

NEW JERSEY
DIVISION OF
PENSIONS and BENEFITS



MISSION STATEMENT

To deliver superior benefit services and be responsive to the clients of New Jersey's State Administered benefit programs.

Forty-First Annual Report
June 30, 1996

Christine Todd Whitman
Governor

Brian W. Clymer
State Treasurer

Margaret M. McMahon
Director



Christine Todd Whitman, Governor



Brian W. Clymer, State Treasurer



Margaret M. McMahon
Director
New Jersey Division of
Pensions and Benefits



To the Honorable
Christine Todd Whitman, Governor
Bryan W. Clymer, State Treasurer
Members of the State Legislature

These are breathtaking times for those of us engaged in the administration of pension and health plans. Baby-boomers are turning 50. Workforce demographics are changing. Nontraditional career patterns are emerging. New communications and technological tools are invented every day. Awareness of the need for long-term retirement planning is growing. Retirees are more numerous, healthier and more active than ever. And there are sweeping changes nationwide in the delivery and financing of health care.

These happenings present us with tremendous challenges. Not only must we continue to devote our utmost attention to the courteous, prompt and accurate servicing of the needs of our clients, but we must also keep abreast of these fundamental social, demographic and technological changes in order to ensure that our programs provide appropriate benefits, are well-administered and are soundly-financed well into the future.

The data presented on the next page reflect the many services performed by the Division for its clients during the 1996 fiscal year. It also provides a flavor of the massive administrative tasks of operating one of the largest public pension and benefits systems in the country.

This forty-first Annual Report offers only an overview of the breadth of our reach and the scope of our responsibilities. What it cannot do is convey the experience, skill, dedication and helpfulness of every employee of the Division of Pensions and Benefits. Evidence for that is found every day in our thousands of contacts with members and retirees. Therefore, I would like to dedicate this report to the employees of the Division of Pensions and Benefits.

Respectfully submitted,

Margaret M. McMahon
Director

ORGANIZATION	
Office of Financial Services <i>... continued.</i>	<p>The work of this office, as overseen by a Deputy Director, is divided among eight sections: Audit/Billing, Chief Accountant's Office, Supplemental Annuity Collective Trust/Deferred Compensation, Accounting Services, Cash Receipts/Disbursements, Ledgers/Financial Statements, Account Reconciliations and Health Benefits/Financial.</p>
Office of Client Services <i>... disseminates pension, life insurance and health benefits information to employees, retirees and employers covered by the various New Jersey State-administered retirement systems and related benefit programs.</i>	<p>The Office of Client Services disseminates pension, life insurance and health benefits information to employees, retirees and employers covered by the various New Jersey State-administered retirement systems and related benefit programs. The work of this office, as overseen by an Assistant Director, is divided among three units: Telecommunications, Counseling/Correspondence/Support Staff and Publications/Benefits Education.</p> <p>The Telecommunications Unit counsels employees, retirees and employers via the telephone by providing information about pension, life insurance, health benefits and general procedures. The Counseling/Correspondence/Support Staff Unit responds to written and telephonic requests for information and conducts personal interviews with employees and retirees who visit the Division of Pensions and Benefits. This unit is also responsible for providing receptionist services for the entire Division. The Publications/Benefits Education Unit exercises overall responsibility for creating, editing, updating and printing of written materials disseminated by the Division, including manuals, reports, forms, benefit statements and booklets. This unit also provides seminars, employer group meetings, employer instructions and various presentations concerning pension, life insurance and health benefits to employees, employers and retirees.</p>
Office of Management Information and Support Services <i>... responsible for the development and maintenance of all processing and management information processing ...</i>	<p>The work of this office, as overseen by the Chief of Staff, is responsible for the development and maintenance of all processing and management information processing for the Division as it relates to active and retired benefits. This office also has the responsibility for the training, usage and maintenance of all automated office and voice equipment. This office consists of six sections: Office Automation, Optical Disk and Records Management, Data Entry, Computer Scheduling and Production Control, Systems Development and Support Services.</p> <p>The Support Services section has the overall responsibility for the building and equipment, mail room, warehouse operations and forms control.</p>
Boards and Commissions <i>... general responsibility for the proper operation of their respective employee benefits program.</i>	<p>The boards and commissions have the general responsibility for the proper operation of their respective employee benefits program. The boards adopt rules in compliance with statute and advice of the Attorney General. The boards may grant hearings in disputes concerning issues of law or fact. Hearings are held by the Office of Administrative Law.</p> <p>The boards maintain a record of all proceedings and hold regular meetings and special meetings when necessary.</p>

ORGANIZATION	
<p>The actuaries establish actuarial tables for the operation of the systems, determine the annual appropriation required of participating employers and conduct annual examinations of the systems' financial actuarial position.</p> <p>Contracts for actuarial services for the retirement systems are awarded at specified intervals through the regulations governing the procurement of goods and services for the State of New Jersey and its constituent departments and agencies.</p>	Actuarial Advisor <i>... establish actuarial tables for the operation of the systems ...</i>
<p>The State Attorney General is the legal advisor for all pension funds and other employee benefit programs.</p>	Legal Advisor
<p>All pension funds are served by a medical board consisting of three physicians who review claims for disability as submitted by the Disability Review Section of the Board and Trustees Administration for the Division of Pensions and Benefits.</p>	Medical Advisors

