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SHERYL A. STITT
Deputy Executive Director

**MINUTES OF THE MEETING OF THE
NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
HELD AT 103 COLLEGE ROAD EAST, PRINCETON, NEW JERSEY
ON TUESDAY, FEBRUARY 27, 2018**

The meeting was called to order at 10:04 a.m. by Chairman Hodes. The New Jersey Educational Facilities Authority gave notice of the time, place and date of this meeting via fax and email on June 15, 2017, to The Star Ledger, The Times of Trenton and the Secretary of State and by posting the notice at the offices of the Authority in Princeton, New Jersey. Pursuant to the New Jersey Open Public Meetings Act, a resolution must be passed by the New Jersey Educational Facilities Authority in order to hold a session from which the public is excluded.

AUTHORITY MEMBERS PRESENT:

Joshua Hodes, Chair
Katherine Ungar, Vice Chair (via phone)
Elizabeth Maher Muoio, Acting State Treasurer, Treasurer (represented by David Moore)
Ridgeley Hutchinson
Rochelle Hendricks, Secretary of Higher Education (represented by Gregg Edwards)
Louis Rodriguez

AUTHORITY MEMBERS ABSENT:

None

STAFF PRESENT:

Sheryl A. Stitt, Acting Executive Director
Steven Nelson, Director of Project Management
Brian Sootkoos, Director of Finance-Controller
Ellen Yang, Director of Compliance Management
Zachary Barby, Communications/Special Projects Assistant
Rebecca Clark, Project Management Assistant
Matthew Curtis, Information Technology Manager
Carl MacDonald, Project Manager
Jacqueline McFadyen, Associate Project Manager
Kristen Middleton, Assistant Controller

Jamie O'Donnell, Senior Communications Manager
Debra Paterson, Senior Compliance Manager
Sheila Toles, Exec. Assistant/Human Resources Manager
Gary Vencius, Accounting Manager
Lisa Walker, Accountant

ALSO PRESENT:

Clifford Rones, Esq., Deputy Attorney General
Marlene Brown, Esq., Deputy Attorney General
Joseph Palumbo, Esq., Deputy Attorney General
Craig Ambrose, Esq., Governor's Authorities Unit

ITEMS OF DISCUSSION

1. Approval of the Minutes of the Meeting of November 14, 2017

The minutes of the meeting of November 14, 2017 were hand delivered to Governor Chris Christie under the date of November 14, 2017. Mr. Rodriguez moved that the minutes of the meeting be approved as presented; the motion was seconded by Mr. Moore and passed unanimously.

2. Approval of the Minutes of the Special Meeting of November 30, 2017

The minutes of the special meeting of November 30, 2017 were hand delivered to Governor Chris Christie under the date of November 30, 2017. Mr. Hutchinson moved that the minutes of the meeting be approved as presented; the motion was seconded by Mr. Moore and passed. Mr. Edwards abstained from the vote.

3. Approval of the Minutes of the Special Meeting of February 2, 2018

The minutes of the special meeting of February 2, 2018 were hand delivered to Governor Chris Christie under the date of February 2, 2018. Mr. Rodriguez moved that the minutes of the meeting be approved as presented; the motion was seconded by Ms. Ungar and passed. Mr. Hutchinson and Mr. Edwards abstained from the vote.

4. Resolution of Appreciation to Michael Klein, CEO, New Jersey Association of State Colleges and Universities

The Members were asked to consider the adoption of a resolution acknowledging and expressing appreciation to Dr. Michael Klein, Interim Executive Director of the Hughes Center for Public Policy at Stockton University for his leadership and his remarkable contributions to New Jersey higher education as the former CEO of the New Jersey Association of State Colleges and Universities.

Dr. Klein thanked the Members and the Authority for the recognition.

Mr. Moore moved the adoption of the following entitled resolution:

RESOLUTION OF APPRECIATION TO MICHAEL W. KLEIN, JD, PhD,
EXECUTIVE DIRECTOR, NEW JERSEY ASSOCIATION OF STATE
COLLEGES AND UNIVERSITIES

The motion was seconded by Mr. Rodriguez and passed unanimously.

The adopted resolution is appended as Exhibit I.

5. Resolution of Appreciation to Lawrence A. Nespoli, President, New Jersey Council of County Colleges

The Members were asked to consider the adoption of a resolution acknowledging and expressing appreciation to Lawrence Nespoli for his leadership and his remarkable contributions to New Jersey higher education as the former President of New Jersey Council of County Colleges.

Mr. Hutchinson moved the adoption of the following entitled resolution:

RESOLUTION OF APPRECIATION TO LAWRENCE A. NESPOLI,
PRESIDENT, NEW JERSEY COUNCIL OF COUNTY COLLEGES

The motion was seconded by Mr. Edwards and passed unanimously.

The adopted resolution is appended as Exhibit II.

6. Executive Director's Report

Ms. Stitt provided the Executive Director's report for informational purposes only. She reported that Authority activity for the first quarter of 2018 had focused on several areas including migration of the Authority's information technology infrastructure to NJOIT; post-tax reform diligence; assisting the State Librarian and Thomas Edison State University in the development of regulations for the GO Library grant program; and year-end preparation for the Authority's auditors including development of the Authority's 2017 financial statements. Regarding the latter, she reported that the Authority's Audit Committee had its initial kick off meeting on February 20th with the Authority's auditors Clifton Larsen Allen and the Auditors had begun their field work on-site for the calendar year ended 2017 audit.

Ms. Stitt reported that Ms. Yang had been designated to serve as the Authority's Equal Employment Opportunity/Affirmative Action Officer and that Ms. Toles serves as alternate. Ms. Stitt reported that Ms. Yang had also been re-appointed to serve as the Authority's designated Public Agency Compliance Officer which serves as the Authority's Liaison to the Department of Treasury's Division of Purchase and Property EEO Monitoring Program.

Ms. Stitt reported that staff had begun meeting new representatives of Governor Murphy's Administration and was looking forward to welcoming them to the Authority and working with their teams and the new Administration on behalf of higher education.

Ms. Stitt also reported that 2017 was a record year of financing activity for the Authority with \$1.4 billion in par volume of issuance. She stated that the record volume was driven in large part by the acceleration in December of two advanced refunding transactions for Georgian Court University and Princeton University, respectively. These transactions were accelerated in response to tax reform proposals, which included the elimination of tax-exempt advance refundings as of January 1, 2018.

7. Presentation – 2017 Year in Review

Ms. Stitt invited staff to provide an overview of activity from 2017 and to highlight areas of work emphasis for 2018.

The presentation is appended as Exhibit III.

8. Market Update – Robert Lamb, President, Lamont Financial Services Corp.

Robert Lamb, President of Lamont Financial Services Corporation provided the Members with a market update report that included commentary on the impact of tax reform, market trends and current market conditions.

The presentation is appended as Exhibit IV.

9. PFM Asset Management Activity Update

Stephen Faber, Managing Director of PFM Asset Management, LLC, provided the Members with a report on investment portfolio performance for colleges, universities and State bond fund assets under management by PFM.

The presentation is appended as Exhibit V.

10. Report on the Sale of NJEFA Revenue Bonds, Rider University Issue, 2017 Series F, In the Amount of \$41,770,000

Mr. Nelson reported that on November 14, 2017, the Authority priced the 2017 Series F bond transaction on behalf of Rider University in the amount of \$41,770,000. He reported that Bank of America Merrill Lynch served as Senior Manager and that the proceeds were being used to provide funds to finance the renovation and equipping of several residential and academic facilities as well as for the construction of a 30,000 sq. ft. addition to the University's Science and Technology Center.

Mr. Nelson reported that the bonds were rated Baa2 by Moody's Investors Service and BBB- by S&P Global Ratings and yielded a true interest cost of 4.19%.

Ted Matozzo of Bank of America Merrill Lynch, Senior Manager, commented on the transaction.

Amanda Del Bene of Raymond James & Associates, Inc., Co-Manager, commented on the transaction.

Roger Anderson of Drexel Hamilton, LLC, Co-Manager, commented on the transaction.

A copy of the Bond Sale Summary for the issue is appended as Exhibit VI.

11. **Report on the Sale of NJEFA Revenue Refunding Bonds, Kean University Issue, Series 2017 C (Federally Taxable) and NJEFA Revenue Refunding Bonds, Kean University Issue, Series 2017 D (Tax-Exempt), in the Amount of \$199,885,000**

Mr. Nelson reported that on November 15, 2017, the Authority priced \$199,885,000 of federally taxable and tax-exempt bonds for Kean University. He reported that Morgan Stanley served as Senior Manager and that the proceeds were being used advance refund the Authority's outstanding Series 2009 A bonds as well as the Bergen County Improvement Authority's Series 2010 A bonds.

Mr. Nelson reported that the bonds were rated A2 by Moody's Investors Service and A- by S&P Global Ratings and yielded a true interest cost of 3.60%. He reported that the transaction resulted in more than \$18 million in present value debt service savings for the University.

A copy of the Bond Sale Summary for the issue is appended as Exhibit VII.

12. **Report on the Sale of NJEFA Revenue and Revenue Refunding Bonds, Georgian Court University Issue, 2017 Series G (Tax-Exempt) and Revenue Refunding Bonds, Georgian Court University Issue, 2017 Series H (Federally Taxable), in the Amount of \$27,420,000**

Mr. Nelson reported that on December 7, 2017, the Authority priced \$27,420,000 of tax-exempt and federally taxable bonds for Georgian Court University. He reported that Bank of America Merrill Lynch served as Sole Manager and that the proceeds were being used to fund various capital improvements and renovations to University buildings and to refund a portion of the Authority's outstanding 2007 Series D and 2007 Series H bonds.

Mr. Nelson reported that the bonds were rated Baa3 by Moody's Investors Service and BBB- by S&P Global Ratings and yielded a true interest cost of 3.95%. He reported that the transaction resulted in \$2.5 million in present value debt service savings.

Ted Matozzo of Bank of America Merrill Lynch, Senior Manager, commented on the transaction.

A copy of the Bond Sale Summary for the issue is appended as Exhibit VIII.

13. Report on the Sale of NJEFA Revenue Refunding Bonds, Princeton University Issue, 2017 Series I, In the Amount of \$357,105,000

Mr. Nelson reported that on December 14, 2017, the Authority priced \$357,105,000 of bonds for Princeton University. He reported that Goldman Sachs served as Book Running Co-Senior Manager and that the proceeds were used to advance refund the Authority's 2008 Series J and 2010 Series B bonds.

He reported that the bonds were rated Aaa by Moody's and S&P Global Ratings and yielded a true interest cost of 2.97%. He reported that the transaction represented the largest ever financing in the Authority's history and generated nearly \$55 million in net present value debt service savings for the University.

Linda Vanderperre of Ramirez & Co., Inc., Co-Manager, commented on the transaction.

A copy of the Bond Sale Summary for the issue is appended as Exhibit IX.

14. Resolution Authorizing Amendments to the Employee Policy Manual

Ms. Yang reported that Section 370 of the Authority's Employee Policy Manual relates to the Authority's policy regarding health insurance and was last amended by resolution on February 25, 2009. She reported that as permitted by the Public Employee Pension and Benefits Reform Act of 2008, the Authority's 2009 resolution determined that any Authority employee who is eligible for other health care coverage that is not under the State Health Benefits Program may waive coverage in the State's program and also authorized and directed the Executive Director to determine the amount, if any, that the Authority would pay to such employee provided that the amount not exceed 50% of the amount saved by the Authority because of the waiver.

Ms. Yang reported that the State of New Jersey changed the maximum waiver amount to an amount not to exceed 25% or \$5,000, whichever was less and that the Authority had adjusted the maximum waiver amount but the Employee Policy Manual had not been amended to reflect the new maximum amount at that time. Ms. Yang advised that the current resolution would amend, revise, and update Section 370 of the Manual to conform to Chapter 2, P.L. 2010 and would authorize the Executive Director to adjust the maximum waiver amount in the future as long as it does not exceed the permissible amount as determined by the State.

Mr. Moore moved the adoption of the following entitled resolution:

RESOLUTION OF THE NEW JERSEY EDUCATIONAL
FACILITIES AUTHORITY AUTHORIZING AMENDMENT TO
THE EMPLOYEE POLICY MANUAL

The motion was seconded by Mr. Hutchinson and passed unanimously.

The adopted resolution is appended as Exhibit X.

15. Report on Operating and Construction Fund Statements and Disbursements

Mr. Sootkoos reviewed the Results of Operations and Budget Variance Analysis and reported on the status of construction funds and related investments for the month of November 2017, for the 12 months ended December 31, 2017 and for the month of January 2018.

Mr. Hutchinson moved that the reports be accepted as presented; the motion was seconded by Mr. Moore and passed unanimously.

The reports are appended as Exhibit XI.

Mr. Hutchinson left the meeting prior to Executive Session.

16. Executive Session – Discussion of Legal Matters Concerning Tax Court Litigation Regarding Local Property Tax Disputes Involving the Authority

Mr. Edwards moved the adoption of a resolution of the Authority permitting an Executive Session for discussion of a legal matter concerning tax court litigation regarding local property tax disputes involving the Authority;

RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES
AUTHORITY TO CONDUCT EXECUTIVE SESSION

The motion was seconded by Mr. Moore and passed unanimously.

Mr. Edwards moved that the public session be reconvened;

RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES
AUTHORITY TO END THE EXECUTIVE SESSION AND
RECONVENE THE OPEN SESSION

The motion was seconded by Mr. Rodriguez and passed unanimously.

17. Next Meeting Date

Mr. Hodes reminded everyone that the next meeting is scheduled for Tuesday, March 27th at 10:00 a.m. at the Authority offices and requested a motion to adjourn.

Mr. Edwards moved that the meeting be adjourned at 12:09 p.m. The motion was seconded by Mr. Rodriguez and passed unanimously.

Respectfully submitted,



Sheryl A. Stitt
Acting Secretary



RESOLUTION OF APPRECIATION TO
MICHAEL W. KLEIN, JD, PhD
EXECUTIVE DIRECTOR
NEW JERSEY ASSOCIATION OF STATE
COLLEGES AND UNIVERSITIES
FEBRUARY 27, 2018

WHEREAS, in January 2012, Michael W. Klein became Executive Director of the New Jersey Association of State Colleges and Universities (NJASCU) after serving the Association for more than 13 years as Director of Government and Legal Affairs; and

WHEREAS, Dr. Klein recently accepted the position of Interim Executive Director of the William J. Hughes Center for Public Policy at Rowan University; and

WHEREAS, during Dr. Klein's 20 years at NJASCU, he made exceptional contributions to the advancement of higher education throughout the State; advising Governors, the New Jersey Legislature and college and university officials on policy issues that affect higher education statewide. Dr. Klein was also a consistent advocate and strong voice for governmental assistance for capital improvement and expansion at New Jersey's colleges and universities; and

WHEREAS, during his tenure at NJASCU he has published numerous articles on topics including college finance, higher education policy, and collective bargaining and has made numerous presentations on law and higher education both nationally and internationally; and

WHEREAS, the Authority's Members, staff, and clients have benefitted from Dr. Klein's dedication to higher education through his support of the mission and work of the NJEFA and his collegial partnership with the Authority in addressing issues relating to Higher Education Law, Governance and Public Policy; and

WHEREAS, Dr. Klein has served New Jersey's Higher Education Community, with dedication and distinction and in doing so has been an invaluable mentor of students and colleagues alike; and

WHEREAS, the Authority's members and staff wish to acknowledge Dr. Klein's extraordinary contributions to the State of New Jersey and to extend their appreciation for his dedication and service to New Jersey higher education;

NOW, THEREFORE, BE IT RESOLVED, that the Members and staff of the New Jersey Educational Facilities Authority express their gratitude and appreciation to Dr. Klein for his distinguished tenure of leadership as Executive Director of the New Jersey Association of State Colleges and Universities. His remarkable contributions to higher education have benefitted, and will continue to benefit generations of New Jersey college students and all the citizens of the State.

BE IT FURTHER RESOLVED, that the Authority extends its very best wishes to Dr. Klein for health, happiness and much success in all his future endeavors.

BE IT FURTHER RESOLVED, that a copy of this Resolution of Appreciation be given to Dr. Klein as a tribute to his dedicated service to higher education in the State of New Jersey.

___ Mr. Moore ___ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by ___ Mr. Rodriguez ___ and upon roll call the following members voted:

AYE: Joshua Hodes
Katherine Ungar
Ridgeley Hutchinson
Louis Rodriguez
Rochelle Hendricks (represented by Gregg Edwards)
Elizabeth Maher Muoio (represented by David Moore)

NAY: None

ABSTAIN: None

ABSENT: None

The Chair thereupon declared said motion carried and said resolution adopted.



