final goods and services produced in a country in a given year; it is equal to total consumer, investment, and government spending, plus exports, minus imports.
Interest Rate Risk	The risk to a bondholder that an increase in interest rates will cause bond prices to fall. Interest rates and market prices for fixed income securities generally move in opposite directions. Interest rate changes are the largest cause of changes in the market value of a bond portfolio.
Loan to Value (LTV)	A lending risk assessment ratio used in mortgage lending. LTV is calculated by dividing the mortgage amount by the lesser of appraised value or selling price. Residential mortgage loans conforming to agency guidelines have LTV ratios of 80% or lower at origination. Lenders will frequently require lower LTV ratios for commercial or investment properties.
Market Value	Estimated value of the bond based on current market price. This value fluctuates continually with interest rates and perceived risk of the issuer. Reflects the amount that could be received by selling the bond.
Option Adjusted Spread (OAS)	The portion of a bond's yield which is attributable to the credit risk of a bond as perceived by the market. This allows for comparison between bonds with or without embedded options such as calls, puts, and prepayment features.
Realized Gain/(Loss)	Difference between market and book value when a bond is sold. If market is greater than book value the bond was sold at a realized capital gain. Realized capital gains/(losses) flow through an insurer's income statement.
Tax Equivalent Yield	Yield adjusted for taxes, which allows for comparison of taxable bonds to tax-exempt bonds. Calculated by dividing after-tax yield by 0.65 (1 minus 35%).
Total Return	The return on a security or portfolio that reflects both income and price change. Assumes that the security or portfolio is priced using fair value at the end of the evaluation period.
Unrealized Gain/(Loss)	The difference between market value and book value on a bond. If market value is greater than book value the bond is at an unrealized gain. Under statutory accounting rules, changes in unrealized gain/(loss) do not affect income.
Volatility Adjusted Duration	A portfolio duration which has been adjusted for the lower observed price volatility seen in tax-exempt municipal bonds. Historically municipals appear to have about 15% lower price volatility than their stated durations suggest; this measure takes that observance into account.
Whole Loan	An original residential mortgage loan; distinct from a pooled pass-through which contains multiple loans. Non-agency CMOs use whole loans as collateral. They usually include jumbo mortgages and other mortgages which do not conform to the standards required for securitization by the agencies (GNMA, FNMA, FHLMC).
Yield	The implied return achievable for purchasing a bond at a given price.