ORGANIZATION



Board of Trustees

PUBLIC EMPLOYEES' RETIREMENT SYSTEM

<i>Seated (left to right)</i>	Sally Kitzi
Lester G. Washington	Wendy Jamison
Gary A. Saage	<i>Board Secretary</i>
<i>Chairperson</i>	Janice Vasil
Elizabeth Fusco	<i>Treasurer Representative</i>
	Kim Smith
	<i>Support Staff</i>
<i>Standing (left to right)</i>	Rocco Maiellano
James Coyle	<i>Absent</i>
Denise Crump	Alan E. Davis
<i>DAG Representative</i>	Edward Thomson, III



TEACHERS' PENSION AND ANNUITY FUND

<i>Seated (left to right)</i>	Louis Karagias
Grace Haislip	<i>DAG Representative</i>
John Keeler	Thomas Bryan
Harry Baldwin	<i>Treasurer Representative</i>
<i>Chairperson</i>	Jackie Bussanich
	<i>Support Staff</i>
	James Clemente
<i>Standing (left to right)</i>	<i>Absent</i>
Marie Flynn	Deborah Rivosca
Regina Trauner	
<i>Board Secretary</i>	



POLICE AND FIREMEN'S RETIREMENT SYSTEM

<i>Seated (left to right)</i>	<i>Standing (left to right)</i>
Patrick Doherty	Denise Crump
Alan C. Levine	<i>DAG Representative</i>
Marty Barrett	Regina Trauner
<i>Chairperson</i>	<i>Board Secretary</i>
M. Michael DiSalvo	Thomas Bryan
Samuel DiUbaldo	<i>Treasurer Representative</i>
	Peter Katevatis
	Peter J. VanEtten
	Jackie Bussanich
	<i>Support Staff</i>

Board of Trustees

STATE POLICE RETIREMENT SYSTEM

<i>Seated (left to right)</i>	<i>Standing (left to right)</i>
Kevin McPartland	Janice Vasil
John Foody	<i>Treasurer Representative</i>
	Anthony Bartolotta
	Regina Trauner
	<i>Board Secretary</i>
	<i>Absent</i>
	Milton Wigder
	<i>Chairperson</i>



CONSOLIDATED POLICE AND FIREMEN'S PENSION FUND

<i>Seated (left to right)</i>	<i>Standing (left to right)</i>
Louis C. Fiocca	Kim Smith
Spencer H. Smith, Jr.	<i>Support Staff</i>
<i>Chairperson</i>	Wendy Jamison
George Beaumont	<i>Board Secretary</i>
	Louis J. Risacher
	Nancy Naughton
	Janice Vasil
	<i>Treasurer Representative</i>



PRISON OFFICERS' PENSION FUND

Thomas Bryan, *State Treasurer Representative*

SUPPLEMENTAL ANNUITY COLLECTIVE TRUST

Brian W. Clymer, *State Treasurer*
 Elizabeth Randall, *Commissioner of Banking & Insurance*
 Betsy Pugh, *Director of the Division of Budget and Accounting, Department of the Treasury*

STATE HEALTH BENEFITS COMMISSION

Brian W. Clymer, *State Treasurer*
 Elizabeth Randall, *Commissioner of Banking & Insurance*
 Linda Anselmini, *Commissioner of Personnel*

DEFERRED COMPENSATION BOARD

Brian W. Clymer, *State Treasurer*
 Elizabeth Randall, *Commissioner of Banking & Insurance*
 Betsy Pugh, *Director of the Division of Budget and Accounting, Department of the Treasury*

SIGNIFICANT LEGISLATION

CHAPTER 214, LAWS OF 1995

provides that a retirement allowance from the Consolidated Police and Firemen's Pension Fund (CPFPF) shall be payable for the entire month in which the retiree or beneficiary dies.

This law was approved on August 14, 1995.

CHAPTER 221, LAWS OF 1995

liberalizes the provision first instituted with Chapter 96, P.L. 1984 regarding when a benefit becomes effective upon the death of a member who has filed for retirement from the Public Employees' Retirement System (PERS) or the Teachers' Pension and Annuity Fund (TPAF).

Prior to enactment of Chapter 221, P.L. 1995, if a member who filed for retirement under PERS or TPAF died within 30 days after the date of retirement or the date of board approval, whichever was later, the retirement allowance would not become effective and the member would have been considered an active member at the time of death. However, if a member died 30 days or more after the application for retirement was filed, retirement would have become effective if the application was received by the system prior to the date of death, if the deceased member had terminated covered public employment at least one day prior to the effective date of retirement and had designated a beneficiary under an optional settlement and if the surviving beneficiary made the appropriate written request.

This law grants survivorship benefits to a deceased member's beneficiary under an optional settlement if the member's application for retirement was filed with the system prior to the date of death without the passage of 30 days or more between the filing of the retirement application and the date of the member's death. Survivorship benefits will be granted without the requirement that the deceased member terminate covered public employment at least one day prior to the effective date of retirement and without the requirement that the system receive the application prior to death.

