



**DIVISION OF INVESTMENT
DEPARTMENT OF THE TREASURY
STATE OF NEW JERSEY
CASH MANAGEMENT FUND**

Financial Statements, Management's Discussion and Analysis and
Supplemental Schedule

June 30, 2018 and 2017

(With Independent Auditors' Report Thereon)

**DIVISION OF INVESTMENT
DEPARTMENT OF THE TREASURY
STATE OF NEW JERSEY**

Cash Management Fund

June 30, 2018 and 2017

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Independent Auditors' Report

The Members
State Investment Council,
Division of Investment,
Department of the Treasury,
State of New Jersey:

We have audited the accompanying statements of net position of the State of New Jersey Cash Management Fund (the Fund) as of June 30, 2018 and 2017, and the related statements of changes in net position for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund as of June 30, 2018 and 2017, and the changes in its net position for the years then ended in accordance with U.S. generally accepted accounting principles.



Emphasis of Matter

The Fund

As discussed in Note 1, the financial statements of the Fund are intended to present the financial position and the changes in net position that is attributable to the transactions of the Fund. They do not purport to, and do not, present fairly the financial position of the State of New Jersey as of June 30, 2018 and 2017, the changes in its financial position, or, where applicable, its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the Management's Discussion and Analysis, on pages 3 through 4, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit for the year ended June 30, 2018 was conducted for the purpose of forming an opinion on the basic financial statements. The supplementary information included in the Schedule of Portfolio of Investments is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Portfolio of Investments is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Portfolio of Investments is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

KPMG LLP

October 5, 2018

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Management's Discussion and Analysis

June 30, 2018 and 2017

Introduction

This section of the financial statements of the State of New Jersey Cash Management Fund (the Fund) presents our discussion and analysis of the Fund's financial position as of June 30, 2018 and 2017. Since this discussion and analysis is designed to focus on current activities, it should be read in conjunction with the Fund's basic financial statements, which follow this section.

Financial Statements

The Fund's basic financial statements include statements of net position and statements of changes in net position, which have been presented in accordance with accounting principles generally accepted in the U.S. as applicable to governmental entities.

The statements of net position provide information on the financial position of the Fund at year-end. The statements of changes in net position present the results of investment activities during the fiscal year. The notes to the financial statements offer additional discussion that is essential to the full understanding of the data presented in the financial statements. The notes give more detail about accounting policies, significant account balances and activities, material risks, obligations, contingencies and subsequent events, if any.

Condensed Financial Information

The statements of net position present the assets, liabilities and net position (assets minus liabilities) of the Fund as of the end of the fiscal year and are point in time financial statements.

The statements of net position are comprised of the following major components:

<i>(in millions)</i>	June 30		
	2018	2017	2016
Assets:			
Cash and cash equivalents	\$ —	—	280
Receivables	63	12	7
Investments	12,749	14,323	11,565
Total assets	12,812	14,335	11,852
Total liabilities	—	—	3
Net position	\$ 12,812	14,335	11,849

The Fund is available on a voluntary basis to participants. The net position of the Fund will therefore fluctuate based on the level of such participation. Receivables include maturities, interest receivable and cash received which has not yet been invested or credited to the respective participants' accounts. Liabilities include accruals for administrative expense and reserve fund fees not yet remitted and cash received which had not yet been invested or credited to the respective participants' accounts.

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Changes in net position from year to year are presented in the statements of changes in net position. The purpose of this statement is to present the net investment income earned by the Fund as well as the contributions from and distributions to participants. A summary follows:

<i>(in millions)</i>	Year ended June 30		
	2018	2017	2016
Net investment income	\$ 182	78	39
Administrative expenses and reserve fund fees	(2)	(2)	(2)
Net earnings distributed to participants	(178)	(82)	(35)
(Decrease) increase in net position resulting from unit transactions	<u>(1,525)</u>	<u>2,492</u>	<u>(28)</u>
(Decrease) increase in net position	(1,523)	2,486	(26)
Net position, beginning of year	<u>14,335</u>	<u>11,849</u>	<u>11,875</u>
Net position, end of year	<u>\$ 12,812</u>	<u>14,335</u>	<u>11,849</u>