Appendix

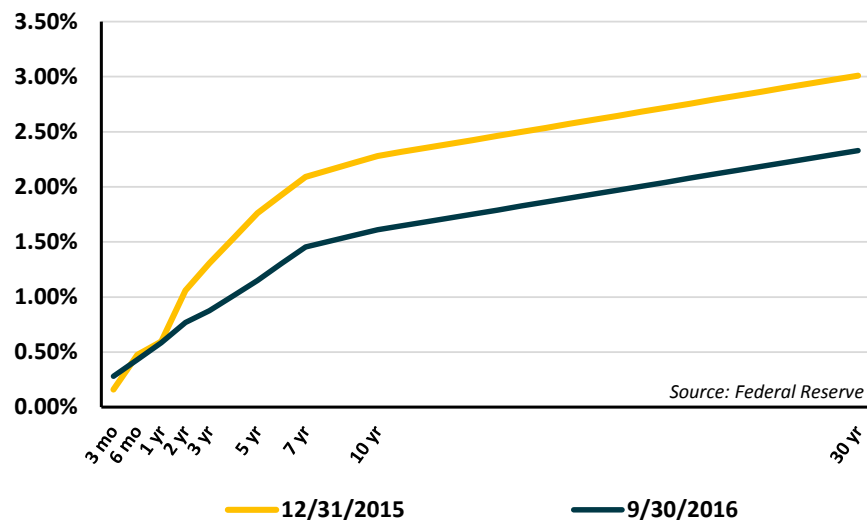
Presentation Overview

Overview

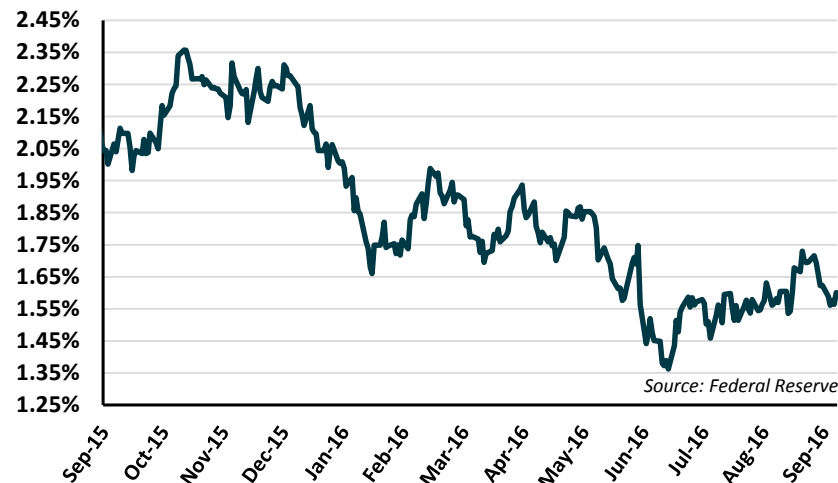
- Economic overview and market update
- Portfolio review
- Performance

Treasury Yields and World Bond Yields

Treasury Yield Curves



10 Year Treasuries



US Treasury Yields

	12/31/2015	9/30/2016
3 Month	0.16%	0.28%
2 Year	1.06%	0.77%
5 Year	1.76%	0.88%
10 Year	2.28%	1.61%
30 Year	3.01%	2.33%

Source: Federal Reserve

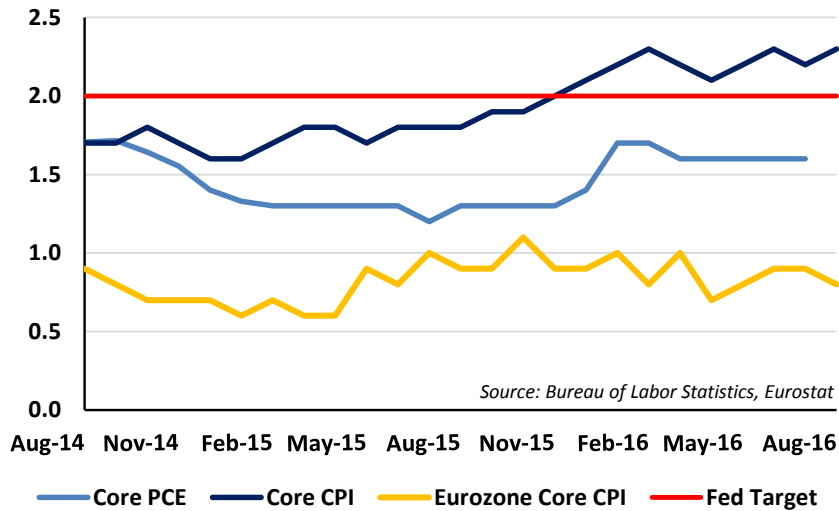
World Bond Yields

Country	Maturities												
	1	2	3	4	5	6	7	8	9	10	15	20	30
Switzerland	-0.94	-0.94	-0.95	-0.89	-0.84	-0.78	-0.73	-0.67	-0.60	-0.55	-0.31	-0.18	-0.05
Japan	-0.32	-0.29	-0.28	-0.26	-0.25	-0.24	-0.24	-0.20	-0.16	-0.09	0.09	0.35	0.46
Germany	-0.65	-0.68	-0.70	-0.67	-0.58	-0.54	-0.48	-0.38	-0.27	-0.12	0.02	0.24	0.45
Austria	-0.55	-0.60	-0.58	-0.53	-0.48	-0.42	-0.39	-0.33	-0.05	0.10	0.05		0.78
Netherlands	-0.67	-0.65	-0.64	-0.63	-0.47	-0.47	-0.39	-0.26	-0.12	0.00			0.52
Belgium	-0.63	-0.64	-0.58	-0.55	-0.47	-0.42	-0.33	-0.18	-0.02	0.14	0.52	0.59	1.07
Finland	-0.61	-0.64	-0.61	-0.54	-0.51	-0.42	-0.34	-0.23	-0.13	0.03	0.28		0.53
France	-0.64	-0.64	-0.61	-0.54	-0.44	-0.35	-0.28	-0.10	0.04	0.19	0.48	0.76	0.97
Sweden		-0.67		-0.55	-0.37		-0.23			0.17	0.70		
Denmark		-0.53			-0.36					0.01			0.48
Ireland		-0.45	-0.44	-0.38	-0.31	-0.24	-0.13	0.06	0.22	0.33	0.65		1.15
Italy	-0.24	-0.11	-0.01	0.05	0.26	0.43	0.61	0.81	1.02	1.19	1.54	1.84	2.25
Spain	-0.26	-0.22	-0.15	-0.04	0.04	0.11	0.27	0.56	0.71	0.88	1.24		1.99
United States	0.59	0.77	0.88		1.15		1.46			1.61			2.33