RESOLUTION OF APPRECIATION TO
LAWRENCE A. NESPOLI
PRESIDENT
NEW JERSEY COUNCIL OF COUNTY COLLEGES
FEBRUARY 27, 2018

WHEREAS, in 1990, Lawrence A. Nespoli became President of the New Jersey Council of County Colleges (NJCCC); and

WHEREAS, Dr. Nespoli announced his retirement following a career with the Council that spanned 27 years; and

WHEREAS, Dr. Nespoli has been a tireless advocate for higher education dedicated to working with county colleges, their Boards of Trustees and Presidents to provide statewide leadership in the advancement of New Jersey's 19 county college's; and;

WHEREAS, among Dr. Nespoli's many accomplishments during his tenure include creating the NJ STARS program; publishing on topics that range from community college policy, to higher education finance and legislative trends; and presenting at national, regional, and state conferences; and;

WHEREAS, the Authority's Members, staff, and clients have also benefited from Dr. Nespoli's dedication to higher education through his support of the mission and work of the NJEFA and his collegial partnership with the Authority in addressing issues relating to the county colleges of New Jersey; and

WHEREAS, Dr. Nespoli has served New Jersey's higher education community with dedication and distinction and in doing so has been an invaluable mentor of students and colleagues alike; and

WHEREAS, the Authority's members and staff wish to acknowledge Dr. Nespoli's extraordinary contributions to the State of New Jersey and to extend their appreciation for his dedication and service to New Jersey higher education;

NOW, THEREFORE, BE IT RESOLVED, that the Members and staff of the New Jersey Educational Facilities Authority express their gratitude and appreciation to Dr. Nespoli for his distinguished tenure of leadership as President of the New Jersey Council of County Colleges. His remarkable contributions to higher education have benefited, and will continue to benefit generations of New Jersey college students and all of the citizens of the State.

BE IT FURTHER RESOLVED, that the Authority extends its very best wishes to Dr. Nespoli for health, happiness and much success in all his future endeavors.

BE IT FURTHER RESOLVED, that a copy of this Resolution of Appreciation be given to Dr. Nespoli as a tribute to his dedicated service to higher education in the State of New Jersey.

___ Mr. Hutchinson ___ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by ___ Mr. Edwards ___ and upon roll call the following members voted:

AYE: Joshua Hodes
Katherine Ungar
Ridgeley Hutchinson
Louis Rodriguez
Rochelle Hendricks (represented by Gregg Edwards)
Elizabeth Maher Muoio (represented by David Moore)

NAY: None

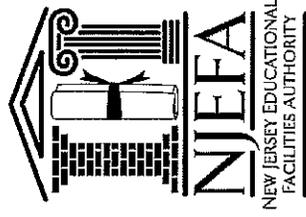
ABSTAIN: None

ABSENT: None

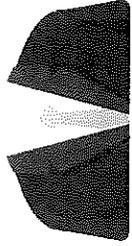
The Chair thereupon declared said motion carried and said resolution adopted.