Average Daily Rate (Annualized):

State participants	1.36%	0.61%	0.31%
Other-than-State participants	1.30%	0.56%	0.24%

During fiscal years ended June 30, 2018 and 2017, the net position decreased by \$1.5 billion (-10.6%) and increased by \$2.5 billion (21%), respectively, primarily due to participant contributions and withdrawals, which are at the discretion of the participants. Factors which may impact participation include availability of participant funds and the relative attractiveness of rates compared to those available for direct investment by the participant in the marketplace.

Beginning in December 2015, the Federal Reserve Open Market Committee has raised the Federal Funds rate from a range of 0.25% to 0.50% to a range of 1.75% to 2.00%. These increases caused an increase in the short term rates available in the marketplace resulting in higher returns over the three year period. The Other-than-State participants' return is reduced by the Reserve Fund Fee and the proportionate share of gain on investment transactions realized in the Fund, which is credited to the Reserve Fund.

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Statements of Net Position

June 30, 2018 and 2017

	2018	2017
Assets:		
Cash and cash equivalents	\$ 182,746	34,765
Receivables	63,083,554	11,466,915
Investments	12,749,287,333	14,323,259,444
Total assets	12,812,553,633	14,334,761,124
Liabilities:		
Administrative expenses	9,195	728
Reserve fund fee	1,839	5,867
Advance Participant Deposits	103,560	1,173
Total liabilities	114,594	7,768
Net position	\$ 12,812,439,039	14,334,753,356

See accompanying notes to financial statements.

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Statements of Changes in Net Position

June 30, 2018 and 2017

	2018	2017
Additions:		
Net investment income:		
Interest	\$ 38,129,196	54,467,769
Net increase in fair value of investments	143,648,904	23,768,107
Net investment income	181,778,100	78,235,876
Deductions:		
Administrative expenses and reserve fund fees	1,872,170	2,354,829
Net earnings distributed to participants	176,840,362	82,343,453
Total deductions	178,712,532	84,698,282
Unit transactions:		
State participants:		
Deposits	51,341,056,249	49,811,733,550
Reinvestment of distributions	135,577,151	59,523,144
Cost of units redeemed	(52,076,345,260)	(49,481,451,056)
	(599,711,860)	389,805,638
Other-than-State participants:		
Deposits	4,155,547,794	7,028,424,136
Reinvestment of distributions	41,263,198	22,820,179
Cost of units redeemed	(5,122,479,017)	(4,949,242,830)
	(925,668,025)	2,102,001,485
(Decrease) increase in net position resulting from unit transactions	(1,525,379,885)	2,491,807,123
(Decrease) increase in net position	(1,522,314,317)	2,485,344,717
Net position as of beginning of year	14,334,753,356	11,849,408,639
Net position as of end of year	\$ 12,812,439,039	14,334,753,356

See accompanying notes to financial statements.

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Notes to Financial Statements

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(1) Organization

The Division of Investment, Department of the Treasury, State of New Jersey (the Division) manages and invests certain assets of various funds, divisions, agencies and employees of the State of New Jersey (the State) in various groups of funds, such as the Cash Management Fund and the Pension Fund. The accompanying financial statements represent the State of New Jersey Cash Management Fund (the Fund) which is available on a voluntary basis for investment by State and certain “Other-than-State” participants. “Other-than-State” participants include counties, municipalities and school districts, and the agencies or authorities created by any of these entities. The Fund is considered to be an investment trust fund as defined in Governmental Accounting Standards Board (GASB) Statement No. 31. The operations of this Fund are governed by the provisions of State Investment Council (“Council”) Regulations for the purpose of determining authorized investments for the Fund.

The Fund is not a legally separate entity within the State of New Jersey. The net position managed by the Division is included in the financial statements of the State.

These financial statements present only the Fund and do not purport to, and do not present fairly the financial position of the State of New Jersey as of June 30, 2018 and 2017, and the changes in its financial position for the years then ended in conformity with U.S. generally accepted accounting principles.