This law was approved on August 15, 1995 and is retroactive to applications for retirement filed on or after January 1, 1992, except in the case where the beneficiary for the retired survivor's benefit is someone other than the beneficiary designated for the active death benefit. This law also allows the Division of Pensions and Benefits to adjust any retired benefits retroactively payable for employee contributions and active death benefits previously paid.

CHAPTER 238, LAWS OF 1995

increases the membership of the Police and Firemen's Retirement System (PFRS) board of trustees from 9 to 11 members. This law increases the number of gubernatorial appointments from four to five members and mandates that the board shall include one PFRS retired member to be elected by PFRS retirees. In addition, the law provides that the two police members and two fire members be active PFRS members and shall be elected by the active PFRS members.

This law was approved on August 29, 1995.

SIGNIFICANT LEGISLATION

CHAPTER 259, LAWS OF 1995

authorizes a municipality that participated in the State Health Benefits Program (SHBP) or another group health plan to allow an employee who is eligible for health care coverage as a dependent of the employees' spouse to waive coverage to which the employee is entitled. It would permit a municipality to pay an employee an amount not to exceed 50% of the amount saved by the municipality because of the waiver. Any municipal employee waiving coverage under the SHBP must file a waiver with the Division of Pensions and Benefits. Further, an employee who waives coverage shall be able to immediately resume coverage under the SHBP if the employee ceases to be covered by the spouse for any reason by filing a declaration with the Division of Pensions and Benefits that the waiver be revoked.

This law was approved on November 13, 1995.

CHAPTER 332, LAWS OF 1995

changes the basis upon which the retirement allowance for members retiring under the veterans' benefits of the Teachers' Pension and Annuity Fund or the Public Employees' Retirement System is computed. Previously the computation of veterans' benefits was based upon the compensation received during the last year of service. This law provides that the basis shall be the compensation received for the 12-month period of membership that provides the largest possible benefit.

This law was approved on January 5, 1996.

CHAPTER 357, LAWS OF 1995

provides post-retirement health benefits to certain employees who retire from the Board of Education Employees' Pension Fund of Essex County. Members who retire with 25 or more years of service credit, or who retire on a disability pension or who elect deferred retirement based on 25 or more years of service and receive a retirement allowance from that fund will be eligible for enrollment in the retired group of the State Health Benefits Program. In addition, qualified members who are already retired may apply for this benefit within one year of enactment of this law. This law provides that the cost shall be paid by the State.

This law was approved on January 5, 1996.

CHAPTER 369, LAWS OF 1995

revises the offset of workers' compensation benefits payable to accidental disability retirees of the Teachers' Pension and Annuity Fund (TPAF), Public Employees' Retirement System (PERS), Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS). Offsets against ordinary disability pensions have been eliminated.

Previously, when an active member of the TPAF, PERS, PFRS, or SPRS was receiving periodic workers' compensation benefits and retired on an accidental disability retirement allowance, the retiree's monthly pension payment was reduced to reflect the receipt of the workers' compensation award. The amount of the reduction was computed on the basis of the "actuarial equivalent" as though it were to be paid as an annuity; accordingly,

SIGNIFICANT LEGISLATION

Chapter 369, Laws of 1995, continued

the reduction continued for the duration of the retiree's lifetime, even though payments of the workers' compensation award may have been completed prior to the retiree's death.

Under Chapter 369, P.L. 1995, the accidental disability retiree's pension is to be reduced dollar-for-dollar by the full amount of the retiree's workers' compensation benefit received as long as the periodic benefits are paid. Upon receipt of the final workers' compensation payment, the retiree's monthly pension benefit will be restored to the amount to which the retiree was entitled prior to the reduction.

The law also provides that the reduction will not affect the retiree's cost-of-living adjustment benefits or survivor benefits that may be payable upon the death of the retiree.

This law was approved on January 5, 1996.

CHAPTER 378, LAWS OF 1995

provides that a member of the Police and Firemen's Retirement System (PFRS) with at least 20 years of service credit who is certified as terminally ill and who, within one month of that certification, becomes mentally or physically incapable of applying for an ordinary disability retirement before death, shall be deemed to be retired on the date of the member's death if the surviving beneficiary makes that request in writing to the PFRS Board of Trustees. Upon approval by the board, the request shall become irrevocable and the survivors of the member shall receive all benefits due to survivors of an ordinary disability retirement.

This law was approved on January 5, 1996 and is retroactive to April 1, 1994.

CHAPTER 406, LAWS OF 1995

establishes certain inception and termination dates for the Lebanon, Grenada and Panama peacekeeping missions and for Operation "Desert Shield/Desert Storm" in order to insure eligibility for certain benefits for the veterans of those missions. In addition, this law allows a member of the PERS or TPAF to rescind an agreement to purchase service credit if the member is subsequently classified as a veteran.

This law establishes 1) December 1, 1987 as the termination date of the Lebanon peacekeeping mission; 2) October 23, 1983 as the inception date of the Grenada peacekeeping mission and November 21, 1983 as the termination date; 3) December 20, 1989 as the inception date for the Panama peacekeeping mission and January 31, 1990 as the termination date; and 4) August 2, 1990 as the inception date of Operation "Desert Shield/Desert Storm" (the termination date remains open). The termination dates for the Lebanon, Grenada and Panama missions will be later if the termination dates proclaimed by the President or Congress are later than the specific dates noted above and the inception dates of the Panama mission and Operation "Desert Shield/Desert Storm" will be earlier if the inception dates proclaimed by the President or Congress are earlier than the specific dates noted above.