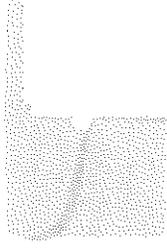
2017 Year In Review



2017 Year In Review



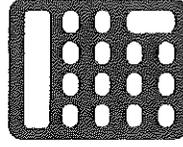
Project Management



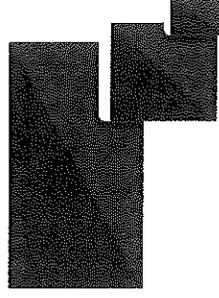
Compliance



Communications

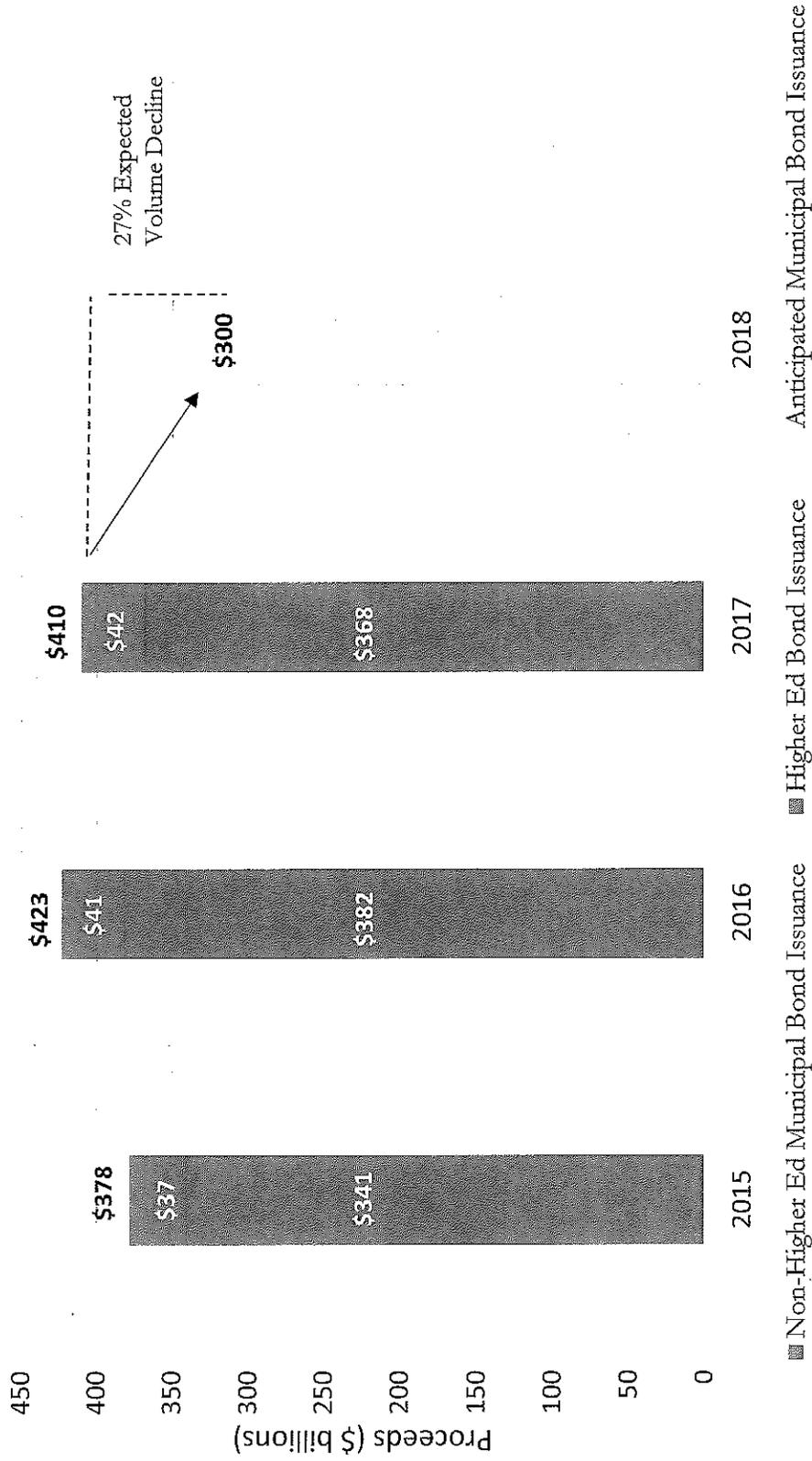


Finance



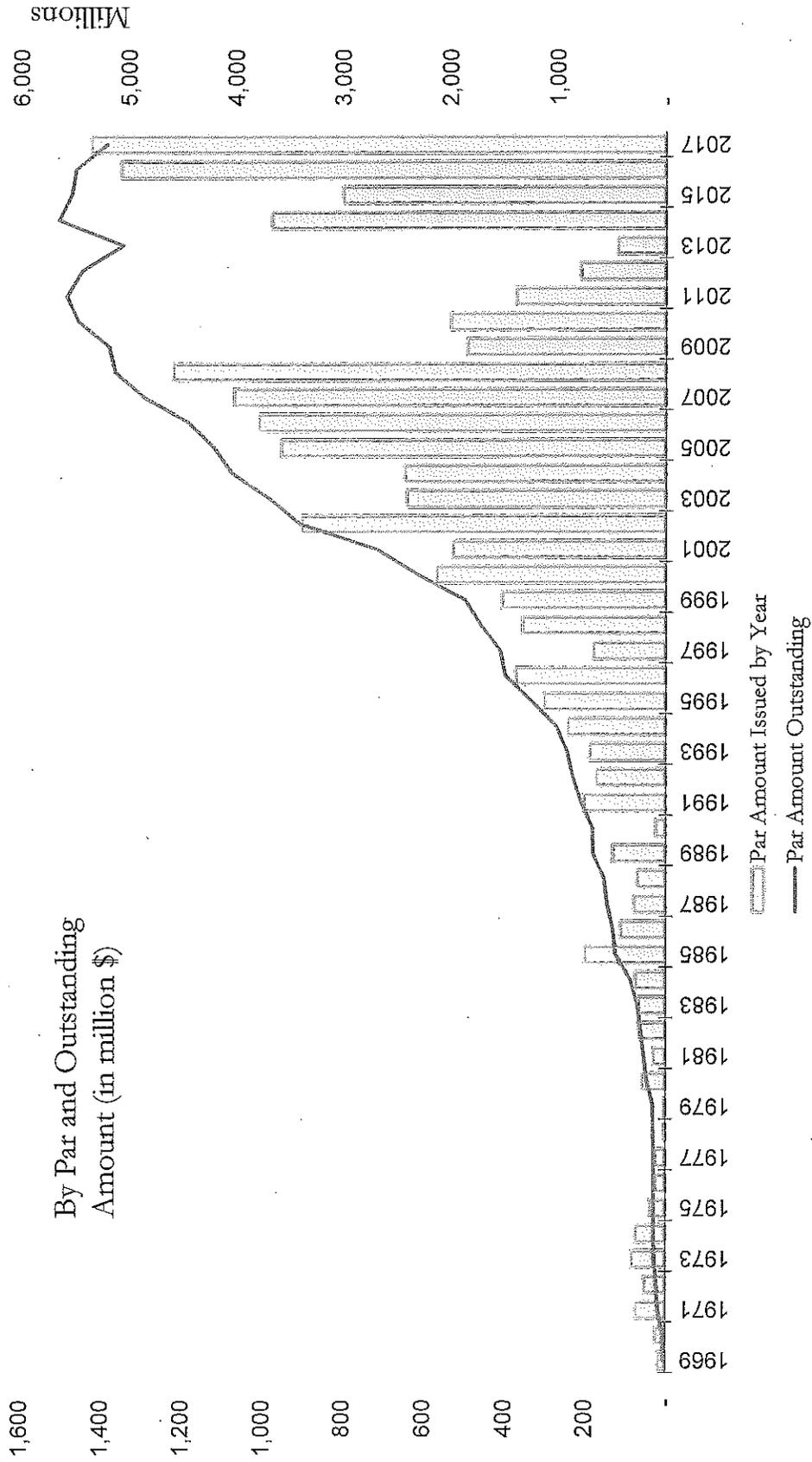
IT

Higher Education Volume as a Component of the Overall Municipal Market

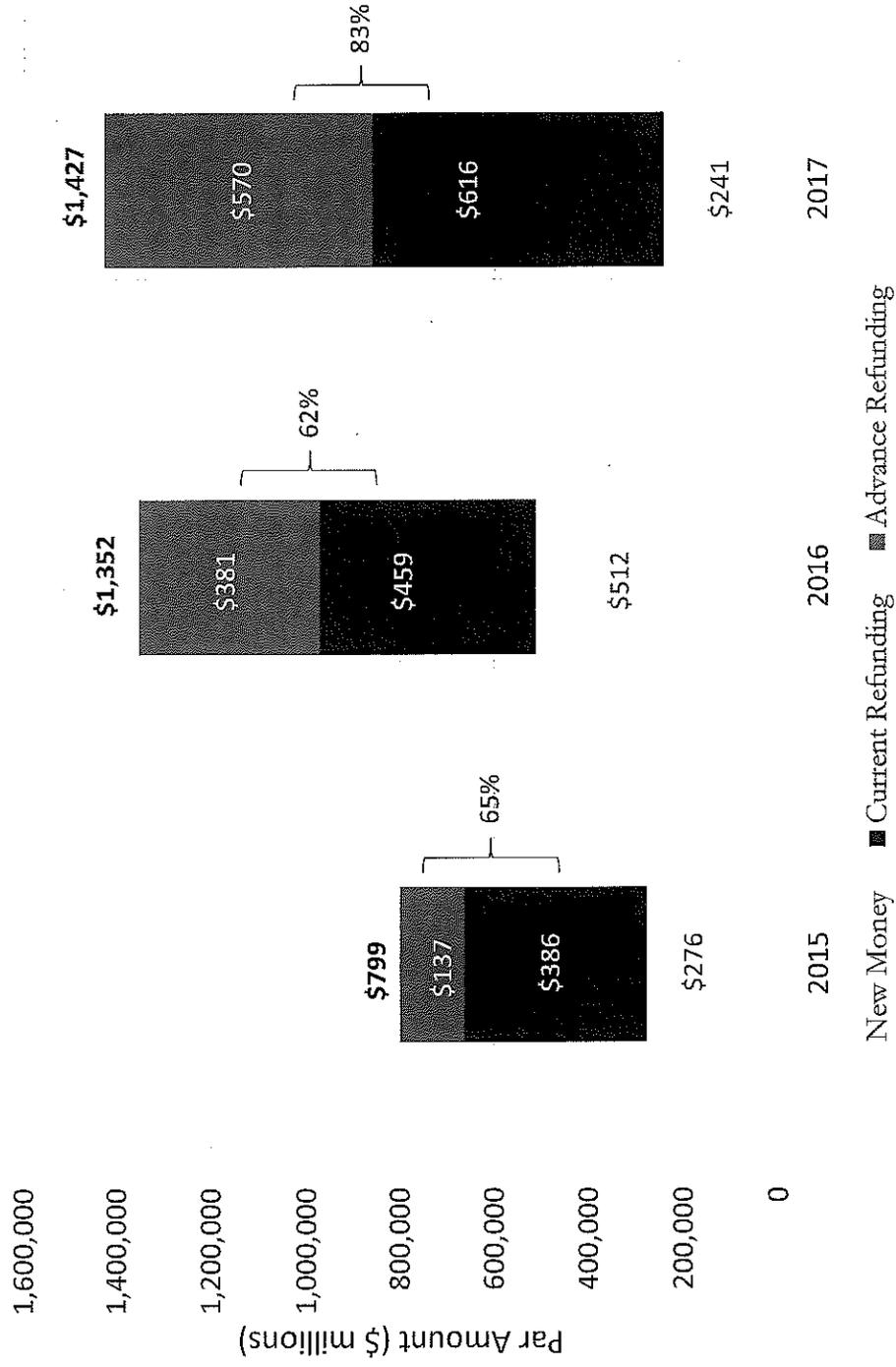


Source: SDC and underwriter market participant estimates

NJEFA Debt Issuance Overview

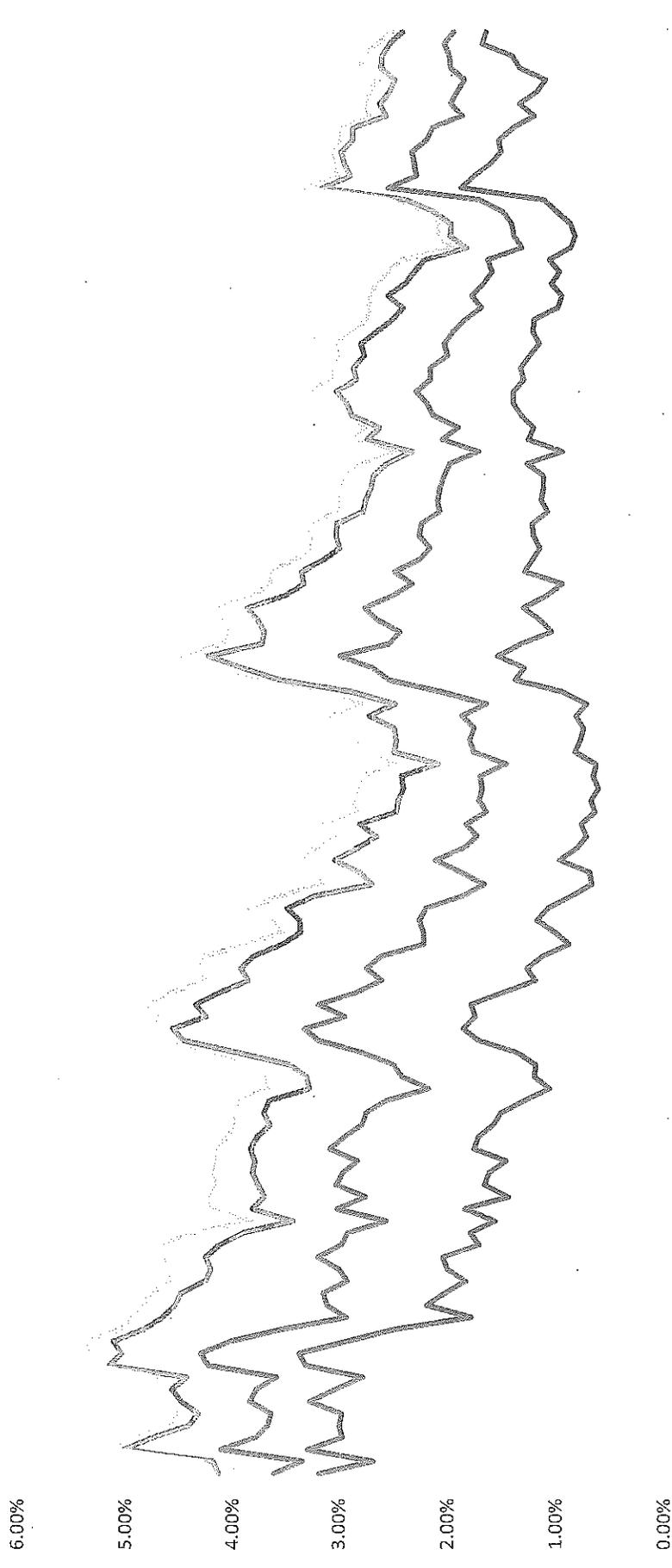


Refundings Dominated NJEFA Activity 2015-2017

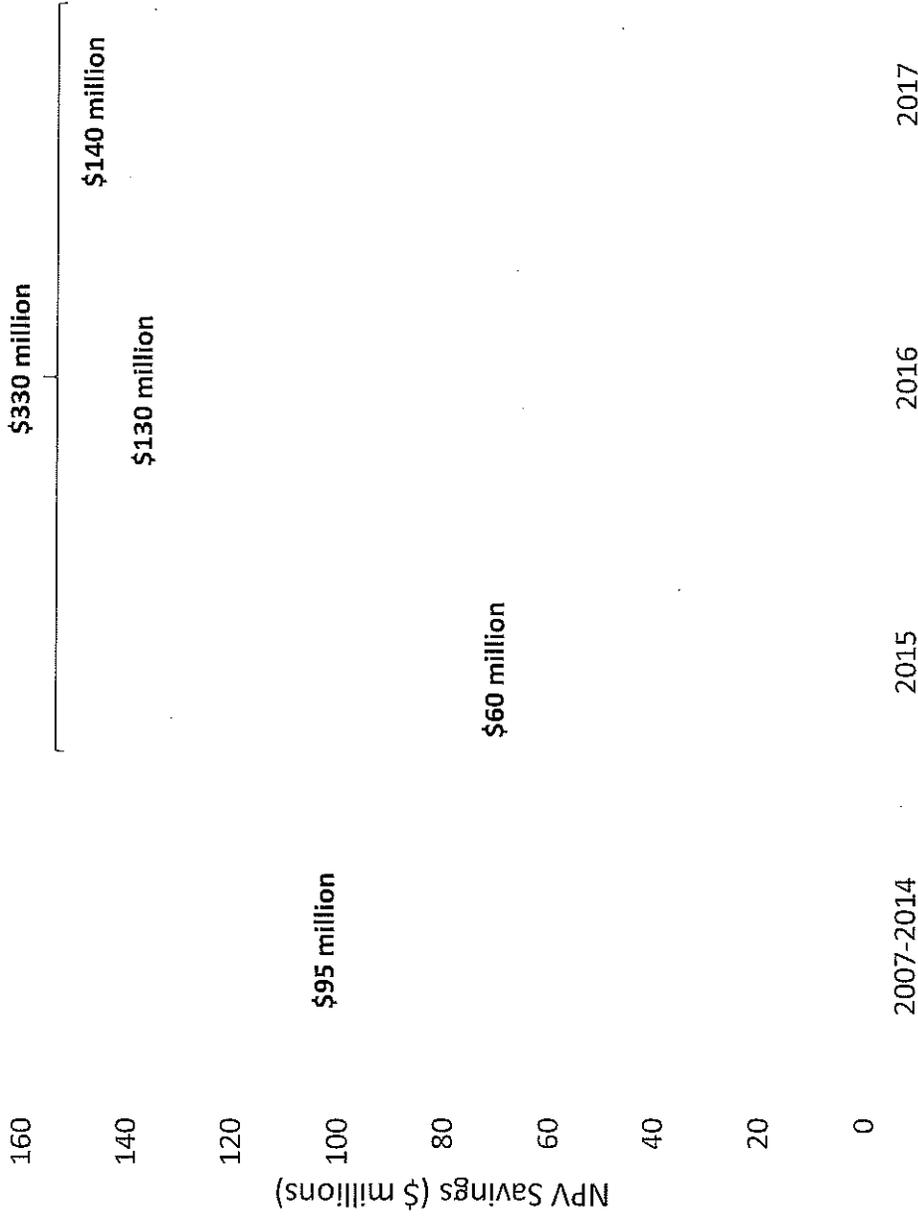


Ten Year Historical AAA MMD Yields

Benchmark	Historical Low	Date
5-Year MMD	0.62%	9/27/2012
10-Year MMD	1.29%	6/28/2016
20-Year MMD	1.80%	7/7/2016
30-Year MMD	1.93%	7/7/2016



Significant Debt Service Savings Generated in Last Three Years



NPV savings growth due to:

- Low interest rate environment
- Advanced and current refunding opportunities due to heavy issuance cycle between 2002 and 2009

NJEFA a Significant National and State-Level Issuer

	2015	2016	2017
Nationwide	76 th	58 th	40 th
State of New Jersey	2 nd	4 th	3 rd
Higher Education Issuers	12 th	6 th	5 th

Source: SDC

*The chart above shows how NJEFA ranked nationally, state-wide and within higher education

*Higher Education Capital Improvement Fund Series 2016 A (\$252,270,000) and Higher Education Capital Improvement Fund Series 2016 B (\$142,715,000) are not included in the par amount evaluated to determine rankings

2017 Transaction Summary

Issues	Current Refunding Par	Advanced Refunding Par	New Money Par	Total Par Amount
10	\$460,455,000	\$637,030,000	\$329,845,000	\$1,427,330,000

- 2017 transactions resulted in record volume issued

2017 Private Transactions

Institution	Series	Current Refunding Par	Advanced Refunding Par	New Money Par
 STEVENS INSTITUTE OF TECHNOLOGY	2017 Series A	\$49,200,000		\$70,705,000
 PRINCETON UNIVERSITY	2017 Series B	\$273,805,000	\$68,435,000	
 PRINCETON UNIVERSITY	2017 Series C			\$141,095,000
 SETON HALL UNIVERSITY	2017 Series D&E	\$39,520,000		\$31,915,000
 RIDER UNIVERSITY	2017 Series F			\$41,770,000
 GEORGIAN COURT UNIVERSITY THE CITY UNIVERSITY OF NEW JERSEY	2017 Series G&H	\$8,470,000	\$11,605,000	\$7,345,000
 PRINCETON UNIVERSITY	2017 Series I*		\$357,105,000	
	Total Par:	\$370,995,000	\$437,145,000	\$292,830,000

*Largest transaction in NJEFA history

2017 Public Transactions

Institution	Series	Current Refunding Par	Advanced Refunding Par	New Money Par
 RAMAPO COLLEGE OF NEW JERSEY	Series 2017 A	\$89,500,000		\$9,950,000
 WILLIAM PATERSON UNIVERSITY	Series 2017 B			\$27,065,000
 KEAN UNIVERSITY	Series 2017 C&D		\$199,885,000	
	Total Par:	\$89,500,000	\$199,885,000	\$37,015,000

Significant Milestones

Year	Accomplishments
2015	<ul style="list-style-type: none">• Debt-service savings record - \$60 million• Record volume - \$1.35 billion• Debt-service savings record - \$130 million
2016	<ul style="list-style-type: none">• First publicly sold non-investment grade rated transaction to price and close in 50-year history• PFMAM Asset Management Rollout to three institutions and the CIF Program with total assets under management reaching a high point of \$147 million
2017	<ul style="list-style-type: none">• Record volume - \$1.43 billion• Debt-service savings record - \$140 million• Acceleration of two transactions due to tax reform proposals• Hosted first Roundtable discussion between Moody's and Public Institutions

2018 Forecast – Lower Volume Anticipated in 2018

- Tax reform accelerated \$20 billion from expected 2018 issuance to the fourth quarter of 2017
 - Georgian Court University - \$27,420,000
 - Princeton University - \$357,105,000
- Loss of advanced refunding ability on a tax-exempt basis likely to result in a significant decline of supply across all sectors; will still be able to advance refund on a taxable basis and taxable volume may increase as a result
- Interest rates expected to increase, lessening the attractiveness of refunding economics and making new money projects more expensive
- Record volumes in 2016 and 2017 were a result of significant refunding activity due to favorable market conditions; most refundings that provide economic benefit have been priced and closed leaving limited refunding opportunities in 2018

Project Management - 2018 Focus

- Renew Underwriter and Financial Advisor Pools
- Review Issuance Guidelines across credit spectrum
- Explore Opportunities to Expand Financing Services

Finance 2017 Highlights

- Adoption of formal Investment Policy
- Reviewed and identified areas of potential operating expense cost savings
- Implemented new budget process and monthly financial review

Finance – 2018 Focus

- Identify, procure and implement new financial accounting system for bond fund administration and Authority operations
- Update internal controls , implement new processes where necessary and create process guides
- Onsite visits with finance personnel at institutions

Investment Update - PFM

- As of December 31st, \$624M in bond funds were under direct management by the Authority
- Since engagement of PFM as investment advisor in June of 2016, PFM is currently managing funds for 5 institutions (2 public, 3 private) and \$87M funds related to the CIF grant program
- As of December 31st, PFM had \$206M of State proceeds under management

2017 Compliance Highlights

- Administrative Operations
- Support to Authority Divisions
- Post Issuance Compliance
- Higher Education Capital Facilities Grant Programs

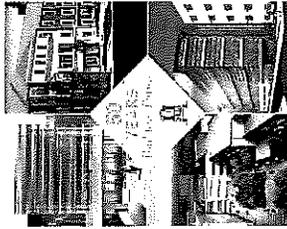
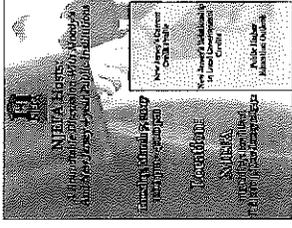
Compliance Management – 2018 Focus

Internal procedures and policies of Authority's Divisions

- Procurement Process and Requests for Proposals
- Guidelines for Reviewing Bond Documents
- Employee Policy Manual

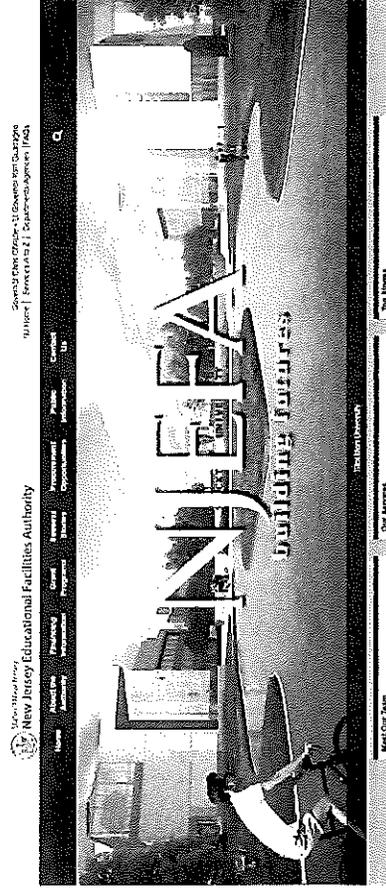
2017 Communications Highlights

Worked with Project Management in developing and hosting EFA's first Moody's Roundtable Discussion



Produced the Authority's 50th Anniversary Annual Report

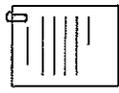
Worked with OIT to modernize and redesign the Authority website



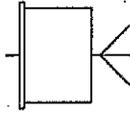
Communications – 2018 Focus



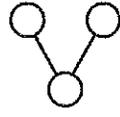
Planned RFP's for Communication needs



Launch of Communications resource portal for members and staff



Continuing education conference/workshop development opportunities for New Jersey's higher education community



Bring production of the Authority's newsletters in-house

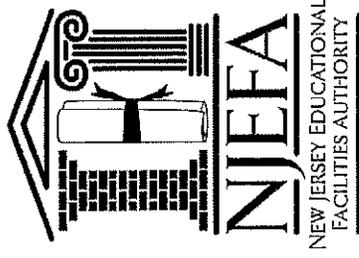
IT – 2018 Focus

- Retirement of legacy systems, services, and equipment
- Work with staff to develop SharePoint as a document management and collaboration system
- Implement Voice Over Internet Protocol (VOIP) Phone Service
- Train staff in the applications associated with Office 365
- Support Finance Division in researching and implementing a modernized accounting system to automate financial processes

2017 Information Technology Milestones

- Conducted assessment of IT Infrastructure
- Proposed and implemented IT Strategic Plan to modernize and enhance Infrastructure to be more secure, reliable, available, and cost effective
 - Address legacy infrastructure and mitigate risk
 - Migrated to the State’s “Garden State Network”
 - Migrated legacy Exchange email to Office 365 / “CloudConnect”
 - Updated security software on all Authority computers
- Created secure NJEFA document library to share documents with Board Members and Colleges
- Implemented NJOIT’s secure file transfer service, DataMotion
- Acquired access to various State training resources

Thank You



New Jersey Educational Facilities Authority

Market Update

February 27, 2018

LAMONT

Financial Services Corporation

EXHIBIT IV

Market Commentary

- January 2018 volume was less than half of volume in January 2017, with \$16.75 billion over 490 transactions compared with \$36.01 billion over 777 transactions a year ago.
- The Federal Reserve Open Market Committee raised their target rate 25 bps when they last met in December, from 1.25% to 1.50%. Three more 25 bp increases are expected for 2018, with the first one coming at the next FOMC meeting on March 20-21.
- Municipal bond funds have reported \$347 million of inflows the week of February 21, after outflows of \$443 million the week prior. The four-week moving average was positive at \$204 million after being positive \$312 million the previous week. Money Market Funds have received over \$8 billion since January 1.
- The Bond Buyer's 30-day visible supply calendar was \$7.7 billion as of Friday, February 23. The total is comprised of \$2.6 billion of competitive sales and \$5.1 billion of negotiated deals. This is substantially lower than last year – December activity was heavier than normal due to many issuers choosing to issue before the new tax rules became effective.
- Wholesale inventories increased 0.4% in December, in line with expectations, while sales increased 1.2%, according to US Commerce Department data released February 9.