(2) Summary of Significant Accounting Policies

Measurement Focus and Basis of Accounting

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues (additions) are recorded when earned and expenses (deductions) are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between independent market participants at the measurement date. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity’s own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The three levels of the fair value hierarchy are as follows:

Level 1 – Quoted prices are available in active markets for identical investments as of the reporting date.

Level 2 – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

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Level 3 – Pricing inputs are unobservable for the investment and inputs into the determination of fair value require significant management judgment or estimation, including assumptions about risk.

Investment Transactions

Investment transactions are accounted for on a trade date basis. Gains and losses from investment transactions are determined by the first in, first out method. Interest income is recorded on the accrual basis.

Administrative Expenses

Expenses of the Fund are paid by the Department of the Treasury of the State of New Jersey and are partially offset by the administrative expense fees collected from the “Other-than-State” participants (see Note 7). No operating expenses are allocated to the Fund.

Reserve Fund Fees

Other-than-State participants pay a fee of one hundredth of one percent (0.01%) per year of the value of the aggregate units owned by them to a Reserve Fund (See Note 7).

(3) Investments

New Jersey State statutes provide for a Council and a Director. Investment authority is vested in the Director of the Division and a role of the Council is to formulate investment policies. The Council issues regulations which establish guidelines for permissible investments which include obligations of the U.S. Treasury and government agencies, Canadian government and provinces and corporations. Such investments may be in the form of fixed income securities, commercial paper, certificates of deposit, repurchase agreements and money market funds. Obligations must be payable in United States dollars.

Investments are reported at fair value as follows:

U.S. Government, Agency and corporate obligations and commercial paper are valued using an evaluated price which is based on a compilation of primarily observable market information or broker quotes in a non-active market. These investments are included as Level 2 in the charts below.

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Certificates of deposit are valued at cost, are held to maturity and have been excluded from the fair value hierarchy.

		<u>Fair Value Measurements Using</u>		
		<u>Quoted Prices in Active Market for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservabl Inputs (Level 3)</u>
(000's)		<u>June 30, 2018</u>		
Investments measured at fair value:				
U.S. Government and Agency obligations	\$ 8,800,334	—	8,800,334	—
Commercial paper	3,093,999	—	3,093,999	—
Corporate obligations	184,975	—	184,975	—
Subtotal	<u>12,079,308</u>	<u>—</u>	<u>12,079,308</u>	<u>—</u>
Investments measured at cost:				
Certificates of deposit	669,979			
Total investments	<u>\$ 12,749,287</u>			

		<u>Fair Value Measurements Using</u>		
		<u>Quoted Prices in Active Market for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservabl Inputs (Level 3)</u>
(000's)		<u>June 30, 2017</u>		
Investments measured at fair value:				
U.S. Government and Agency obligations	\$ 10,234,830	—	10,234,830	—
Commercial paper	1,800,185	—	1,800,185	—
Corporate obligations	616,358	—	616,358	—
Subtotal	<u>12,651,373</u>	<u>—</u>	<u>12,651,373</u>	<u>—</u>
Investments measured at cost:				
Certificates of deposit	1,671,886			
Total investments	<u>\$ 14,323,259</u>			

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The Fund's investments are subject to various risks. Among these risks are custodial credit risk, credit risk, concentration of credit risk and interest rate risk. Each one of these risks is discussed in more detail below.

Custodial credit risk, as it relates to investments, is the risk that in the event of the failure of the custodian, the Fund will not be able to recover the value of investments that are in the possession of the third party. The Fund's investment securities are not exposed to custodial credit risk as they are held in a segregated trust account in the name of the Fund with the custodian.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The credit risk of a debt instrument is measured by nationally recognized statistical rating agencies such as Moody's Investors Service, Inc. (Moody's), Standard & Poor's Corporation (S&P) and Fitch Ratings (Fitch). Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. There are no restrictions on the amount that can be invested in U.S. Treasury and government agency obligations. Council Regulations require minimum credit ratings for all other categories of fixed income obligations and limit the amount that can be invested in any one issuer or issue.