SIGNIFICANT LEGISLATION

Chapter 406, Laws of 1995, continued

These dates have been recognized by the United States Department of Defense as the inception and termination dates of these missions for the purpose of establishing eligibility for service medals for members of the United States armed forces who participated in these missions.

This law also allows a member of the PERS or TPAF to rescind an agreement to purchase service credit if the member, subsequent to entering the agreement, is classified as a veteran as a result of an enactment of law, adoption of a rule change or some other official act. Members have two years from either the effective date of this law or the official act, whichever is later, to terminate the obligation to complete the purchase and to receive a return of contributions or other payments made on or after the official act in connection with the purchase. Any service credited to the member in conjunction with the purchase will be reduced proportionately.

This law was approved on January 10, 1996.

CHAPTER 408, LAWS OF 1995

provides that the receipt of a public pension is expressly predicated upon the rendering of honorable service by a public officer or employee. This law authorizes the board of trustees of any public pension fund or retirement system to order the forfeiture of all or part of the pension or retirement benefit of a member for misconduct occurring during public service which renders the service or part thereof dishonorable.

This law establishes 11 factors which a board of trustees is to consider and balance in view of the goals of the pension statutes when determining whether forfeiture or partial forfeiture is appropriate. These factors are:

1. the member's length of service;
2. the basis for retirement;
3. the extent to which the member's pension has vested;
4. the duties of the member;
5. the member's public employment history and record covered under the retirement system;
6. any other public employment or service;
7. the nature of the misconduct or crime, including the gravity or substantiality of the offense, whether it was a single or multiple offense and whether it was continuing or isolated;
8. the relationship between the misconduct and the member's public duties;
9. the quality of moral turpitude or the degree of guilt or culpability, including the member's motives and reasons, personal gain and similar considerations;
10. the availability and adequacy of other penal sanctions; and
11. other personal circumstances relating to the member which bear upon the justness of forfeiture.

SIGNIFICANT LEGISLATION

Chapter 408, Laws of 1995, continued

This law also provides that when a board of trustees determines that partial forfeiture is appropriate, it shall order that benefits be calculated as if the accrual of pension rights terminated as of the date the misconduct first occurred, or such other date as required to effectuate a forfeiture that fairly reflects both the nature and extent of the employee's misconduct and the honorable service rendered by the employee.

Additionally, the law established a procedure whereby the Director of the Division of Criminal Justice would collect and transmit, through the Division of Pensions and Benefits, to the appropriate board of trustees information concerning the prosecution or conviction of a State or local government employee who is a member of a public pension fund or retirement system. State and local public employers would be required to inform the board of trustees whenever an officer or employee who is a member of the fund or system is removed from office or employment. This information would be reviewed by the board of trustees to determine whether a forfeiture should be imposed.

This law was approved on January 10, 1996.

CHAPTER 410, LAWS OF 1995

changes the calculation of the life insurance death benefit paid to beneficiaries of members of the Teachers' Pension and Annuity Fund (TPAF) after retirement. Previously, the retiree's life insurance benefit was based on the compensation received during the last year of creditable service. This law provides a benefit based on the compensation received during the last year of creditable service or on the compensation received in the year of the member's highest contractual salary, whichever is higher.

This law was approved on January 10, 1996.

CHAPTER 424, LAWS OF 1995

provides that any new judge who becomes a member of the Judicial Retirement System on or after January 1, 1996 shall contribute 3% of the judge's total salary to the pension system. Judges who were members prior to January 1, 1996 will continue to contribute 3% of the difference between their current salary and the salary for that position as it existed on January 18, 1982.

This law was approved on January 10, 1996.

CHAPTER 8, LAWS OF 1996

makes various changes regarding the payment of the premium or periodic charges for the State Health Benefits Program (SHBP).

Previously, the State as an employer bore the complete cost of SHBP benefits for active State employees and their dependents. The purpose of this law is to permit the determination of the obligations of the State concerning the payment of the premium or periodic charges for SHBP coverage through binding collective negotiations agreements. This law will apply to any agreement in force at the time of enactment.

For State employees who have no majority representative for collective

SIGNIFICANT LEGISLATION

Chapter 8, Laws of 1995, continued

negotiations purposes, the State Health Benefits Commission may, in its sole discretion, modify the respective statutory payment obligations of the State and its employees in a manner consistent with the terms of any collective negotiations agreement binding on the State.

The law also provides that if a husband and wife are both eligible for SHBP coverage as employees:

- (a) each may elect coverage for himself or herself as an employee and for their qualified dependents, including the spouse, under the Traditional Plan or NJ PLUS, but only one may elect coverage for himself or herself and for their qualified dependents, including the spouse, in a participating HMO; and
- (b) each may elect single coverage in any participating HMO, provided that he or she is not covered under a HMO as a dependent of his or her spouse.