Date	SIFMA	5-Year MMD	10-Year MMD	20-Year MMD
Current	0.98	1.93	2.43	2.86
1 month ago	1.31	1.70	2.12	2.60
3 months ago	0.92	1.51	1.99	2.56
1 year ago	0.65	1.55	2.32	2.99

Tax Reform Provisions

- Private Activity Bonds (PABs) can still be issued
- Advance Refundings can no longer be issued on a tax-exempt basis
 - There are a few strategies that may be used instead:
 - Taxable advance refundings
 - Municipal make-whole call, which makes investors whole to a specified date prior to maturity
 - Forward delivery bonds
 - “Cinderella” bonds
 - Shorter calls (e.g. 5-year or 7-year call)
 - 10 year balloon final maturity with rolls
- New excise taxes imposed on non-profits:
 - 1.4% tax on the net investment income of private, not-for-profit university endowments
 - 21% tax on per employee compensation over \$1 million
- Deductions for State and Local Taxes (SALT) capped at \$10,000
- Corporate tax rates reduced from 35% to 21%

Tax Reform Impacts

- SIFMA's Municipal Bond Issuance Survey forecasts volume to drop \$46 billion in 2018, from \$408.5 billion to \$362.5 billion, a drop of 11%.
 - Predictions range from a drop of \$34 billion (8%) to a \$150 billion drop (36%)
 - Taxable issuance is expected to increase \$14 billion, from \$34 billion to \$47 billion

Taxable and Tax-Exempt Municipal Yields

As of Feb 16, 2018

	5Y	10Y	20Y	30Y
MMD AAA Tax-Exempt Yield	1.97	2.46	2.90	3.02
MMD AAA Taxable Equiv. Yield	3.13	3.90	4.60	4.79
MMD AAA Taxable Yield	2.93	3.44	3.73	3.83

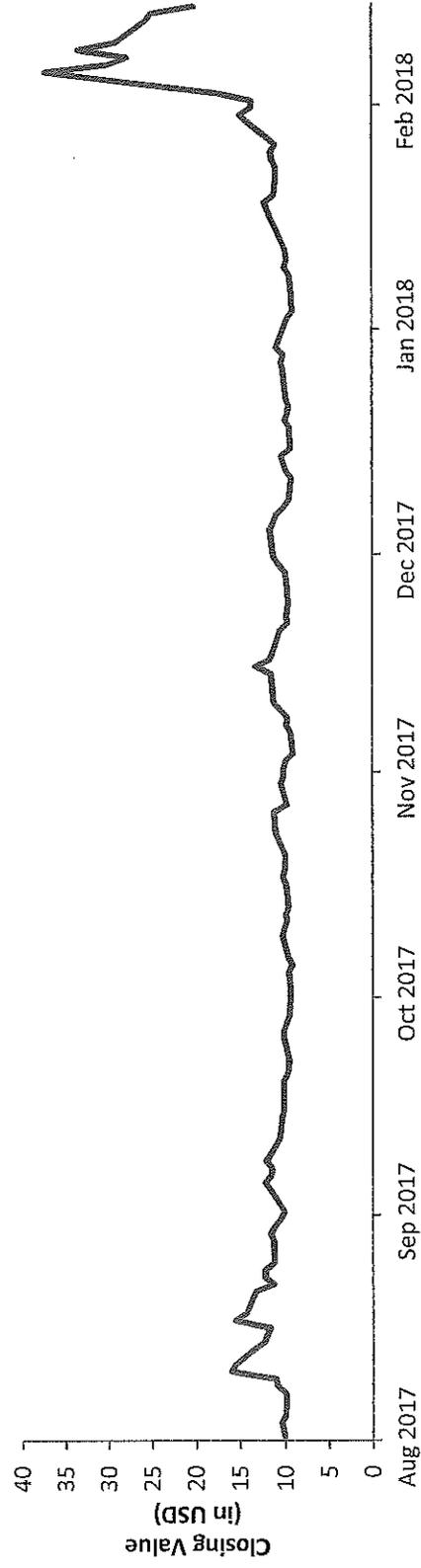
- Less issuance means less supply of municipal bonds; consequently pricing has remained firm or improved slightly because of demand dynamics
 - Top individual rates remained high, meaning individuals will still want the tax-exemption
 - A lower corporate tax rate makes the tax-exemption less attractive to institutional buyers
- State & Local Government credit quality may be impacted as the cap on state and local tax deductions could limit new tax increases, putting pressure on finances
 - In addition, higher tax burdens may also reduce spending which could slow sales tax growth
- With the decrease in the tax rate, many outstanding direct placements may be affected by a rate increase
 - Direct placements often have a provision allowing the bank to increase the nominal rate paid by an issuer in the event of a tax decrease so that the after-tax equivalent rate remains the same
 - Affected rates can increase by 21.5%
- Investors are selling bonds with 5 years to the call date in the secondary market, indicating that they are looking for bonds with longer durations

Market Volatility

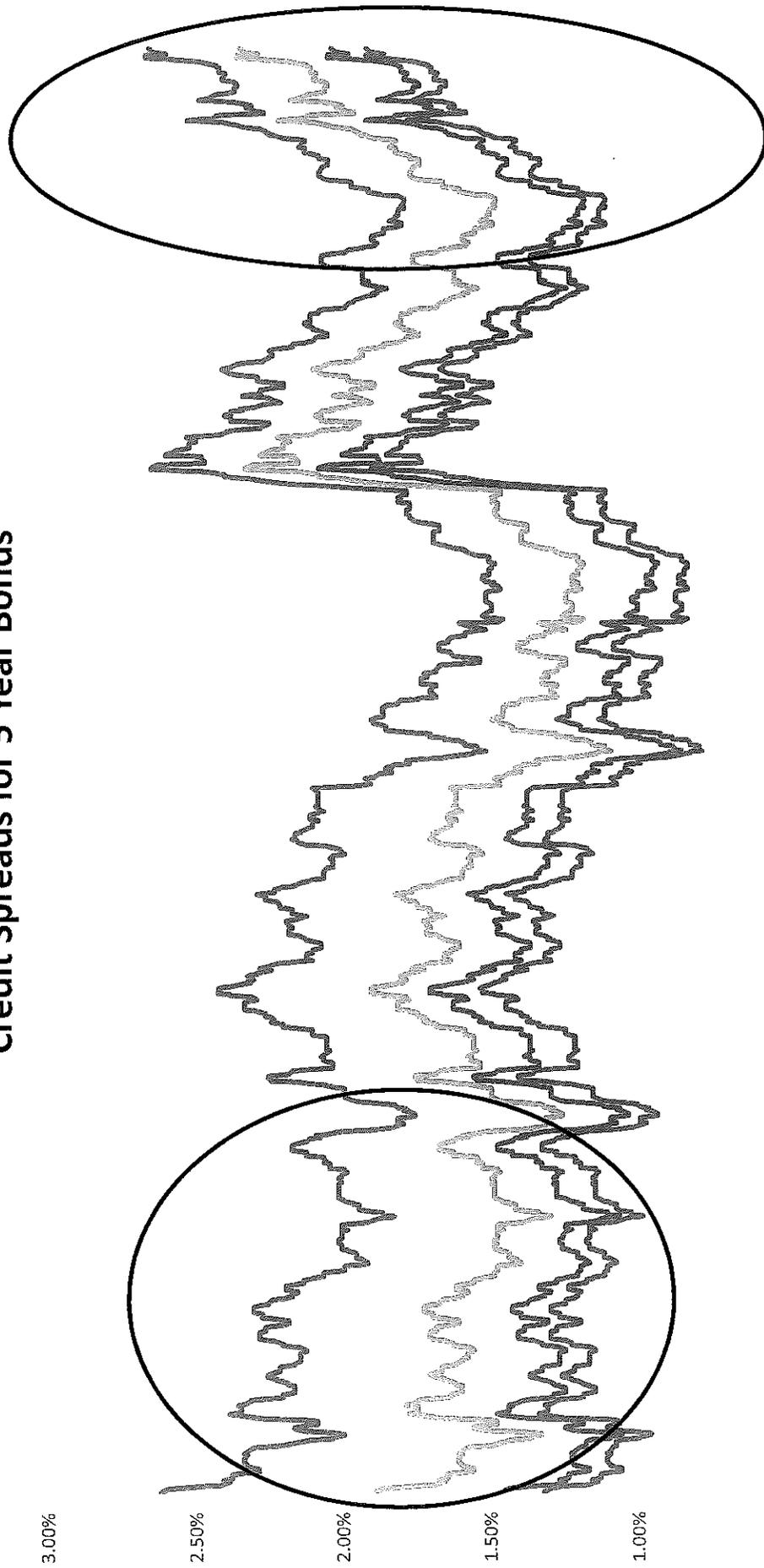
- Recent volatility is being driven by a combination of increased wages, inflation fears, and the possibility rising interest rates
- There is no clear consensus on how long the markets will remain volatile, with estimates ranging from a few weeks to a few months or more
- Analysts, however, generally remain confident that economic fundamentals are strong, and wage growth and corporate earning outlooks are good
- The Fed's monetary policy has been expansionary since the financial crisis to stimulate growth, and even with the three planned hikes, rates are still far removed from levels that would choke off economic expansion
- Inflation measures have been undershooting the Fed's target levels for the past decade, and wage gains have been expected for some time as a sign of a strong economy and job market

CBOE Volatility Index (VIX)

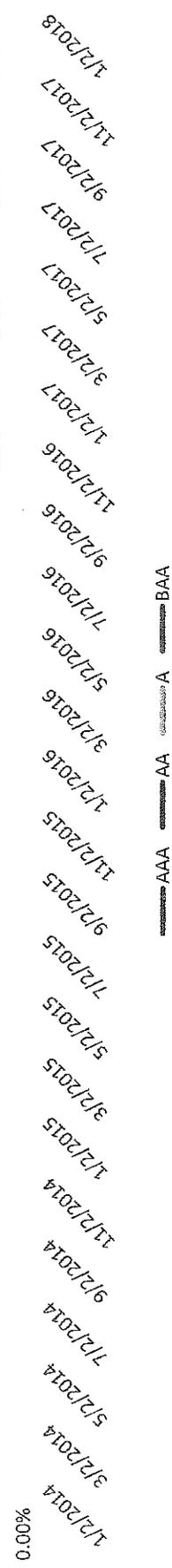
Aug 2017 – Present



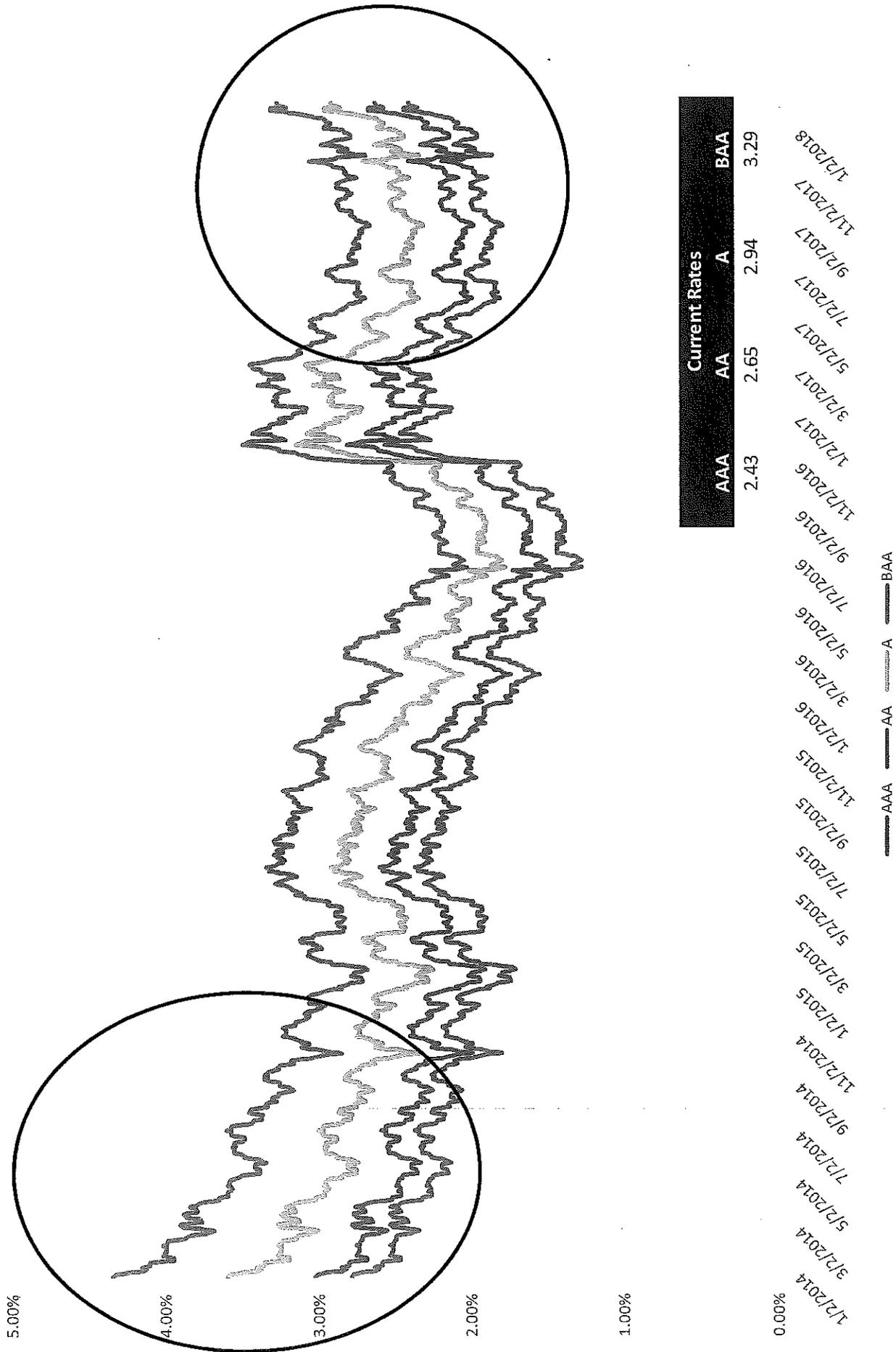
Credit Spreads for 5 Year Bonds



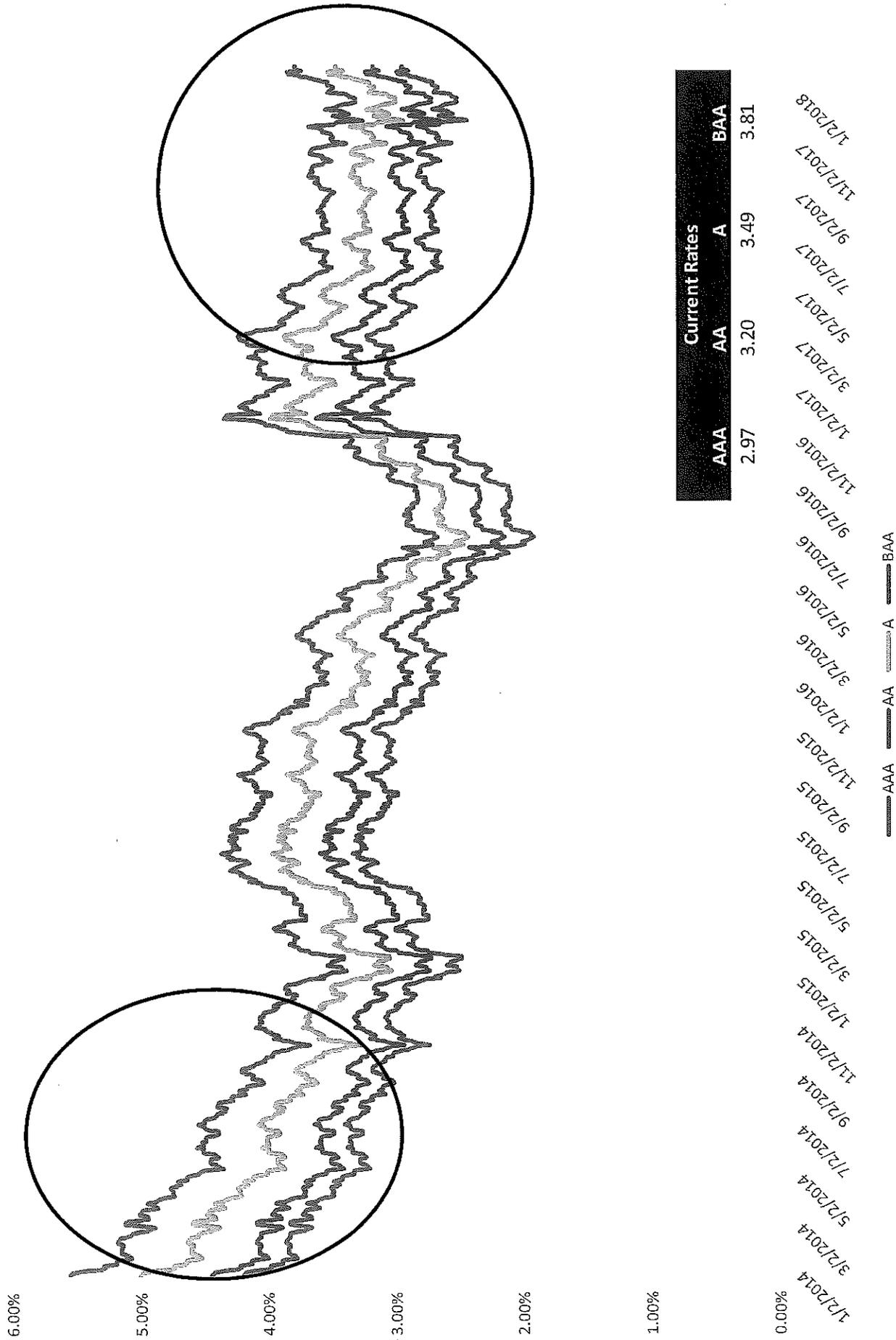
Current Rates			
AAA	AA	A	BAA
1.93	2.05	2.36	2.67