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At June 30, 2018 and 2017 these credit ratings and limits are as follows:

Category	Minimum rating			Limitation of issuer's outstanding debt	Limitation of issue	Other limitations
	Moody's	S&P	Fitch			
Canadian government obligations	Aa3	AA-	AA-	25%	25%	Not more than 5% of the Fund can be invested in one issuer.
Certificates of deposit						Split ratings allowable.
Domestic	A3/P-1	A-/A-1	A-/F-1	N/A	N/A	Cannot exceed 10% of issuer's primary capital.
International	Aa3/P-1	AA-/A-1	AA-/F-1	N/A	N/A	Not more than 5% of Fund can be invested in any one issuer and affiliated entities.
Collateralized notes and mortgages	Baa3	BBB-	BBB-	N/A	25%	Not more than 5% of the Fund can be invested in one issue. Not more than 10% of the Fund can be invested in this category. Not more than 5% of the Fund can be invested in any one issuer and affiliated entities.
Commercial paper	P-1	A-1	F-1	N/A	N/A	Split ratings allowable. Not more than 5% of the Fund can be invested in any one issuer and affiliated entities.
Corporate obligations	Baa3	BBB-	BBB-	10%	N/A	Not more than 5% of the Fund can be invested in any one issuer and affiliated entities.
Money market funds	N/A	N/A	N/A	N/A	N/A	Not more than 10% of the Fund can be invested in money market funds; limited to 5% of shares or units outstanding.
Mortgage Backed Securities	N/A	N/A	N/A	N/A	25%	Not more than 5% of the Fund can be invested in one issue.
Repurchase Agreements:						None
Bank or Trust Company	N/A	N/A	N/A	N/A	N/A	
Broker	P-1	A-1	F-1	N/A	N/A	

N/A – Not applicable

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In addition, the Division sets individual issuer limits for commercial paper, certificates of deposit and other investments. At June 30, 2018 the Fund did not hold investments in any one issuer, excluding investments in U.S. government securities that exceeded 5% of total investments.

For securities exposed to credit risk in the fixed income portfolio, the following tables disclose the major credit quality rating category:

June 30, 2018 (000's)	Moody's rating (1)						S&P rating (1)	Total
	Aaa	Aa2	Aa3	A1	A2	A3	P-1	
U.S. Government and Agency obligations	\$ 8,800,334	-	-	-	-	-	-	8,800,334
Commercial paper	-	-	-	-	-	-	2,824,553	269,446
Certificates of deposit	-	-	-	-	-	-	669,979	-
Corporate obligations	-	14,967	15,832	50,000	59,184	44,992	-	184,975
	<u>\$ 8,800,334</u>	<u>14,967</u>	<u>15,832</u>	<u>50,000</u>	<u>59,184</u>	<u>44,992</u>	<u>3,494,532</u>	<u>269,446</u>
								<u>12,749,287</u>

June 30, 2017 (000's)	Moody's rating (1)							Total
	Aaa	Aa2	A1	A2	A3	Baa3	P-1	
U.S. Government and Agency obligations	\$ 10,234,830	—	—	—	—	—	—	10,234,830
Commercial paper	—	—	—	—	—	—	1,800,185	1,800,185
Certificates of deposit	—	—	—	—	—	—	1,671,886	1,671,886
Corporate obligations	31,087	109,966	157,436	271,455	21,451	24,963	—	616,358
	<u>\$ 10,265,917</u>	<u>109,966</u>	<u>157,436</u>	<u>271,455</u>	<u>21,451</u>	<u>24,963</u>	<u>3,472,071</u>	<u>14,323,259</u>

(1) Short-term issuer ratings (e.g. P-1, A-1, F-1) are used for commercial paper and certificates of deposit.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Council Regulations provide that all investments shall mature or be redeemed within one year, except that up to 25 percent of the Fund may mature within 25 months. Certificates of deposits are limited to a term of one year or less. Commercial paper maturities cannot exceed 270 days. The maturity of repurchase agreements cannot exceed 30 days and the securities delivered pursuant to the agreement cannot exceed 10 years.