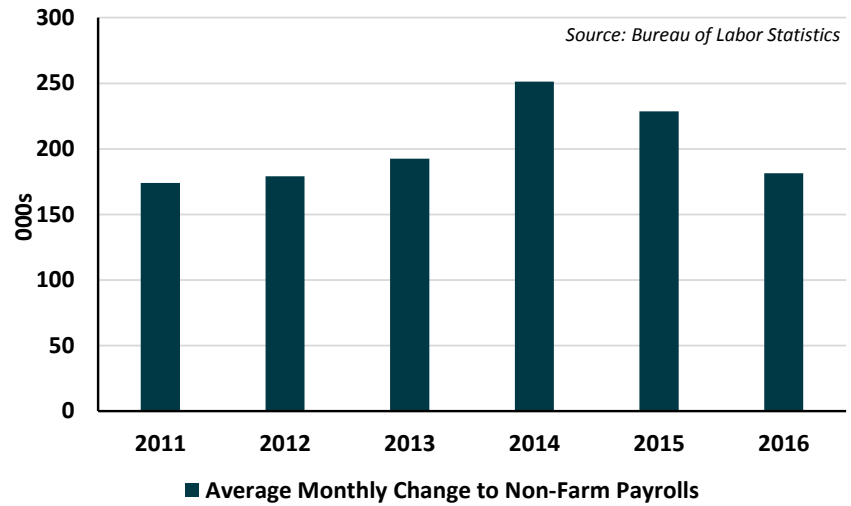
Source: Federal Reserve, Bloomberg

Market Indicators

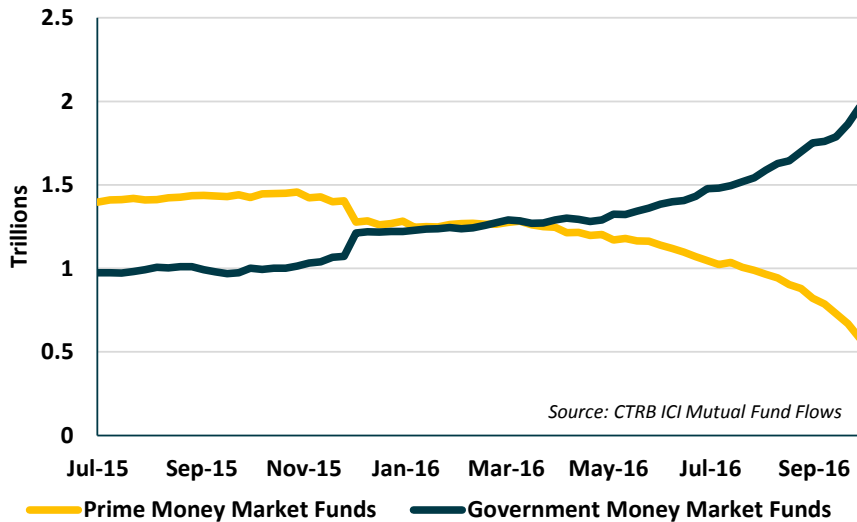
Inflation



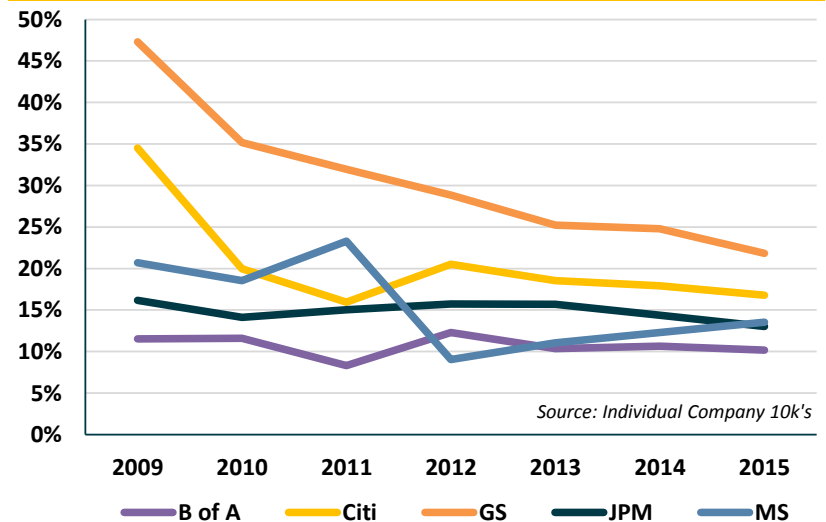
Employment



Money Market Funds



Bank Trading as a % of Total Revenue

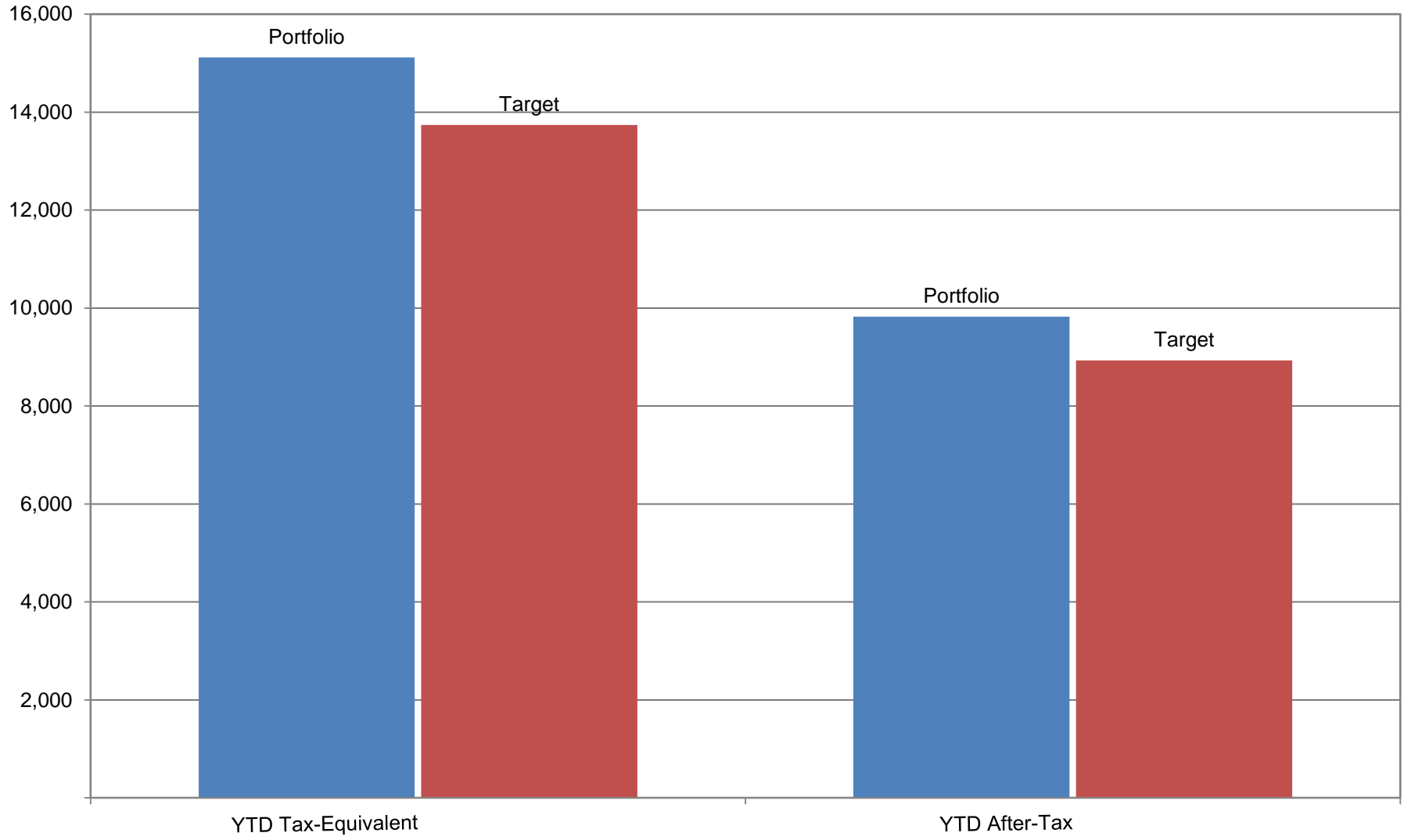


Portfolio Changes

Public Entity Joint Insurance Fund	09/30/2015	12/31/2015	03/31/2016	06/30/2016	09/30/2016
Treasury Yields					
2 yr Treasury Yield	0.63%	1.06%	0.74%	0.59%	0.77%
5 yr Treasury Yield	1.38%	1.77%	1.22%	1.01%	1.15%
10 yr Treasury Yield	2.06%	2.28%	1.78%	1.49%	1.61%
Book Statistics					
Tax-Equivalent Book Yield	0.55%	0.53%	0.55%	0.64%	0.62%
Book Value (\$)	3,150,758	2,905,568	2,909,519	3,338,561	4,144,227
Projected Tax-Equivalent Income, next 12 months (\$)	17,182	15,380	16,052	21,474	25,737
Unrealized Gains/(Losses) (\$)	3,081	(9,163)	(465)	5,327	622
YTD Realized Gains/(Losses) (\$)	0	666	0	21	21
Portfolio Risk Statistics					
Effective Duration	1.39	1.11	0.99	1.08	0.86
Convexity	0.03	0.02	0.02	0.02	0.01
Weighted Average Life	1.40	1.12	1.00	1.08	0.87
Average Rating	AAA	AAA	AAA	AAA	AAA