The law allows the State to establish a cafeteria plan for its employees pursuant to Section 125 of the Internal Revenue Code to provide for a reduction in an employee's salary in exchange for payment by the employer of any required employee contribution for SHBP coverage, medical or dental expenses not covered by SHBP, or dependent care expenses. The amount of any reduction in an employee's salary for the purpose of contributing to the plan will continue to be treated as regular compensation for all other purposes, including the calculation of pension contributions and the amount of any retirement allowance; however, to the extent permitted by the Internal Revenue Code, the amount of any reduction will not be included in the computation of federal taxes withheld from the employee's salary.

The law eliminates the requirement active employees be enrolled in Part B Medicare and terminates the requirement that the State and local employers reimburse active employees for Medicare Part B premium payments.

The law clarifies the premiums to be paid by the State and employees for health benefits in retirement for State employees with 25 or more years of service credit in a State-administered retirement system. It provides that:

- (1) for each State employee who accrues 25 years of service credit in a State-administered retirement system or retires on disability before July 1, 1997, the State will pay the full cost of the premium or periodic charges for the health benefits provided to a retired State employee and dependents covered under the State Health Benefits Program, but not including survivors, and will also reimburse the retired employee and the employee's spouse; and
- (2) for each State employee who accrues 25 years of service credit in a State-administered retirement system or retires on disability on or after July 1, 1997, the State will pay the premium or periodic charges for the health benefits provided to a retired State employee

SIGNIFICANT LEGISLATION

Chapter 8, Laws of 1995, continued

and dependents covered under the State Health Benefits Program, but not including survivors, and will reimburse the retired employee for premium charges under Part B Medicare covering the retired employee and the employee's spouse: (a) in accordance with provisions, if any, concerning health benefits coverage in retirement which are in the collective negotiations agreement applicable to the employee at the time of the employee's accrual of 25 years of service credit in the retirement system, or (b) if the employee has no majority representative for collective negotiations purposes, in a manner consistent with the terms, if any, concerning health benefits coverage in retirement which are in any collective negotiations agreement deemed applicable by the State Health Benefits Commission to that employee at the time of the employee's accrual of 25 years of service credit in the retirement system.

SCOPE OF OPERATION

The Division of Pensions and Benefits was created by Chapter 70, P.L. 1955 as a successor to the Bureau of Public Employees' Pensions, Division of Budget and Accounting. The Division of Pensions and Benefits is responsible for the administration of the Central Pension Fund and the following retirement systems: Public Employees' Retirement System, Teachers' Pension and Annuity Fund, Police and Firemen's Retirement System, State Police Retirement System, Judicial Retirement System, Consolidated Police and Firemen's Pension Fund and Prison Officers' Pension Fund. In addition, the Division is also responsible for the operation of the State Agency for Social Security, Pension Adjustment Program, Supplemental Annuity Collective Trust, State Health Benefits Program, Tax-Sheltered Annuities, Alternate Benefit Program, State Employee Prescription Drug Plan, Unemployment Compensation for State Employees, Temporary Disability Insurance for State Employees and Qualified Voluntary Employee Contributions. The Division administers the laws governing the employee benefits plans, subject to the rules, regulations and decisions of the respective boards of trustees and commissions of these systems.

This system was established by Chapter 84, P.L. 1954, after the repeal of the law creating the former State Employees' Retirement System. The retirement benefits of this system are coordinated, but not integrated with, Social Security. This system is maintained on an actuarial reserve basis. Under the terms of Chapter 71, P.L. 1966, most public employees in New Jersey not required to become members of another contributory retirement program are required to enroll.

Statutes can be found in the New Jersey Statutes Annotated, Title 43, Chapter 15A. Rules governing the operation and administration of the fund may be found in Title 17, Chapter 2 of the New Jersey Administrative Code.

PUBLIC EMPLOYEES' RETIREMENT SYSTEM

This fund was reorganized by Chapter 37, P.L. 1955. The revised system of benefits are coordinated, but not integrated with social security. This fund is maintained on an actuarial reserve basis.

Statutes can be found in the New Jersey Statutes Annotated, Title 18A, Chapter 66. Rules governing the operation and administration of the system may be found in Title 17, Chapter 3 of the New Jersey Administrative Code.

TEACHERS' PENSION AND ANNUITY FUND

This system was established by Chapter 255, P.L. 1944. All policemen and firemen, appointed after June 1944, in municipalities where local police and firemen pension funds existed or where this system was adopted by referendum or resolution are required to become members of this system. Certain State and county employees are also covered. Employer obligations are paid by the local employers and the State. This system is maintained on an actuarial reserve basis.

Statutes can be found in New Jersey Statutes Annotated, Title 43, Chapter 16A. Rules governing the operation and administration of the system may be found in Title 17, Chapter 4 of the New Jersey Administrative Code.

POLICE AND FIREMEN'S RETIREMENT SYSTEM

SCOPE OF OPERATION

STATE POLICE RETIREMENT SYSTEM

This system was created by Chapter 89, P.L. 1965 as a successor to the State Police Retirement and Benevolent Fund. All uniformed officers and troopers of the Division of State Police in the New Jersey Department of Law and Public Safety are required to enroll. This system is maintained on an actuarial reserve basis.