All investments held in the portfolio at June 30, 2018 mature within one year.

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(4) Advance Participant Deposits

Advance Participant Deposits represents cash received by the Fund after close of business, which has not yet been invested or credited to the participants' accounts.

(5) Units Outstanding

In accordance with Council Regulations, units of ownership in the Fund may be purchased or redeemed on any business day (excluding State holidays) at the unit valuation price. Investment income and net realized gains and losses on investments are distributed daily in the form of additional whole units at the current day's net asset value. Fractional units are included in the succeeding day's distribution.

The Fund values participants' shares on a fair value basis. Specifically, the Fund distributes income to participants on a daily basis based on (1) realized investment gains and losses calculated at market (and added to the Reserve Fund for the pro-rata portion of such gains attributable to "Other-than-State" participants), (2) interest income based on stated rates, (3) amortization of discounts and premiums on a straight-line basis and (4) administrative and reserve fund fees charged only to "Other-than-State" participants.

As of June 30, 2018 and 2017, there were 12,813,062,452 and 14,337,785,573 units outstanding at a fair value per unit of \$1.00.

(6) Net Position

Net position as of June 30, 2018 and 2017 consists of the following:

	<u>2018</u>	<u>2017</u>
State participants	\$ 9,456,208,656	10,008,104,448
"Other-than-State" participants	3,310,353,578	4,282,342,194
Reserve Fund	44,894,349	43,979,473
Administrative Expense Fund	1,605,869	3,359,458
Undistributed net unrealized loss	<u>(623,413)</u>	<u>(3,032,217)</u>
	<u>\$ 12,812,439,039</u>	<u>14,334,753,356</u>

(7) Reserve for Investment Losses and Administrative Expense Fund

"Other-than-State" participants pay a fee of one twentieth of one percent (0.05%) per year of the value of the aggregate units owned by them for the Administrative Expense Fund. This fund is used to reimburse the State of New Jersey for administrative and custodial fees of the Fund.

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“Other-than-State” participants pay a fee of one hundredth of one percent (0.01%) per year of the value of the aggregate units owned by them to a Reserve Fund. These fees are supplemented by the proportionate share of “Other-than-State” participants in any gain on investment transactions realized in the Fund. Council Regulations provide that the Reserve Fund will be charged, to the extent that funds are available, with the proportionate share of the “Other-than-State” participants for (a) any loss occasioned by the bankruptcy of an issuer of an investment held by the Fund and (b) any loss realized upon the sale of an investment by the Fund. The Reserve Fund fees are reinvested and participate in the Fund. During the fiscal years ended June 30, 2002 and June 30, 2006, the Reserve Fund was restructured pursuant to the State of New Jersey Appropriations Acts for fiscal years 2001-2002 and 2005-2006. Pursuant to these restructuring plans, investments in the amount of \$72 million and \$12 million in fiscal 2002-2003 and 2006, respectively, were released to the General Fund of the State of New Jersey. As of June 30, 2002, the State of New Jersey obtained a financial guaranty insurance policy in the amount of \$72 million, which expired on December 1, 2012. The State of New Jersey obtained a second financial guaranty insurance policy as of June 30, 2007 in the amount of \$12 million, which expired on July 1, 2016. Neither policy was renewed upon expiration based upon the balance of the reserve account which will continue to be supplemented through the continuation of the Reserve Fund fee.

As of June 30, 2018, the Reserve Fund and the Administrative Expense Fund, included in investments and net position in the accompanying financial statements, were \$44,894,349 and \$1,605,869, respectively. As of June 30, 2017, the Reserve Fund and the Administrative Expense Fund, included in investments and net position in the accompanying financial statements, were \$43,979,473 and \$3,359,458, respectively.