Credit Spreads for 10 Year Bonds



Credit Spreads for 30 Year Bonds



Consensus Forecast

MMD Yields	2/2/2018	1Q18	2Q18	3Q18	4Q18
2-Year	1.55%	1.60%	1.80%	1.90%	1.90%
5-Year	1.93%	1.85%	1.90%	2.00%	1.95%
10-Year	2.46%	2.20%	2.20%	2.30%	2.35%
30-Year	3.00%	2.70%	2.65%	2.75%	2.80%
Taxable Yields	2/2/2018	1Q18	2Q18	3Q18	4Q18
Fed Funds	1.42%	1.65%	1.90%	2.15%	2.40%
3-Month LIBOR	1.79%	1.90%	2.15%	2.40%	2.65%
2-Year T-Note	2.15%	2.15%	2.40%	2.55%	2.70%
5-Year T-Note	2.60%	2.50%	2.55%	2.65%	2.75%
10-Year T-Note	2.85%	2.65%	2.70%	2.75%	2.85%
30-Year T-Note	3.09%	2.90%	2.90%	2.90%	3.00%

Source: JP Morgan, Citigroup



New Jersey Educational Facilities Authority

Update on Markets & Asset Management Program

Board Meeting – February 27, 2018

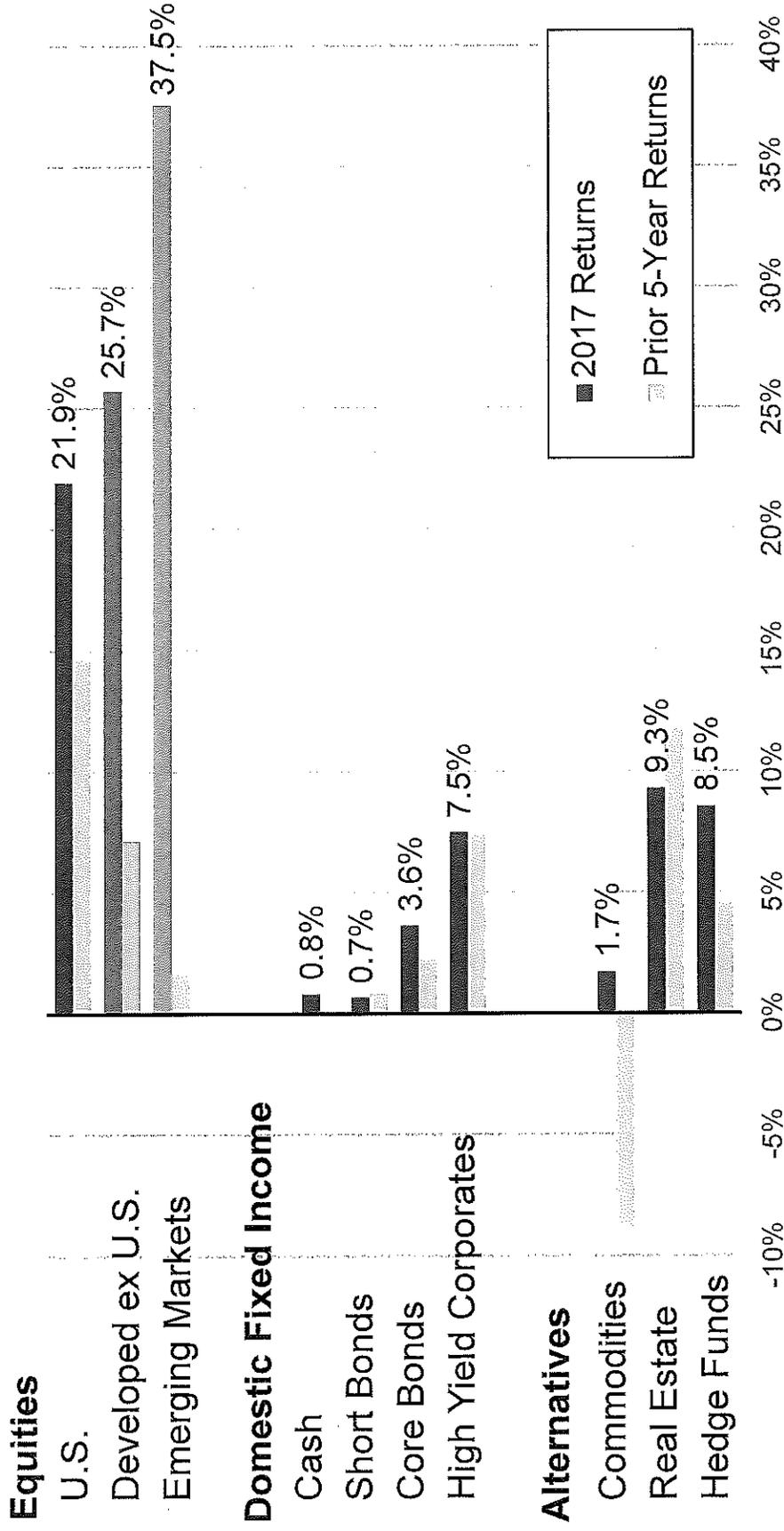
PFM Asset
Management LLC

821 Alexander Road
Suite 110
Princeton, NJ 08540

609.452.0263
pfm.com



2017 Asset Class Returns



Prior 5-Year Returns are based on time period from 2012-2016, and are annualized.



Summary of PFM's 2018 Outlook

Economy

- Above trend growth in U.S. and international economies
 - GDP growth: US ~3%, International developed markets ~2.5%, Emerging markets ~ 5.5%
- Rates rise at a modest pace as inflation remains well behaved
- 10-year Treasury @ end of 2018 ~3.25%

Central Banks

- New Fed Chairman (Powell) to maintain current monetary policy; 3 rate hikes in 2018
- ECB and BOJ become slightly less accommodative

Equities

- Equities make further gains in 2018 even in the face of stretched valuations
- Tailwinds include continued profit growth, moderate rise in interest rates and modest inflation

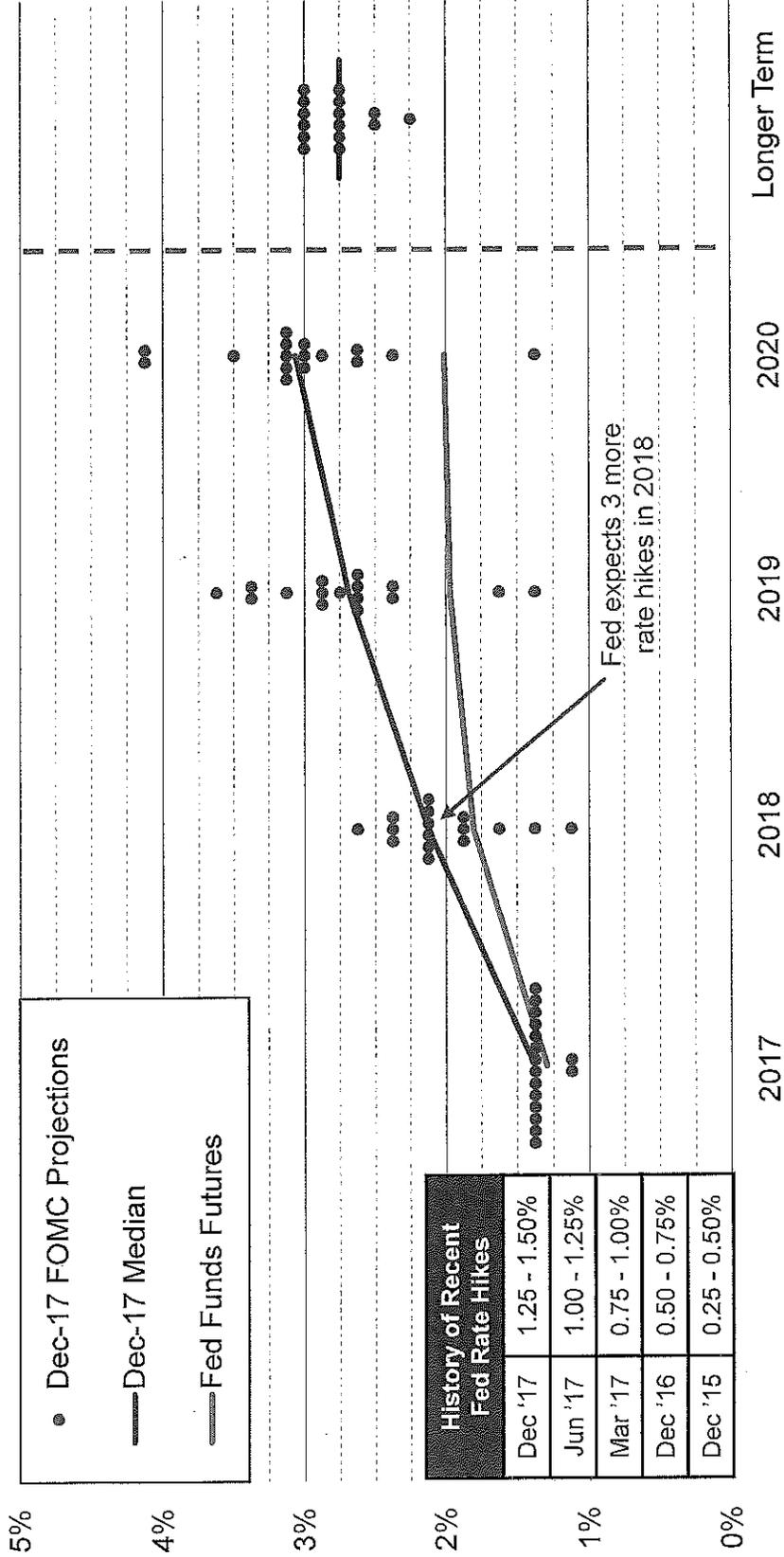
Fixed Income

- Credit markets continue to outperform interest rate sensitive fixed-income investments
- Default rates remain low and corporate fundamentals continue to improve



FOMC "Dot Plot" – December 2017

Fed Participants' Assessments of 'Appropriate' Monetary Policy

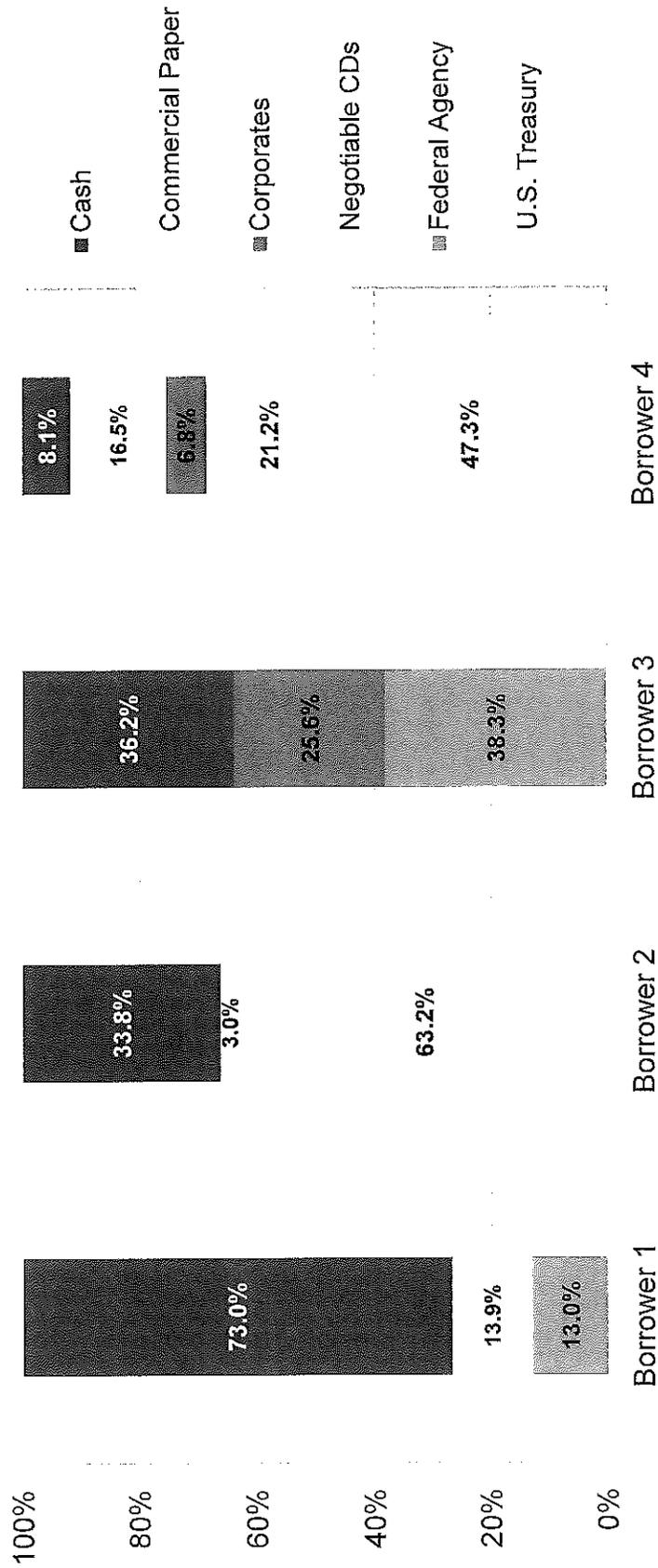


Source: Federal Reserve and Bloomberg. Individual dots represent each Fed members' judgement of the appropriate target range for the federal funds rate at each year-end. Fed funds futures as of 12/13/17.



Current Sector Allocations for Select Authority Borrowers

- Allocations comply with Investment Policy constraints and differ depending on:
 - Portfolio execution timing / market environment
 - Borrower's risk aversion
 - Estimated draw schedule
 - Responsiveness of the borrower itself

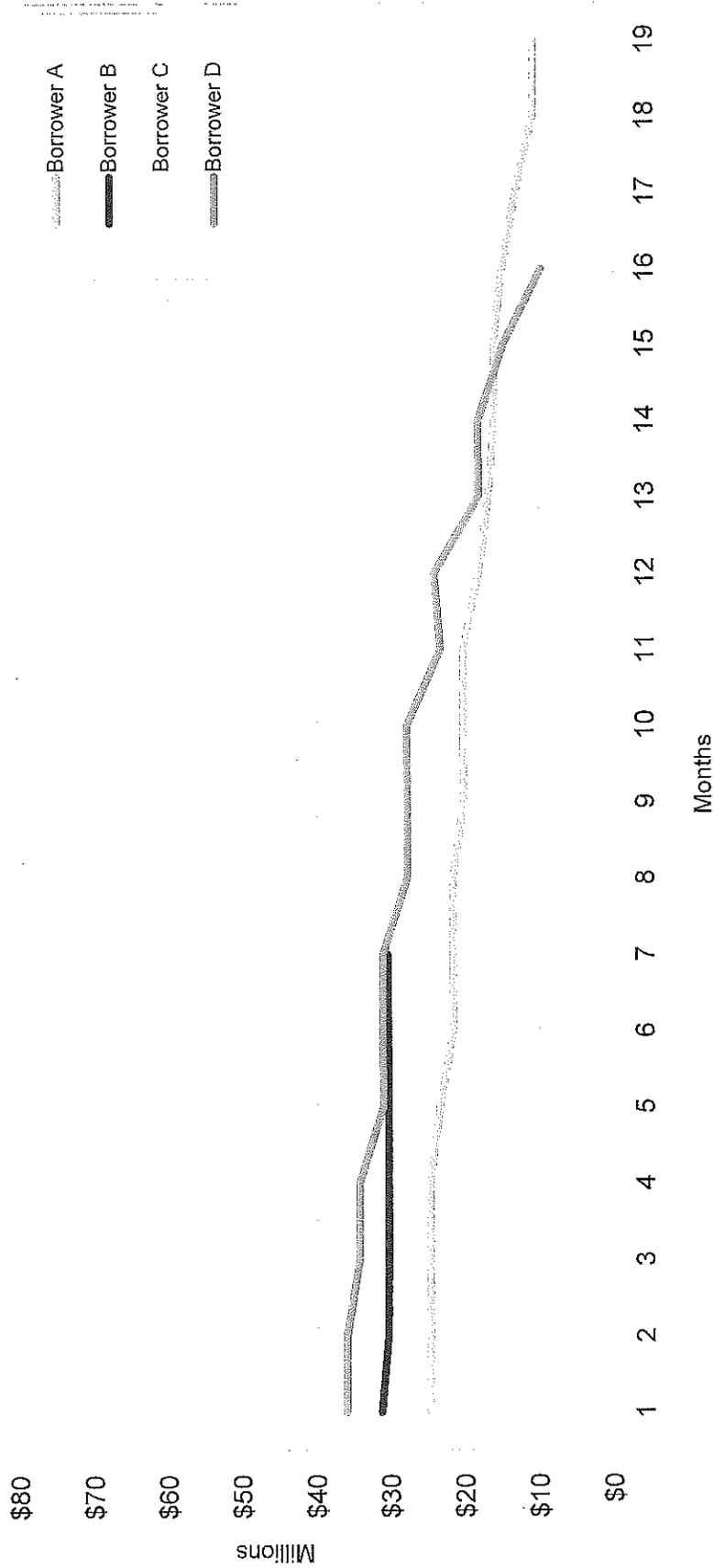


Sector Allocations as of February 13, 2018. The portfolio for Borrower #4 was constructed pursuant to the guidelines established by the Authority's Investment Policy effective July 25, 2017.