Portfolio Sector Allocation					
Treasury	100%	99%	92%	100%	96%
Agency	0%	0%	0%	0%	0%
Corporate	0%	0%	0%	0%	0%
Taxable Municipal	0%	0%	0%	0%	0%
Tax-exempt Municipal	0%	0%	0%	0%	0%
Mortgage Pass-Through	0%	0%	0%	0%	0%
CMOs	0%	0%	0%	0%	0%
ARMs	0%	0%	0%	0%	0%
Asset Backed	0%	0%	0%	0%	0%
CMBS	0%	0%	0%	0%	0%
Cash & Cash Equivalents	0%	1%	8%	0%	4%

Income Year to Date

Year to Date, as of 09/30/2016



Performance

Tax-Equivalent Total Return
as of 09/30/2016
Inception Date: 08/01/2014

	Prime	Benchmark	Difference
Quarter to Date	0.03%	0.02%	0.01%
Year to Date	0.81%	0.87%	-0.06%
Since Inception	0.43%	0.44%	-0.01%

Benchmark Composition:

100.0% PEJIF Duration Matched Treasury



PUBLIC ENTITY JOINT INSURANCE FUND CERTIFICATES ISSUED 09/01/2016 to 09/30/2016

JIF Member	ISSUED	CERT HOLDER	COVERAGE	HOLDER DESCRIPTION
City of Passaic	9/14/2016	Rutherford Babe Ruth	2016 GL/AL/WC	Evidence of insurance as respects the City of Passaic Recreation Baseball participation the Babe Ruth Fall Baseball League.
Township of Teaneck	9/28/2016	Stop and Shop	2016 GL	Evidence of insurance as respects the Township of Teaneck's use of the certificate holder's parking lot on 11/11, 11/12 & 11/13 for the Annual Food Drive.
City of Plainfield	9/6/2016	Union County Improvement Authority	2016 GL	Certificate holder is included as an additional insured (Premises Owner) as respects the City of Plainfield's use of the certificate holder's property / parking located at Plainfield Park Madison Property, 200 West Front Street its Plainfield Fire Prevention Fair on 10/8/16 rain date 10/15/16. *
City of Plainfield	9/20/2016	County of Union Administration Building	2016 GL/AL/WC	The County of Union, its Board of Chosen Freeholders, Officers, Employees, Agents, Servants, are included as additional insured under the General Liability policy as respects the annual Veterans Day Ceremonies Road Closure at East Front Street from Roosevelt Ave to Richmond Street on 11/11/16 from 10:00 am to 1:00 pm. The General Liability insurance coverage is provided on a primary, non-contributory basis to the County of Union et. al. Where applicable a waiver of subrogation in favor of the above additional insured is to be included in those policies of insurance where permitted by law.*