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Portfolio of Investments

June 30, 2018

Description	Principal Amount	Fair Value*
United States Government Obligations:		
U.S. TREASURY NOTES		
1.38% due July 31, 2018	\$ 315,000,000	314,887,753
0.75% due July 31, 2018	310,000,000	309,735,725
1.00% due August 15, 2018	125,000,000	124,867,045
0.75% due August 31, 2018	1,050,000,000	1,048,012,056
0.88% due October 15, 2018	140,000,000	139,549,245
0.75% due October 31, 2018	355,000,000	353,530,080
1.25% due October 31, 2018	250,000,000	249,355,470
1.25% due November 15, 2018	345,000,000	343,962,306
1.25% due November 30, 2018	727,100,000	724,600,594
1.00% due November 30, 2018	200,000,000	199,109,376
1.25% due December 31, 2018	135,000,000	134,388,281
1.38% due December 31, 2018	125,000,000	124,511,719
U.S. TREASURY BILLS		
1.71% due July 5, 2018	190,000,000	189,973,717
1.71% due July 12, 2018	245,000,000	244,885,921
1.71% due July 19, 2018	350,000,000	349,712,828
1.70% due July 26, 2018	277,000,000	276,680,987
1.71% due August 2, 2018	440,000,000	439,314,361
1.83% due August 9, 2018	420,000,000	419,192,025
1.78% due August 23, 2018	200,000,000	199,473,138
1.84% due August 30, 2018	495,000,000	493,491,077
1.86% due September 6, 2018	300,000,000	298,967,376
1.87% due September 13, 2018	295,000,000	293,875,395
1.91% due September 27, 2018	71,950,000	71,622,238
1.95% due October 25, 2018	135,000,000	134,163,375
1.95% due November 1, 2018	493,800,000	490,503,337
1.96% due November 8, 2018	100,000,000	99,287,812
2.02% due December 6, 2018	200,000,000	198,229,388
	<u>8,289,850,000</u>	<u>8,265,882,625</u>
Federal Agency Obligations:		
FEDERAL HOME LOAN BANK		
1.83% due July 9, 2018	145,000,000	144,947,220
1.84% due July 13, 2018	40,000,000	39,977,160
1.84% due July 16, 2018	100,000,000	99,927,300
1.85% due August 1, 2018	250,000,000	249,600,000
	<u>535,000,000</u>	<u>534,451,680</u>
Commercial Paper:		
AMERICAN HONDA FINANCE CORP		
1.99% due July 23, 2018	25,000,000	24,966,933
2.04% due August 6, 2018	17,184,000	17,147,070
2.08% due August 29, 2018	20,000,000	19,929,376
CANADIAN IMPERIAL HOLDINGS		
1.85% due July 9, 2018	150,000,000	149,919,250
1.90% due July 9, 2018	70,000,000	69,962,317
1.85% due July 13, 2018	120,000,000	119,909,093