Pace of Spend Down Differs by Borrower

Historical Monthly Balances



Monthly balances include investments, accrued interest and cash.



Active Management has been Beneficial for NJEFA's Borrowers

- The most common catalyst for portfolio restructuring has been lagging or delayed project fund spend down.
- PFM regularly monitors expected vs. actual spend and communicates monthly with the borrower to see if there are any updates to the spend schedule.
- When the borrower is responsive and sends an updated estimated spend schedule, PFM is able to reinvest cash or swap current securities to re-align the portfolio with the new spend down schedule.
- Completed restructurings have generated additional earnings ranging from \$15,000 – \$130,000 per portfolio*.

*Estimated net benefits were calculated at the time of the actual restructuring based on market conditions at that time.



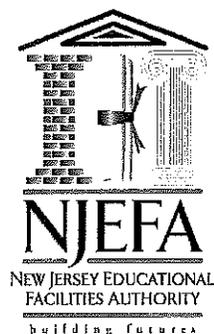
Important Disclosures

PFM is the marketing name for a group of affiliated companies providing a range of services. All services are provided through separate agreements with each company. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation.

Financial advisory services are provided by PFM Financial Advisors LLC and Public Financial Management, Inc. Both are registered municipal advisors with the Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) under the Dodd-Frank Act of 2010. Investment advisory services are provided by PFM Asset Management LLC which is registered with the SEC under the Investment Advisers Act of 1940. Swap advisory services are provided by PFM Swap Advisors LLC which is registered as a municipal advisor with both the MSRB and SEC under the Dodd-Frank Act of 2010, and as a commodity trading advisor with the Commodity Futures Trading Commission. Additional applicable regulatory information is available upon request.

Consulting services are provided through PFM Group Consulting LLC. Institutional purchasing card services are provided through PFM Financial Services LLC. PFM's financial modeling platform for strategic forecasting is provided through PFM Solutions LLC.

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BOND SALE SUMMARY

Borrower: Rider University, Lawrenceville, New Jersey

Issue: 2017 Series F

Amount: \$41,770,000

Purpose: The 2017 Series F are being issued to provide funds to finance: (a) the renovation and equipping of the following residential facilities: Conover Hall, Delta Phi Epsilon Sorority Residence (House 10), Kroner Hall, Lake House, Ridge House and Wright Hall; (b) the renovation and equipping of the following academic facilities: Bart Luedeke Center Theater, Fine Arts Theater, Science and Technology Center and Sweigart Hall; (c) the construction of an approximately 30,000 sq. ft. addition to the Science and Technology Center; (d) the funding of capitalized interest; and (e) the payment of certain costs of issuance of the Bonds.

Structure: Negotiated Sale, Fixed Rate

Final Maturity: July 1, 2047

True Interest Cost: 4.19%

Bond Ratings: Baa2 - Moody's Investors Service
BBB- - S&P Global Ratings

Priced: November 14, 2017

Closed: November 30, 2017

Professionals on the Transaction:

Bond Counsel:	McManimon, Scotland & Baumann, LLC
Authority's Counsel:	Attorney General of the State of New Jersey
Authority's Financial Advisor:	Public Resources Advisory Group
University's Financial Advisor:	Prager & Co., LLC
Borrower's Counsel:	Connell Foley LLP
Senior Manager:	Bank of America Merrill Lynch
Co-Manager(s):	Drexel Hamilton, LLC Raymond James & Associates, Inc.
Co-Underwriter's Counsel:	M. Jeremy Ostow, Esq. Eckert Seamans Cherin & Mellott LLC
Trustee/Escrow Agent:	The Bank of New York Mellon
Trustee/Escrow Agent's Counsel:	Hawkins Delafield & Wood LLP
Verification Agent:	The Arbitrage Group, Inc.
Printer:	ImageMaster, LLC



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BOND SALE SUMMARY

Borrower: Kean University, Union, New Jersey

Issue: Series 2017 C (Federally Taxable) and Series 2017 D (Tax-Exempt)

Amount: \$199,885,000

Purpose: The Series 2017 C and Series 2017 D Bonds are being issued to provide funds to finance: (i) the advance refunding and defeasance of a portion of the Authority's outstanding Series 2009 A Bonds; (ii) the advance refunding and defeasance of all of the Bergen County Improvement Authority's outstanding Series 2010 A Bonds; and (iii) the payment of certain costs of issuance of the Bonds.

Structure: Negotiated Sale, Fixed Rate

Final Maturity: September 1, 2039

True Interest Cost: 3.60%

Net Present Value Savings: \$18,061,978/9.66%

Bond Ratings: A2 - Moody's Investors Service
A- - S&P Global Ratings

Priced: November 15, 2017

Closed: December 14, 2017

Professionals on the Transaction:

Bond Counsel:	McCarter & English, LLP
Authority's Counsel:	Attorney General of the State of New Jersey
University's Financial Advisor:	Prager & Co., LLC
Senior Manager:	Morgan Stanley
Co-Manager(s):	Drexel Hamilton, LLC Janney Montgomery Scott Ramirez & Co., Inc. Siebert Cisneros Shank & Co., L.L.C.
Underwriter's Counsel:	Chiesa Shahinian & Giantomasi PC
Trustee:	U.S. Bank National Association
Trustee's Counsel:	M. Jeremy Ostow, Esq.
Escrow Agent (NJFA 2009 A):	U.S. Bank National Association
Escrow Agent's Counsel:	M. Jeremy Ostow, Esq.
Escrow Agent (BCIA 2010 A):	TD Bank, N.A.
Escrow Agent's Counsel:	Gibbons PC
Verification Agent:	The Arbitrage Group, Inc.
Printer:	ImageMaster LLC



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BOND SALE SUMMARY

Borrower: Georgian Court University, Lakewood, New Jersey

Issue: 2017 Series G (Tax-Exempt) and 2017 Series H (Federally Taxable)

Amount: \$27,420,000

Purpose: The 2017 Series G and 2017 Series H Bonds are being issued to provide funds to finance: (i) various capital improvements and renovations to University buildings and facilities located on the University's main campus in Lakewood, New Jersey; (ii) pay the cost of refunding a portion of the Authority's outstanding Georgian Court University Project Revenue Bonds, 2007 Series Project D and Revenue Bond, Georgian Court University Issue, 2007 Series H; and (iii) pay certain costs of issuance of the Bonds.

Structure: Negotiated Sale, Fixed Rate

Final Maturity: July 1, 2037

True Interest Cost: 3.95%

Net Present Value Savings: \$2,545,071/11.10%

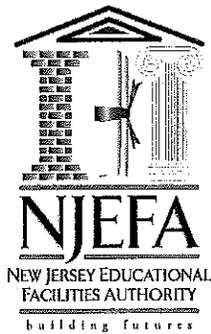
Bond Ratings: Baa3 - Moody's Investors Service
BBB- - S&P Global Ratings

Priced: December 7, 2017

Closed: December 21, 2017

Professionals on the Transaction:

Bond Counsel:	McCarter & English, LLP
Authority's Counsel:	Attorney General of the State of New Jersey
Authority's Financial Advisor:	Fairmount Capital Advisors, Inc.
Borrower's Counsel:	Boyar Suozzo
Sole Manager:	Bank of America Merrill Lynch
Underwriter's Counsel:	Chiesa Shahinian & Giantomasi PC
Trustee/Escrow Agent:	The Bank of New York Mellon
Trustee/Escrow Agent's Counsel:	Hawkins Delafield & Wood LLP
Verification Agent:	Causey Demgen Moore P.C.
Printer:	ImageMaster, LLC



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BOND SALE SUMMARY

Borrower:	Princeton University, Princeton, New Jersey
Issue:	2017 Series I
Amount:	\$357,105,000
Purpose:	To provide funds to finance a project consisting of: (i) the advance refunding and defeasance of a portion of the following issues: (a) the Authority's outstanding Princeton University Revenue Bonds, 2008 Series J and (b) the Authority's outstanding Princeton University Revenue Bonds, 2010 Series B; and (ii) the payment of certain costs incidental to the sale and issuance of the 2017 Series I Bonds.
Structure:	Negotiated Sale, Fixed Rate
Final Maturity:	July 1, 2040
True Interest Cost:	2.97%
Net Present Value Savings:	\$54,962,138/ 13.33%
Bond Ratings:	Aaa - Moody's Investors Service AAA - S&P Global Ratings
Priced:	December 14, 2017
Closed:	December 27, 2017

Professionals on the Transaction:

Bond Counsel:	McCarter & English, LLP
Authority's Counsel:	Attorney General of the State of New Jersey
Borrower's Financial Advisor:	The Yuba Group LLC
Borrower's Counsel:	Ballard Spahr LLP
Trustee/Escrow Agent:	The Bank of New York Mellon
Trustee/Escrow Agent's Counsel:	Hawkins Delafield & Wood LLP
Book Running Co-Senior Manager:	Goldman Sachs & Co. LLC
Co-Senior Manager:	Morgan Stanley & Co. LLC
Co-Manager:	Ramirez & Co., Inc.
Underwriter's Counsel:	Hawkins Delafield & Wood LLP
Verification Agent:	Causey Demgen & Moore P.C.
Escrow Bidding Agent:	BLX Group
Printer:	ImageMaster LLC

**RESOLUTION OF THE NEW JERSEY EDUCATIONAL FACILITIES
AUTHORITY AUTHORIZING AMENDMENT TO THE EMPLOYEE POLICY
MANUAL**

Adopted: February 27, 2018

WHEREAS: The New Jersey Educational Facilities Authority (the “Authority”) was created pursuant to the New Jersey Educational Facilities Authority Law, P.L. 1967, c. 271, N.J.S.A. 18A:72A-1 et seq., as amended and supplemented (the “Act”) and authorized to issue its obligations to provide a means for New Jersey public and private colleges and universities to obtain financing to construct educational facilities as defined in the Act; and

WHEREAS: The Authority’s Employee Policy Manual (the “Manual”) was adopted on January 24, 2001, and certain sections of the Manual were amended and revised from time to time; and

WHEREAS: Section 370 of the Manual relates to the Authority’s policy regarding health insurance; and

WHEREAS: The Authority adopted a resolution on February 25, 2009 (the “2009 Resolution”), adopting certain provisions of the Public Employee Pension and Benefits Reform Act of 2008 (hereinafter referred to as the “Reform Act”); and

WHEREAS: The Authority, pursuant to the 2009 Resolution and as permitted under the Reform Act, determined that any employee of the Authority who is eligible for other health care coverage that is not under the State Health Benefits Program (“SHBP”) may waive coverage in the SHBP (an employee waiving such coverage is subsequently referred to herein as a “Waiver Employee”); and

WHEREAS: The Authority, pursuant to the 2009 Resolution and as permitted under the Reform Act, authorized and directed the Executive Director to determine the amount, if any, which the Authority shall pay to a Waiver Employee, provided that such amount may not exceed 50% of the amount saved by the Authority on account of the waiver, and that all Waiver Employees shall be treated equally with respect to any payments made by the Authority, and each Waiver Employee must agree in writing to repay all or any portion of an amount as required by the Reform Act; and

WHEREAS: An Addendum was appended to the Manual as of September 15, 2009, regarding the 2009 Resolution adoption of certain provisions of the Reform Act; and

WHEREAS: Subsequently, in accordance with Chapter 2, P.L. 2010, the State of New Jersey changed the maximum amount that may be paid to the Waiver Employee annually to an amount not to exceed 25%, or \$5,000.00, whichever is less, of the amount saved by the employer because of the employee's waiver of coverage; and

WHEREAS: The Authority duly adjusted the maximum amount that may be paid to the Waiver Employee in accordance with Chapter 2, P.L. 2010; and

WHEREAS: The Authority has determined that it is necessary to amend the 2009 Resolution and Section 370 of the Manual to reflect the current maximum amount that may be paid to the Waiver Employee annually from 50% to 25%, or \$5,000, whichever is less, of the amount saved by the Authority because of the employee's waiver of coverage (the "Waiver Amount").

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY AS FOLLOWS:

SECTION 1. The 2009 Resolution shall be amended to state that the Executive Director, including any serving in an interim or acting capacity, is hereby authorized and directed to determine the Waiver Amount, if any, which the Authority shall pay to a Waiver Employee, provided that such Waiver Amount may not exceed 25%, or \$5,000.00, whichever is less, of the amount saved by the Authority on account of the waiver, and provided that if the State of New Jersey amends the maximum Waiver Amount for employees of independent authorities, the maximum Waiver Amount determined by the Executive Director shall not be in excess of the permissible amount as determined by the State of New Jersey.

SECTION 2. The Authority hereby authorizes an amendment to the Authority's Employee Policy Manual as to Section 370 pertaining to Health Insurance as set forth in EXHIBIT A attached hereto.

SECTION 3. The Executive Director and the Deputy Executive Director, including any serving in an interim or acting capacity, are hereby authorized and directed to take all necessary and appropriate steps to implement these amendments and to reflect such amendments in the Manual.

SECTION 4. This Resolution shall take effect in accordance with the Act.

NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY

370 Health Insurance

Effective Date: 1/29/2001

Revision Date: 5/23/2007; 9/15/2009; _____

The Authority provides health insurance and prescription drug coverage for its employees and their eligible dependents through the State of New Jersey's Health Benefits Program (SHBP). Under the SHBP, NJEFA employees may select health insurance coverage from among several plan options and may participate in the SHBP Employee Prescription Drug Program. Health insurance benefits generally commence on the first day following two (2) months of employment.

Once a year, generally sometime in the fall, the SHBP provides all covered employees with an open enrollment period during which an employee may change his or her type of coverage as well as add or delete eligible dependents. All employees will be notified sufficiently in advance of the open enrollment period to provide the opportunity to make coverage changes.

A change in employment classification or status that would result in loss of eligibility to participate in the SHBP may qualify an employee for benefits continuation under the Consolidated Omnibus Budget Reconciliation Act (COBRA). Refer to the Benefits Continuation (COBRA) Policy # 355 for more information.

All health insurance information and program booklets on the above plans may be obtained from the Director in charge of Human Resources or from the State of New Jersey's State Health Benefits Program website at <http://www.state.nj.us/treasury/pensions/shbp.htm>.

Waiver of Coverage in State Health Benefits Program ("SHBP")

Beginning in March 2009, Authority employees who participate in the SHBP may waive coverage in the SHBP and elect to be covered under a non-SHBP health insurance plan for which they are eligible. If an employee waives SHBP coverage, the Authority may, in its sole discretion, pay the employee an amount up to 25% or \$5,000, whichever is less, of the contributions to the SHBP the Authority saves because of the waiver ("Waiver Amount"); provided that if the State of New Jersey amends the maximum amount of the Waiver Amount for employees of independent authorities, the maximum Waiver Amount determined by the Authority for employees shall not be in excess of the permissible amount as determined by the State.

The employee may resume coverage in the SHBP provided that the employee repays to the Authority a pro rata amount of any payments received because of the waiver which represent a prepayment for any part of the period for which the employee resumes coverage in the SHBP.

In order to waive coverage, the employee must apply to the Authority for the waiver and agree to repay any amounts which represent a prepayment for resumed coverage in the SHBP. The employee should contact the Director in charge of Human Resources for more detailed information.

___ Mr. Moore ___ moved that the foregoing resolution be adopted as introduced and read, which motion was seconded by ___ Mr. Hutchinson ___ and upon roll call the following members voted:

AYE: Joshua Hodes
Katherine Ungar
Ridgeley Hutchinson
Louis Rodriguez
Rochelle Hendricks (represented by Gregg Edwards)
Elizabeth Maher Muoio (represented by David Moore)

NAY: None

ABSTAIN: None

ABSENT: None

The Chair thereupon declared said motion carried and said resolution adopted.

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
2018 BUDGET VARIANCE ANALYSIS
FOR THE MONTH ENDED JANUARY 31, 2018**

EXECUTIVE SUMMARY

Net Operating Income

The NJEFA concluded January with month-to-date net operating income in the amount of \$12,302 based on year to date revenues of \$228,547 and expenses of \$216,245.

Revenues

Month-to-date revenues were \$4,379 more than projected due to higher investment income than was budgeted.

Expenses

Operating expenditures for the first month of the year were under budget by \$63,078 primarily due to staff vacancies and timing of expenditures.