Statutes can be found in the New Jersey Statutes Annotated, Title 53, Chapter 5A. Rules governing the operation and administration of the system may be found in Title 17, Chapter 5 of the New Jersey Administrative Code.

JUDICIAL RETIREMENT SYSTEM

This system was established by Chapter 140, P.L. 1973 after the repeal of the laws providing pension benefits to members of the State judiciary and their eligible survivors. All members of the State judiciary are required to enroll. This system is maintained on an actuarial reserve basis.

Statutes can be found in the New Jersey Statutes Annotated, Title 43, Chapter 6A. Rules governing the operation and administration of the system may be found in Title 17, Chapter 10 of the New Jersey Administrative Code.

ALTERNATE BENEFIT PROGRAM

This program was established by legislation in 1965 through 1968 for full-time faculty members of public institutions of higher education. It was later expanded to include certain administrative and professional titles. Chapter 385, P.L. 1993 increased the number of investment carriers to six. The investment carriers underwriting annuities are as follows: Aetna Life Insurance and Annuity Co., The Travelers Insurance Company (represented by The Copeland Companies), Lincoln National Life Insurance Co., Metropolitan Life Insurance Co., Teachers' Insurance and Annuity Association/College Retirement Equities Fund (TIAA/CREF) and Variable Annuity Life Insurance Co. (VALIC). Group life insurance and long-term disability insurance are underwritten by the Prudential Insurance Company of America, Inc. These are "defined contribution" plans as distinguished from "defined benefits" payable by State retirement systems. Immediate vesting after the first year's participation offers the mobility of pension credit among the private and public institutions of higher education in the United States and Canada.

Statutes can be found in the New Jersey Statutes Annotated, Title 18A, Chapter 66. Rules governing the operation and administration of this program may be found in Title 17, Chapter 1 of the New Jersey Administrative Code.

PRISON OFFICERS' PENSION FUND

This fund was established under Chapter 220, P.L. 1941. It was closed to new employees as of January 1960. New employees are enrolled in the Police and Firemen's Retirement System. This system was not maintained on an actuarial reserve basis.

SCOPE OF OPERATION

Statutes can be found in the New Jersey Statutes Annotated, Title 43, Chapter 7. Rules governing the operation and administration of the fund may be found in Title 17, Chapter 6 of the New Jersey Administrative Code.

*Prison Officers' Pension Fund,
continued.*

This fund was established by Chapter 358, P.L. 1952, to place 212 local police and firemen pension funds on an actuarial reserve basis. The membership consists of police and firemen appointed prior to July 1, 1944. The liabilities of these local funds were shared: two-thirds by the participating municipalities and one-third by the State.

Statutes can be found in the New Jersey Statutes Annotated, Title 43, Chapter 16. Rules governing the operation and administration of this fund may be found in Title 17, Chapter 6 of the New Jersey Administrative Code.

CONSOLIDATED POLICE AND FIREMEN'S PENSION FUND

This plan was established by Chapter 39, P.L. 1978 and is available to any State employee who is a member of a State-administered retirement system. This plan is a voluntary investment program that provides retirement income separate from and in addition to the basic pension benefit.

Statutes can be found in the New Jersey Statutes Annotated, Title 52, Chapter 18A.

STATE EMPLOYEES DEFERRED COMPENSATION PLAN

This trust was established by Chapter 123, P.L. 1963. This program includes active members of several State-administered retirement systems. Members make voluntary additional contributions through their pension funds to purchase variable retirement annuities in order to supplement the benefits provided by their basic system. Some employers agree to purchase tax-sheltered annuities for the same purpose for certain eligible employees. Statutes can be found in the New Jersey Statutes Annotated, Title 52, Chapter 18A. Rules governing the operation and administration of the trust may be found in Title 17, Chapter 8 of the New Jersey Administrative Code.

SUPPLEMENTAL ANNUITY COLLECTIVE TRUST

This fund consists of the administration of a series of noncontributory pension acts. No reserves are established for the payment of retirement benefits. These benefits are administered by the Division in accordance with the governing statute and the rules and regulations of the State House Commission.

CENTRAL PENSION FUND

This program was established pursuant to Chapter 143, P.L. 1958 and covers all eligible pensions of State-administered retirement systems. It was altered by Chapter 169, P.L. 1969, which provided a cost-of-living adjustment and by Chapter 139, P.L. 1971 which extended its provisions to eligible survivors.

PENSION ADJUSTMENT PROGRAM

SCOPE OF OPERATION

Pension Adjustment Program, continued.

Statutes can be found in the New Jersey Statutes Annotated, Title 52, Chapter 18A. Rules governing the operation and administration of the program may be found in Title 17, Chapter 1 of the New Jersey Administrative Code.

UNEMPLOYMENT COMPENSATION AND TEMPORARY DISABILITY FOR STATE EMPLOYEES

The Division of Pensions and Benefits coordinates the work related to the payment of the charges involving unemployment compensation and temporary disability insurance benefits for State employees eligible for coverage under federal law. It is responsible for contracting with a service agency to review all questionable claims for unemployment compensation.