**DIVISION OF INVESTMENT
DEPARTMENT OF THE TREASURY
STATE OF NEW JERSEY
CASH MANAGEMENT FUND**

Portfolio of Investments

June 30, 2018

Description	Principal Amount	Fair Value*
Commercial Paper, continued:		
CATERPILLAR FINANCIAL SERVICE CORP		
1.99% due July 27, 2018	\$ 83,000,000	82,859,656
2.10% due August 1, 2018	77,000,000	76,844,575
2.05% due August 6, 2018	110,000,000	109,742,002
CREDIT AGRICOLE CIB NY		
1.90% due July 9, 2018	140,000,000	139,929,611
2.11% due August 15, 2018	50,000,000	49,867,355
2.10% due August 24, 2018	100,000,000	99,675,511
CREDIT SUISSE NEW YORK		
1.96% due July 12, 2018	25,000,000	24,982,495
2.08% due July 26, 2018	9,500,000	9,485,885
EXXON MOBIL CORP		
1.83% due July 3, 2018	135,000,000	134,971,485
FLORIDA POWER & LIGHT CO		
2.05% due July 11, 2018	46,000,000	45,966,374
ING (US) FUNDING LLC		
1.85% due July 2, 2018	31,000,000	30,994,963
JP MORGAN SECURITIES LLC		
2.05% due July 20, 2018	16,200,000	16,181,157
LLOYDS BANK PLC		
1.96% due July 2, 2018	70,000,000	69,988,625
2.03% due August 28, 2018	175,000,000	174,378,750
MITSUBISHI INTERNATIONAL CORP		
2.00% due July 9, 2018	33,960,000	33,941,549
2.00% due July 13, 2018	28,000,000	27,978,473
NATIXIS		
2.09% due August 15, 2018	50,000,000	49,865,658
NESTLE FINANCE INTL LTD		
1.94% due July 27, 2018	125,000,000	124,807,014
2.00% due August 3, 2018	150,000,000	149,709,354
PACCAR FINANCIAL CORP		
1.94% due July 5, 2018	30,000,000	29,990,360
1.88% due July 6, 2018	19,492,000	19,484,685
1.90% due July 9, 2018	25,000,000	24,986,542
1.95% due July 9, 2018	21,895,000	21,883,213
PRIVATE EXPORT FUND CORP		
1.92% due July 17, 2018	50,000,000	49,950,950
1.92% due July 27, 2018	50,000,000	49,922,145
2.01% due August 10, 2018	60,000,000	59,856,780
1.99% due August 13, 2018	25,000,000	24,935,781
TOYOTA MOTOR CREDIT		
1.90% due July 10, 2018	10,000,000	9,994,133
2.00% due July 13, 2018	100,000,000	99,925,022
1.95% due July 13, 2018	30,000,000	29,977,507
2.01% due July 24, 2018	25,000,000	24,966,024
2.07% due July 27, 2018	70,000,000	69,893,017
2.07% due August 1, 2018	175,000,000	174,681,894
2.02% due August 2, 2018	80,000,000	79,849,871

**DIVISION OF INVESTMENT
DEPARTMENT OF THE TREASURY
STATE OF NEW JERSEY
CASH MANAGEMENT FUND**

Portfolio of Investments

June 30, 2018

Description	Principal Amount	Fair Value*
Commercial Paper, continued:		
USAA CAPITAL CORP		
1.80% due July 3, 2018	\$ 220,000,000	219,953,507
1.88% due July 18, 2018	250,000,000	249,743,235
	<u>3,098,231,000</u>	<u>3,093,999,197</u>
Certificates of Deposit:		
BANK OF MONTREAL		
1.97% due July 13, 2018	100,000,000	99,998,347
2.00% due July 18, 2018	50,000,000	49,999,123
2.00% due July 27, 2018	80,000,000	79,995,518
2.10% due August 13, 2018	40,000,000	39,999,403
BRANCH BANKING & TRUST		
1.93% due July 23, 2018	100,000,000	99,997,470
1.93% due July 27, 2018	100,000,000	99,996,259
1.93% due July 27, 2018	100,000,000	99,996,250
CITIBANK NA		
2.33% due November 2, 2018	50,000,000	49,992,844
CREDIT AGRICOLE CIB NY		
2.28% due September 18, 2018	50,000,000	50,003,967
	<u>670,000,000</u>	<u>669,979,181</u>
Corporate Obligations:		
ALTERA CORP		
2.50% due November 15, 2018	50,000,000	50,000,019
CHEVRON CORP		
1.79% due November 16, 2018	15,000,000	14,966,000
COCA-COLA CO		
1.38% due May 30, 2019	16,000,000	15,832,232
ILLINOIS TOOL WORKS INC		
1.95% due March 1, 2019	17,455,000	17,372,221
PHILIP MORRIS INTERNATIONAL INC		
1.88% due January 15, 2019	42,000,000	41,812,273
UNITEDHEALTH GROUP INC		
1.90% due July 16, 2018	45,000,000	44,991,905
	<u>185,455,000</u>	<u>184,974,650</u>
Total	\$ <u><u>12,778,536,000</u></u>	\$ <u><u>12,749,287,333</u></u>
Total fair value of investments		\$ 12,749,287,333
Total cost of investments		<u>12,749,910,746</u>
Net unrealized depreciation as of end of year		\$ <u><u>(623,413)</u></u>

* Certificates of deposit are valued at cost.