Exhibits

<u>Report</u>	<u>Page</u>
Actual vs. Budget Report	1
Operating Account – Vendor Payments	2
Summary of Construction Funds	3

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
ACTUAL vs. BUDGET REPORT
JANUARY 2018**

	Month Ended January 31, 2018		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<u>Operating Revenues</u>			
Annual Administrative Fees	\$ 220,005	\$ 220,005	\$ -
Initial Fees	-	-	-
Investment Income	8,542	4,163	4,379
	<u>\$ 228,547</u>	<u>\$ 224,168</u>	<u>\$ 4,379</u>
<u>Operating Expenses</u>			
Salaries	\$ 105,432	\$ 120,857	\$ 15,425
Employee Benefits	27,810	54,257	26,447
Provision for Post Ret. Health Benefits	29,167	29,163	(4)
Office of The Governor	2,208	2,087	(121)
Office of The Attorney General	4,666	4,663	(3)
Sponsored Programs & Meetings	-	750	750
Telecom & Data	1,617	2,138	521
Rent	15,903	16,663	760
Utilities	1,687	2,000	313
Office Supplies & Postage Expense	245	3,538	3,293
Travel & Expense Reimbursement	31	1,038	1,007
Staff Training & Conferences	490	3,557	3,067
Insurance	4,620	5,837	1,217
Publications & Public Relations	-	2,193	2,193
Professional Services	13,333	19,413	6,080
Dues & Subscriptions	3,612	5,462	1,850
Maintenance Expense	3,002	2,544	(458)
Depreciation	2,422	3,163	741
Contingency	-	-	-
	<u>216,245</u>	<u>279,323</u>	<u>63,078</u>
Net Operating Income	<u>\$ 12,302</u>	<u>\$ (55,155)</u>	<u>\$ 67,457</u>

NJEFA
Vendor Payments
January 2018

4:20 PM

Type	Date	Num	Name	Memo	Account	Accrual Basis Amount
Check	01/01/2018	11870	100 & RW CRA, LLC	Inv 002583	Rent, Utilities	11,806.67
Check	01/08/2018	EFT	U.S. Patent and Trademark Office	Exp Jan 2028	Dues & Subscriptions	425.00
Check	01/08/2018	EFT	U.S. Patent and Trademark Office	Exp Jan 2028	Dues & Subscriptions	425.00
Check	01/08/2018	EFT	U.S. Patent and Trademark Office	Exp Jan 2028	Dues & Subscriptions	425.00
Check	01/12/2018	EFT	NJSHBP	January 2018	Employee Benefits	27,466.91
Check	01/12/2018	EFT	NJSHBP	January 2018	Post Retirement Benefits	3,777.20
Bill Pmt -Check	01/18/2018	11871	Arkadin, Inc.	Inv 1110825-1217	Accounts Payable	27.41
Bill Pmt -Check	01/18/2018	11872	Bank of America - Acct Analysis	Inv 17120005181	Accounts Payable	119.25
Bill Pmt -Check	01/18/2018	11873	Government News Network	Inv 79411-G	Accounts Payable	318.00
Bill Pmt -Check	01/18/2018	11874	Lanmont Financial Services Inc.	Inv 455-011804	Accounts Payable	13,704.17
Bill Pmt -Check	01/18/2018	11875	Lexis Nexis	Inv 1712213264	Accounts Payable	292.00
Bill Pmt -Check	01/18/2018	11876	McFadyen, Jacqueline	Expense Reimbursement - Travel 11/27/17	Accounts Payable	18.66
Bill Pmt -Check	01/18/2018	11877	Nelson, Steven	Employee Benefits	Accounts Payable	619.24
Bill Pmt -Check	01/18/2018	11878	O'Donnell, Jamie	Employee Benefits	Accounts Payable	259.00
Bill Pmt -Check	01/18/2018	11879	Polar Inc.	Inv 022490	Accounts Payable	57.10
Bill Pmt -Check	01/18/2018	11880	UPS	Inv 2Y687X527	Accounts Payable	306.87
Bill Pmt -Check	01/18/2018	11881	W.B. Mason Company, Inc.	Inv IS0724327	Accounts Payable	447.26
Bill Pmt -Check	01/18/2018	11882	Walker, Lisa	Expense Reimbursement - Travel 11/10/17 - 12/28/17	Accounts Payable	40.30
Bill Pmt -Check	01/19/2018	11883	20/20 Business Solutions, Inc.	Expense Reimbursement - Travel 11/10/17 - 12/28/17	Accounts Payable	2,636.11
Bill Pmt -Check	01/19/2018	11884	DocuSafe	Stock Adv	Accounts Payable	166.80
Bill Pmt -Check	01/19/2018	11885	LaborLawCenter	Inv 103125	Accounts Payable	62.99
Bill Pmt -Check	01/19/2018	11886	Line Systems	Inv 100468102R	Accounts Payable	1,622.00
Bill Pmt -Check	01/19/2018	11887	MCS	Inv 66054180115	Accounts Payable	235.08
Bill Pmt -Check	01/19/2018	11888	Polar Inc.	Inv 53146	Accounts Payable	76.05
Bill Pmt -Check	01/19/2018	11889	Polifitax	024609, 024712	Accounts Payable	419.00
Bill Pmt -Check	01/19/2018	11890	Thomson Global Markets Inc.2	Inv 7229	Accounts Payable	735.00
Bill Pmt -Check	01/19/2018	11891	Verizon Wireless	Inv 95056938	Accounts Payable	94.80
Bill Pmt -Check	01/30/2018	11892	100 & RW CRA, LLC	Inv 9799116157	Accounts Payable	11,937.48
Bill Pmt -Check	01/30/2018	11893	Barby, John Zachary	002713, 002762	Accounts Payable	31.00
Bill Pmt -Check	01/30/2018	11894	Clark, Rebecca	Expense Reimb - Travel 7/12/17-7/26/17, Photos	Accounts Payable	183.18
Bill Pmt -Check	01/30/2018	11895	Government Finance Officers Association	Employee Benefits	Accounts Payable	85.00
Bill Pmt -Check	01/30/2018	11896	Office of Information Technology	Inv 2874805	Accounts Payable	3,000.93
Bill Pmt -Check	01/30/2018	11897	Perin Medicine	Redesign of NJEFA Website	Accounts Payable	119.00
Bill Pmt -Check	01/30/2018	11898	Standard & Poor's	Inv 4579	Accounts Payable	5,225.00
Bill Pmt -Check	01/30/2018	11899	UPS	Inv 34274011	Accounts Payable	17.51
Bill Pmt -Check	01/30/2018	11900	Yang, Ellen	Inv 2Y687X028	Accounts Payable	212.00
Bill Pmt -Check	01/30/2018	11901	SourceMedia-Conferences	Expense Reimbursement - 2018 NJ Bar Annual Fee	Accounts Payable	405.00
Bill Pmt -Check	01/31/2018	EFT	United States Postal Service - Neopost	Bond Buyer Conference - JM, CM, SN	Accounts Payable	300.00
Check	01/31/2018	EFT	United States Postal Service - Neopost	Fund Postage Meter	Postage	88,422.99

New Jersey Educational Facilities Authority
Summary of Construction Funds
As of January 31, 2018

	<u>Institution</u>	<u>Issue</u>	<u>Description</u>	<u>Bond Proceeds</u>	<u>Net</u>		<u>% Complete</u>
					<u>Disbursed</u>	<u>Balance</u>	
Private							
	Seton Hall University	2016 Series C	Welcome Center, Bishop Dougherty Univ Center	\$ 38,059,002.20	\$ (28,369,807.95)	\$ 9,689,194.25	75%
	The College of Saint Elizabeth	2016 Series D	Renov of O'Connor Hall & Improv, Refund 2008 F	2,627,671.74	(2,184,981.02)	442,690.72	83%
	Stevens Institute of Technology	2017 Series A	Various Renov & Improvements, Refund 1998 I, 2007 A	76,911,558.14	(25,765,745.46)	51,145,812.68	34%
	Princeton University	2017 Series C	Renov, Maint & Partial Refund Commercial Paper	162,455,632.40	(116,156,103.88)	46,299,528.52	72%
	Seton Hall University	2017 Series E	Medical & Non-Medical Bldgs, Res & Clinical Admin Offices	31,915,000.00	(787,192.33)	31,127,807.67	2%
	Rider University	2017 Series F	Academic & Residential Facilities, Science & Technology Bldg	44,228,160.45	(694,787.74)	43,533,372.71	2%
	Georgian Court University	2017 Series G & H	Various Capital Improvements & Renovations, Refund 07 D, H	7,874,383.16	(399,397.88)	7,474,985.28	5%
	Sub Total			\$ 364,071,408.09	\$ (174,358,016.26)	\$ 189,713,391.83	
Public							
	Montclair State University	Series 2014 A	Various Refundings and Capital Projects	\$ 156,675,111.09	\$ (123,150,041.73)	\$ 33,525,069.36	79%
	New Jersey City University	Series 2015 A	Various Renovations & Improv, Refund 02 A, 08 E	37,869,656.10	(27,022,915.47)	10,846,742.63	71%
	Ramapo College of New Jersey	Series 2015 B	Refund & Renov to Student Center & Coll. Park Apts	16,039,113.37	(14,826,171.38)	1,212,941.99	92%
	Stockton University	Series 2016 A	Science Center, Academic Bldg, Quad Project	26,207,528.53	(15,388,880.32)	10,818,648.21	59%
	Ramapo College of New Jersey	Series 2017 A	Refund 06 I, Renov Library, Learning Center	11,278,830.75	(1,114,061.41)	10,164,769.34	10%
	William Paterson University of New Jersey	Series 2017 B	New Residence Hall	30,427,779.25	(352,558.91)	30,075,220.34	1%
	Sub Total			\$ 278,498,019.09	\$ (181,854,627.22)	\$ 96,643,391.87	
Other Programs							
	Equipment Leasing Fund	Series 2014 A&B	Acquisition and Installation of Equipment	\$ 101,266,893.00	\$ (89,415,980.76)	\$ 11,850,912.24	88%
	Technology Infrastructure Fund	Series 2014	Development of Technology Infrastructure	41,313,667.00	(36,178,520.20)	5,135,146.80	88%
	Capital Improvement Fund	Series 2014 A-D	Capital Improvements	191,905,596.00	(179,574,502.17)	12,331,093.83	94%
	Facilities Trust Fund	Series 2014	Construct, Reconstruct, Develop & Improve Facilities	219,977,164.00	(169,748,765.45)	50,228,398.55	77%
	Capital Improvement Fund	Series 2016 B	Capital Improvements	146,700,261.19	(35,088,006.28)	111,612,254.91	24%
	Sub Total			\$ 701,163,581.19	\$ (510,005,774.86)	\$ 191,157,806.33	
	Grand Total			\$ 1,343,733,008.37	\$ (866,218,418.34)	\$ 477,514,590.03	

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
2017 BUDGET VARIANCE ANALYSIS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017**

EXECUTIVE SUMMARY

Net Operating Income

The NJEFA concluded the year with preliminary unaudited net operating income in the amount of \$435,181, based on revenues of \$3,236,724 and expenses of \$2,801,543. Note these numbers will change prior to the finalization of the 2017 financial statements.

Revenues

Revenues for the year were \$515,849 less than projected due to budgeted transactions that did not materialize or proceed to closings, and higher par value per transaction with fees capped in accordance with the current fee structure resulting in lower fees generated compared to total par value issued.

Expenses

Operating expenditures for the year 2017 were under budget by \$878,408 primarily due to staff vacancies and lower than anticipated expenditures for professional services.

Exhibits

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NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
ACTUAL vs. BUDGET REPORT
DECEMBER 2017
(UNAUDITED)

	Month Ended December 31, 2017			Twelve Months Ended December 31, 2017		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<u>Operating Revenues</u>						
Annual Administrative Fees	\$246,208	\$208,410	\$ 37,798	\$2,574,282	\$2,682,573	\$ (108,291)
Initial Fees	154,840	87,500	67,340	592,510	1,050,000	(457,490)
Investment Income	8,182	1,667	6,515	69,932	20,000	49,932
	<u>\$ 409,230</u>	<u>\$ 297,577</u>	<u>\$ 111,653</u>	<u>\$3,236,724</u>	<u>\$3,752,573</u>	<u>\$ (515,849)</u>
<u>Operating Expenses</u>						
Salaries	\$174,236	\$187,467	\$ 13,231	\$1,398,294	\$1,624,700	\$ 226,406
Employee Benefits	34,125	154,282	120,157	489,167	694,551	205,384
Provision for Post Ret. Health Benefits	17,850	17,850	-	214,200	214,200	-
Office of The Governor	-	2,208	2,208	21,926	26,500	4,574
Office of The Attorney General	26,177	4,667	(21,510)	77,503	56,000	(21,503)
Sponsored Programs	100	1,400	1,300	4,344	16,800	12,456
Telephone	3,628	2,167	(1,461)	20,899	26,000	5,101
Gasoline & Auto Maintenance	-	300	300	408	3,000	2,592
Rent	15,903	16,667	764	190,835	200,000	9,165
Utilities	1,687	1,792	105	20,240	21,500	1,260
Postage	375	417	42	2,073	5,000	2,927
Office Supplies & Expenses	2,537	3,625	1,088	24,677	43,500	18,823
Travel & Official Receptions	434	1,167	733	7,327	14,000	6,673
Staff Training & Tuition Reimbursement	3,651	1,083	(2,568)	24,291	13,000	(11,291)
Insurance	4,620	6,750	2,130	55,671	81,000	25,329
Annual Report & Newsletters	150	1,900	1,750	17,072	22,800	5,728
Public Relations	26	517	491	215	6,200	5,985
Professional Services	27,918	183,500	155,582	121,573	372,000	250,427
Dues & Subscriptions	3,150	3,433	283	28,303	41,200	12,897
Data Processing	-	3,833	3,833	27,720	46,000	18,280
Maintenance of Equipment	2,027	3,667	1,640	26,004	44,000	17,996
Depreciation	10,599	2,750	(7,849)	28,801	33,000	4,199
Contingency	-	75,000	75,000	-	75,000	75,000
	<u>329,193</u>	<u>676,442</u>	<u>347,249</u>	<u>2,801,543</u>	<u>3,679,951</u>	<u>878,408</u>
Net Operating Income	<u>\$ 80,037</u>	<u>\$ (378,865)</u>	<u>\$ 458,902</u>	<u>\$ 435,181</u>	<u>\$ 72,622</u>	<u>\$ 362,559</u>
Disposal of Fixed Assets				(1,860)		
Net Income				<u>\$ 433,321</u>		