STATE HEALTH BENEFITS PROGRAM

This program was established by Chapter 49, P.L. 1961. The program provides employer-paid basic hospitalization and medical-surgical benefits as well as major medical benefits for State employees. Chapter 125, P.L. 1964 extended the program to include employees of local government. Statutes can be found in the New Jersey Statutes Annotated, Title 52, Chapter 14. Rules governing the operation and administration of the program may be found in Title 17, Chapter 9 of the New Jersey Administrative Code.

PRESCRIPTION DRUG PLAN

This plan was initiated by the State effective December 1, 1974. The passage of Chapter 41, P.L. 1976 extended coverage to all eligible State employees. The State Health Benefits Commission offered the plan to local employers on July 1, 1993. Employees and their eligible dependents are covered by the plan in the same manner as the State Health Benefits Program. The Division of Pensions and Benefits became responsible for its administration in November 1976.

Statutes can be found in the New Jersey Statutes Annotated, Title 52, Chapter 18A. Rules governing the operation and administration of the program are found in Title 17, Chapter 1 of the New Jersey Administrative Code.

STATE EMPLOYEE DENTAL PROGRAM

The program was initially established February 1, 1978 and further expanded in June 1984. All eligible State employees may enroll for themselves and their eligible dependents by paying the premium calculated to meet half of the cost of the plan. The New Jersey State Dental Expense Benefits Program is a traditional indemnity plan. The State of New Jersey Dental Plan Organization Program consists of eleven separate Dental Plan Organizations.

Statutes can be found in the New Jersey Statutes Annotated, Title 52, Chapter 18A. Rules governing the operation and administration of the program may be found in Title 17, Chapter 1 of the New Jersey Administrative Code.

MEMBERSHIP

ACTIVE MEMBERSHIP

RETIREMENT SYSTEM	1995	1996
Public Employees' Retirement System	250,326*	246,212*
Teachers' Pension & Annuity Fund	110,844*	111,942*
Police & Firemen's Retirement System	37,908*	39,044*
State Police Retirement System	2,549	2,553
Judicial Retirement System	394	413
Alternate Benefit Program	13,723	13,937
Prison Officers' Pension Fund	0	0
Consolidated Police & Firemen's Pension Fund	0	0
Central Pension Fund	NA	NA
TOTAL	415,744	414,101

* Both the 1995 and 1996 figures represent the total number of Active (contributing) accounts.

The 1996 inactive (noncontributing) accounts are as follows: PERS: Inactive 31,341
TPAF: Inactive 8,502
PFRS: Inactive 1,199

RETIRED MEMBERSHIP AND BENEFICIARIES

RETIREMENT SYSTEM	1995	1996
Public Employees' Retirement System	84,781	87,634
Teachers' Pension & Annuity Fund	42,174	43,476
Police & Firemen's Retirement System	18,366	19,090
State Police Retirement System	1,433	1,495
Judicial Retirement System	318	327
Alternate Benefit Program	NA	NA
Prison Officers' Pension Fund	306	295
Consolidated Police & Firemen's Pension Fund	2,488	2,280
Central Pension Fund	393	386
TOTAL	150,259	154,983*

* The number of retirees varies slightly from those reported in the Notes to the Financial Statements due to differences in the effective dates of said tabulations.

PARTICIPATION IN HEALTH BENEFITS PROGRAMS

HEALTH PROGRAM	1995	1996
State Health Benefits Program	316,502	297,761
Prescription Drug Plan	120,161	119,858
State Employee Dental Expense Plan	81,941	81,733

MEMBERSHIP

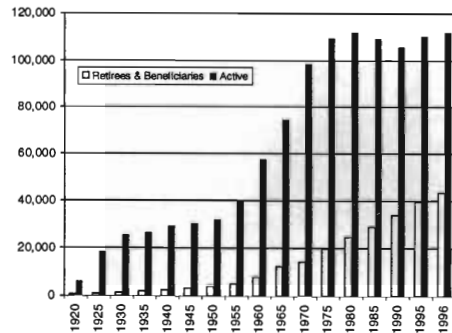
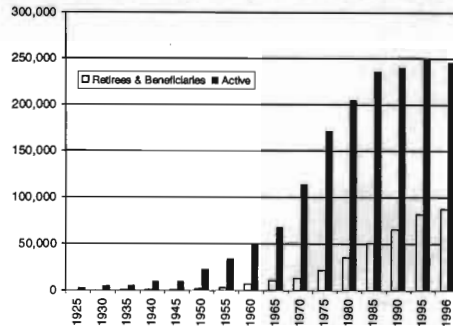
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

As of June 30, 1996, the active membership of the system totaled 246,212. There were 87,634 retirees and beneficiaries receiving annual pensions totaling \$723,017,310*.

Beneficiaries of deceased active and retired members received lump sum death benefits in the amount of \$77,102,949.

The system's assets totaled \$12,692,587,862 at the close of the fiscal year 1996.

*includes benefits paid under the provisions of the Pension Adjustment Act



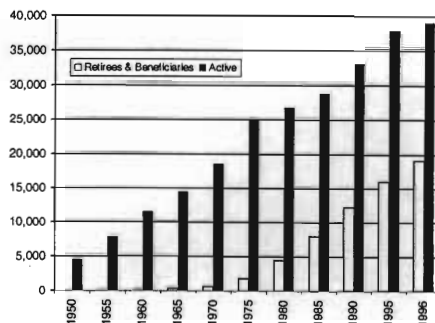
TEACHERS' PENSION AND ANNUITY FUND

As of June 30, 1996, the active membership of the system totaled 111,942. There were 43,476 retirees and beneficiaries receiving annual pensions totaling \$806,887,655*.