NJEFA
Operating Account - Vendor Payments
December 2017

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Type	Date	Num	Name	Memo	Account	Accrual Basis Amount
Check	12/01/2017	11818	100 & RW CRA, LLC	Inv 002477	Rent	11,806.67
Check	12/01/2017	11819	Passaic County Tax Administrator	Passaic County Tax Board	Dues & Subscriptions	125.00
Check	12/04/2017	EFT	Neopost	Annual Postage ACH Fee	Office Supplies and Expenses	50.00
Check	12/12/2017	11820	NJSHBP	ID 150400 12/17	Employee Benefits	26,478.48
Check	12/13/2017	11821	NJ Advances Media	Employee Reimbursement	Office Supplies and Expenses	81.14
Check	12/13/2017	11822	MacDonald, Carl J.	Decempler Coverage	Employee Benefits	379.32
Check	12/13/2017	11823	NJ Economic Development Authority	Inv 95004793	Employee Benefits	1,680.69
Check	12/13/2017	11824	Thomson Reuters Global Markets Inc.	Inv 9797314086	Dues & Subscriptions	710.00
Check	12/13/2017	11825	Verizon Wireless	Inv 25990	Telephone	140.00
Check	12/13/2017	11826	Jersey Printing	Inv 1711213640	Office Supplies and Expenses	140.00
Check	12/13/2017	11827	Lexis Nexis	Inv 1711213640	Electronic Subscriptions	292.00
Check	12/13/2017	11828	Morgan Stanley	Keen MUNI111517-2	Travel & Official Receptions	34.32
Check	12/13/2017	11829	DocuSafe	Inv 102211	Office Supplies and Expenses	166.80
Check	12/13/2017	11830	Government Finance Officers Association	Notice # 0138509 2018 Membership EY, SS, BS	Dues & Subscriptions	460.00
Check	12/13/2017	11831	MacDonald, Carl J.	Expense Reimbursement - Travel 10/5/17 - 12/7/2017	Travel & Official Receptions	58.50
Check	12/13/2017	11832	Government News Network	Inv 79135-G	Dues & Subscriptions	318.00
Check	12/13/2017	11833	MCS	Inv 53078	Equipment Maintenance	235.08
Check	12/13/2017	11834	Lamont Financial Services Inc.	Inv 455-1017Q3	Professional Services	5,579.17
Check	12/13/2017	11835	UPS	Inv 2Y687X467, 2Y687X477	Postage	54.21
Check	12/13/2017	11836	Arkadin Inc.	Inv 1084481-1017, 1102721-1117	Telephone	428.81
Check	12/13/2017	11837	Line Systems	Inv 6605471115, 6605471215	Telephone	2,930.42
Check	12/13/2017	11838	Bank of America Merrill Lynch	SHU 2017 D Pricing 6/21/17 SN, CM	Travel & Official Receptions	25.00
Check	12/13/2017	11839	New Jersey City University	8/31/17 Visit SN, CM	Travel & Official Receptions	16.77
Check	12/13/2017	11840	O'Donnell, Jamie	Employee Reimbursement, Travel 7/19/17-8/10/17	Office Supp and Exp, Travel & Off Recep, Empl Benefits	362.25
Check	12/13/2017	11841	Walker, Lisa	Expense Reimbursement - Travel 12/6/17 - 12/7/17	Travel & Official Receptions	16.00
Check	12/13/2017	11842	AVAYA Inc.	Inv 2220060250	Data Processing Equipment	5,093.70
Check	12/13/2017	11843	CCH Incorporated	Inv 4803192093 Gov. GAAP Guide 2018	Dues & Subscriptions	389.26
Check	12/13/2017	11844	W.B. Mason Company, Inc.	Inv IS0710877	Dues & Subscriptions	1,030.25
Check	12/18/2017	11845	100 & RW CRA, LLC	Inv 002556	Office Supplies and Expenses	27.50
Check	12/18/2017	11846	Bank of America - Acct Analysis	Inv 17110005156	Office Supplies and Expenses	66.70
Check	12/18/2017	11847	Mathew Bender & Co., Inc.	Inv 97981050 Fed Tax Muni Bonds 11/17	Dues & Subscriptions	246.10
Check	12/18/2017	11848	Treasurer, State of New Jersey - DAG	FY 2018 1st Quarter (7/1/17 - 9/30/17)	Prepaid DAG Fees	37,022.00
Check	12/18/2017	11849	Polar Inc.	Inv 023165	Office Supplies and Expenses	57.10
Check	12/18/2017	11850	UPS	Inv 2Y687X497	Postage	11.71
Check	12/18/2017	11851	Gemmaro's	Office Meeting 12/15/17	Travel & Official Receptions	40.00
Check	12/18/2017	11852	2020 Business Solutions, Inc.	Inv 495716, 495657	Equipment Maintenance	1,022.22
Check	12/18/2017	11853	Peter G. Borg	Inv 110617	Annual Report & Newsletters	150.00
Check	12/18/2017	11854	Yang, Ellen	Expense Reimbursement - Travel 12/14/17	Travel & Official Receptions	18.62
Check	12/18/2017	11855	Clark, Rebecca	Expense Reimbursement - Travel 12/7/17 - 12/13/17	Travel & Official Receptions	18.62
Check	12/18/2017	11856	Canon, Barbara	2017 Medicare Part B Reimb	Post Retirement Benefits	1,608.00
Check	12/18/2017	11857	Panacek, Joan	2017 Medicare Part B Reimb	Post Retirement Benefits	3,214.80
Check	12/29/2017	11858	Dell Marketing L.P.	Inv 10213046534	Data Processing Equipment	35,840.58
Check	12/29/2017	11859	Public Resources Advisory Group Inc.	Inv 17919 Rider F.A.	Professional Services	7,322.50
Check	12/29/2017	11860	McFadyen, Jacqueline	Employee Reimbursement	Employee Benefits	691.59
Check	12/29/2017	11861	TGI Office Automation	INV1066576	Equipment Maintenance	770.13
Check	12/29/2017	11862	O'Donnell, Jamie	Employee Reimbursement	Public Relations	25.00
Check	12/29/2017	11863	Jersey Printing	Inv 2Y687X507	Office Supplies and Expenses	212.00
Check	12/29/2017	11864	UPS	Inv 2Y687X507	Postage	30.90
Check	12/29/2017	11865	Slitt, Sheryl A.	Expense Reimb - CPE Sponsorship & Online Training Renewals	Sponsored Programs, Staff Training	459.98
Check	12/29/2017	11866	Clark, Rebecca	Employee Reimbursement - Fall 2017	Staff Training	3,281.00
Check	12/29/2017	11867	Exemplis LLC	Inv 2020987-1	Office Furniture/Equip	866.12
Check	12/29/2017	11868	UPS	Inv 2Y687X517	Postage	27.08
Check	12/29/2017	11869	Polar Inc.	Inv 023858	Office Supplies and Expenses	50.15
Check	12/29/2017	11870	Toles, Sheila R.	Employee Reimbursement	Employee Benefits	48.67
152,293.71						

New Jersey Educational Facilities Authority
Summary of Construction Funds
As of December 31, 2017

<u>Institution</u>	<u>Issue</u>	<u>Description</u>	<u>Bond Proceeds</u>	<u>Net Disbursed</u>	<u>Balance</u>	<u>% Complete</u>
<u>Private</u>						
Seton Hall University	2016 Series C	Welcome Center, Bishop Dougherty Univ Center	\$ 38,059,002.20	\$ (23,265,335.19)	\$ 14,793,667.01	61%
The College of Saint Elizabeth	2016 Series D	Renov of O'Connor Hall & Improv, Refund 2008 F	2,627,671.74	(2,184,981.43)	442,690.31	83%
Stevens Institute of Technology	2017 Series A	Various Renov & Improvements, Refund 1998 I, 2007 A	76,911,558.14	(24,244,161.43)	52,667,396.71	32%
Princeton University	2017 Series C	Renov, Maint & Partial Refund Commercial Paper	162,455,632.40	(116,198,263.95)	46,257,368.45	72%
Seton Hall University	2017 Series E	Medical & Non-Medical Bldgs, Res & Clinical Admin Offices	31,915,000.00	(273,591.49)	31,641,408.51	1%
Rider University	2017 Series F	Academic & Residential Facilities, Science & Technology Bldg	44,228,160.45	(722,907.68)	43,505,252.77	2%
Georgian Court University	2017 Series G & H	Various Capital Improvements & Renovations, Refund 07 D, H	7,874,383.16	(342,778.24)	7,531,604.92	4%
Sub Total			<u>\$ 364,071,408.09</u>	<u>\$(167,232,019.41)</u>	<u>\$ 196,839,388.68</u>	
<u>Public</u>						
Montclair State University	Series 2014 A	Various Refundings and Capital Projects	\$ 156,675,111.09	\$(123,156,188.50)	\$ 33,518,922.59	79%
New Jersey City University	Series 2015 A	Various Renovations & Improv, Refund 02 A, 08 E	37,869,656.10	(27,030,283.70)	10,839,372.40	71%
Ramapo College of New Jersey	Series 2015 B	Refund & Renov to Student Center & Coll. Park Apts	16,039,113.37	(14,827,510.97)	1,211,602.40	92%
Stockton University	Series 2016 A	Science Center, Academic Bldg, Quad Project	26,207,528.53	(15,400,825.55)	10,806,702.98	59%
Ramapo College of New Jersey	Series 2017 A	Refund 06 I, Renov Library, Learning Center	11,278,830.75	(1,123,255.68)	10,155,575.07	10%
William Paterson University of New Jersey	Series 2017 B	New Residence Hall	30,427,779.25	(387,064.57)	30,040,714.68	1%
Sub Total			<u>\$ 278,498,019.09</u>	<u>\$(181,925,128.97)</u>	<u>\$ 96,572,890.12</u>	
<u>Other Programs</u>						
Equipment Leasing Fund	Series 2014 A&B	Acquisition and Installation of Equipment	\$ 101,266,893.00	\$ (88,623,854.06)	\$ 12,643,038.94	88%
Technology Infrastructure Fund	Series 2014	Development of Technology Infrastructure	41,313,667.00	(35,634,653.94)	5,679,013.06	86%
Capital Improvement Fund	Series 2014 A-D	Capital Improvements	191,905,596.00	(176,077,417.25)	15,828,178.75	92%
Facilities Trust Fund	Series 2014	Construct, Reconstruct, Develop & Improve Facilities	219,977,164.00	(169,747,685.45)	50,229,478.55	77%
Capital Improvement Fund	Series 2016 B	Capital Improvements	146,700,261.19	(30,824,097.86)	115,876,163.33	21%
Sub Total			<u>\$ 701,163,581.19</u>	<u>\$(500,907,708.56)</u>	<u>\$ 200,255,872.63</u>	
Grand Total			<u><u>\$1,343,733,008.37</u></u>	<u><u>\$(850,064,856.94)</u></u>	<u><u>\$ 493,668,151.43</u></u>	

**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
2017 BUDGET VARIANCE ANALYSIS
FOR THE MONTH ENDED NOVEMBER 30, 2017**

EXECUTIVE SUMMARY

Net Operating Income

The NJEFA concluded November with year-to-date net operating income in the amount of \$355,144 based on year to date revenues of \$2,827,494 and expenses of \$2,472,350.

Revenues

Year-to-date revenues were \$627,502 less than projected due to fewer than projected financings expected to close compared to prior year bond issuance activity and an overall increase in average par value per issuance resulting in higher total par value for the year compared to prior years.

Expenses

Operating expenditures for the first eleven months of the year were under budget by \$531,159 primarily due to staff vacancies and timing of expenditures.

Exhibits

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**NEW JERSEY EDUCATIONAL FACILITIES AUTHORITY
ACTUAL vs. BUDGET REPORT
NOVEMBER 2017**

	Month Ended November 30, 2017			Eleven Months Ended November 30, 2017		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<u>Operating Revenues</u>						
Annual Administrative Fees	\$184,062	\$208,410	\$ (24,348)	\$2,328,074	\$2,474,163	\$ (146,089)
Initial Fees	83,540	87,500	(3,960)	437,670	962,500	(524,830)
Investment Income	7,581	1,667	5,914	61,750	18,333	43,417
	<u>\$ 275,183</u>	<u>\$ 297,577</u>	<u>\$ (22,394)</u>	<u>\$ 2,827,494</u>	<u>\$ 3,454,996</u>	<u>\$ (627,502)</u>
<u>Operating Expenses</u>						
Salaries	\$102,293	\$124,978	\$ 22,685	\$1,224,058	\$1,437,233	\$ 213,175
Employee Benefits	28,198	33,350	5,152	455,042	540,269	85,227
Provision for Post Ret. Health Benefits	17,850	17,850	-	196,350	196,350	-
Office of The Governor	-	2,208	2,208	21,926	24,292	2,366
Office of The Attorney General	4,666	4,667	1	51,326	51,333	7
Sponsored Programs	-	1,400	1,400	4,244	15,400	11,156
Telephone	248	2,167	1,919	17,271	23,833	6,562
Gasoline & Auto Maintenance	-	300	300	408	2,700	2,292
Rent	15,903	16,667	764	174,932	183,333	8,401
Utilities	1,686	1,792	106	18,553	19,708	1,155
Postage	172	417	245	1,698	4,583	2,885
Office Supplies & Expenses	757	3,625	2,868	22,140	39,875	17,735
Travel & Official Receptions	1,249	1,167	(82)	6,893	12,833	5,940
Staff Training & Tuition Reimbursement	1,610	1,083	(527)	20,640	11,917	(8,723)
Insurance	4,620	6,750	2,130	51,051	74,250	23,199
Annual Report & Newsletters	1,400	1,900	500	16,922	20,900	3,978
Public Relations	-	517	517	189	5,683	5,494
Professional Services	327	15,500	15,173	93,655	188,500	94,845
Dues & Subscriptions	3,101	3,433	332	25,153	37,767	12,614
Data Processing	-	3,833	3,833	27,720	42,167	14,447
Maintenance of Equipment	1,587	3,667	2,080	23,977	40,333	16,356
Depreciation	3,386	2,750	(636)	18,202	30,250	12,048
Contingency	-	-	-	-	-	-
	<u>189,053</u>	<u>250,021</u>	<u>60,968</u>	<u>2,472,350</u>	<u>3,003,509</u>	<u>531,159</u>
Net Operating Income	<u>\$ 86,130</u>	<u>\$ 47,556</u>	<u>\$ 38,574</u>	<u>\$ 355,144</u>	<u>\$ 451,487</u>	<u>\$ (96,343)</u>
Disposal of Fixed Assets	(1,860)			(1,860)		
Net Income	<u>\$ 84,270</u>			<u>\$ 353,284</u>		

NJFEA Operating Account - Vendor Payments November 2017

Type	Date	Num	Name	Memo	Account	Accrual Basis Amount
Check	11/01/2017	11770	100 & RW CRA, LLC	Inv 002264	Rent, Utilities	11,806.67
Check	11/07/2017	EFT	NJSHBP	ID 150400 10/17	Post Retirement Benefits	3,917.80
Check	11/09/2017	11786	DocuSafe	Inv 101204	Office Supplies and Expenses	165.80
Check	11/09/2017	11787	Government News Network	Inv 78879-G	Dues & Subscriptions	318.00
Check	11/09/2017	11788	Middleton, Kristen E.	Expense Reimbursement	Employee Benefits	75.00
Check	11/09/2017	11789	Sootkoos, Brian	Expense Reimbursement	Employee Benefits	300.00
Check	11/09/2017	11790	MCS	Inv 52997	Equipment Maintenance	235.08
Check	11/09/2017	11791	20/20 Business Solutions, Inc.	Inv 495506	Equipment Maintenance	511.11
Check	11/09/2017	11792	UPS	Inv 2Y687X437	Postage	16.45
Check	11/09/2017	11794	NJ Economic Development Authority	November Coverage	Employee Benefits	1,680.59
Check	11/09/2017	11795	Creative Source, Inc	Inv 10-913	Annual Report & Newsletters	1,400.00
Check	11/09/2017	11796	National Association Of Bond Lawyers	80569 2018 Membership - EY	Dues & Subscriptions	445.00
Check	11/09/2017	11797	Public Financial Management Inc.	Inv PFM-102517	Travel & Official Receptions	137.59
Check	11/09/2017	11798	Matthew Bender & Co., Inc.	Inv 9695650X Fed Sec Mun Bonds 7E	Dues & Subscriptions	201.10
Check	11/09/2017	11799	Clark, Rebecca	Expense Reimbursement - Travel 10/16/17 - 10/20/17	Travel & Official Receptions	175.25
Check	11/09/2017	11800	Nelson, Steven	Expense Reimbursement - Travel 10/15/17 - 10/18/17	Travel & Official Receptions	728.28
Check	11/10/2017	EFT	NJSHBP	ID 150400 11/17	Employee Benefits	26,478.48
Check	11/10/2017	EFT	NJSHBP	ID 150400 11/17	Post Retirement Benefits	3,917.80
Check	11/27/2017	11801	W.B. Mason Company, Inc.	Inv IS0697582	Office Supplies and Expenses	249.81
Check	11/27/2017	11802	Curtis, Matthew J.	Expense Reimbursement - Travel 11/15/17	Travel & Official Receptions	61.75
Check	11/27/2017	11803	Nelson, Steven	Expense Reimbursement - Travel 11/14/17 - 11/15/17	Travel & Official Receptions	18.00
Check	11/27/2017	11804	Clark, Rebecca	Tuition Reimbursement - Fall 2017	Staff Training	1,610.00
Check	11/27/2017	11805	Innovative Awards	Inv 28827	Office Supplies and Expenses	177.00
Check	11/27/2017	11806	Bank of America - Acct Analysis	Inv 17100005112	Office Supplies and Expenses	14.01
Check	11/27/2017	11807	Middleton, Kristen E.	Employee Reimbursement - Travel 11/15/17	Travel & Official Receptions	60.42
Check	11/27/2017	11808	TGI Office Automation	Inv 1004260	Travel & Official Receptions	840.98
Check	11/27/2017	11810	Polar Inc.	Inv 021726 021021, 020253	Equipment Maintenance	110.65
Check	11/27/2017	11811	Accuity	INV00132590 Bond Buyer's Muni Marketplace (Red Book)	Dues & Subscriptions	723.00
Check	11/27/2017	11812	Lexis Nexis	Inv 1710214282	Dues & Subscriptions	292.00
Check	11/27/2017	11813	CCH Incorporated	Inv 4803357501 - GAAP Guide 2018	Dues & Subscriptions	411.58
Check	11/27/2017	11814	CDW Government, Inc.	Inv KRL6732	Office Supplies and Expenses	39.95
Check	11/27/2017	11815	UPS	Inv 2Y687X447, 2Y687X457	Postage	155.18
Check	11/27/2017	11816	Verizon Wireless	Inv 9795531048	Telephone	248.25
Check	11/27/2017	11817	Thomson Reuters Global Markets Inc.	Inv 94957796	Dues & Subscriptions	710.00
Check	11/27/2017	11817	Sootkoos, Brian	Expense Reimbursement - Travel 11/15/17	Travel & Official Receptions	67.58
						59,081.58