Beneficiaries of deceased active and retired members received lump sum death benefits in the amount of \$40,658,401.

The system's assets totaled \$15,198,146,957 at the close of the fiscal year 1996.

*includes benefits paid under the provisions of the Pension Adjustment Act



POLICE AND FIREMEN'S RETIREMENT SYSTEM

As of June 30, 1996, the active membership of the system totaled 39,044. There were 19,090 retirees and beneficiaries receiving annual pensions totaling \$487,442,506*.

Beneficiaries of deceased active and retired members received lump sum death benefits in the amount of \$17,784,921.

The system's assets totaled \$8,245,221,808 at the close of the fiscal year 1996.

*includes benefits paid under the provisions of the Pension Adjustment Act

MEMBERSHIP

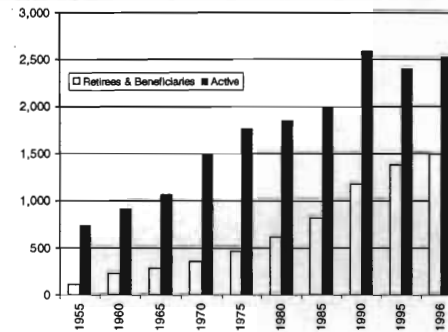
STATE POLICE RETIREMENT SYSTEM

As of June 30, 1996, the active membership of the system totaled 2,533. There were 1,495 retirees and beneficiaries receiving annual pensions totaling \$43,251,192*.

Beneficiaries of deceased active and retired members received lump sum death benefits in the amount of \$322,495.

The system's assets totaled \$855,787,564 at the close of the fiscal year 1996.

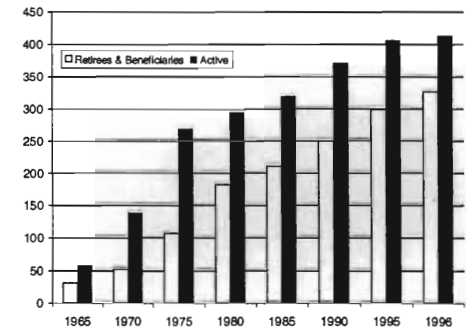
*includes benefits paid under the provisions of the Pension Adjustment Act



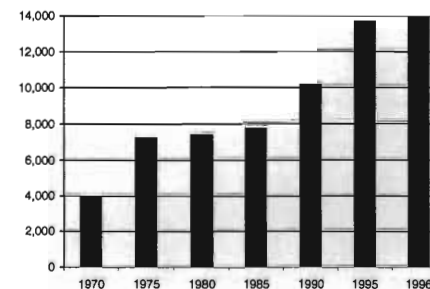
JUDICIAL RETIREMENT SYSTEM

As of June 30, 1996, the active membership of the system totaled 413. There were 327 retirees and beneficiaries receiving annual pensions totaling \$16,528,694.

The system's assets totaled \$146,698,268 at the close of the fiscal year 1996.



Active ABP Members



ALTERNATE BENEFIT PROGRAM

As of June 30, 1996, the State paid \$71,100,380 on behalf of 13,937 participants to the carriers underwriting this program.

Beneficiaries of deceased active and retired members received \$5,431,465 in lump sum death benefits.

MEMBERSHIP

PRISON OFFICERS' PENSION FUND

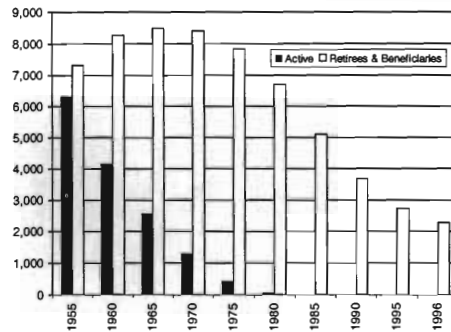
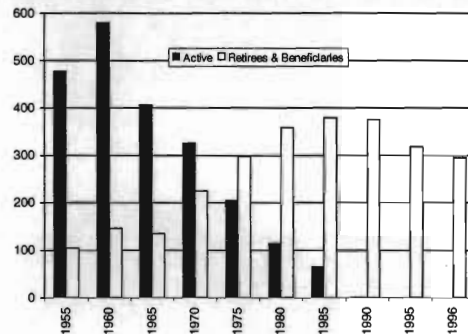
The activity shown to the right is consistent with a closed pension fund.

This fund was closed to new membership in January 1960.

As of June 30, 1996, the active membership of the fund totaled zero.

There were 295 retirees and beneficiaries receiving annual pensions totaling \$3,618,375.

The Fund's assets totaled \$1,616,785 at the close of the fiscal year 1996.



CONSOLIDATED POLICE AND FIREMEN'S PENSION FUND

The activity shown to the left is consistent with a closed pension fund.

As of June 30, 1996, the active membership of the fund totaled zero.

There were 2,280 retirees and beneficiaries receiving annual pensions totaling \$32,357,100.

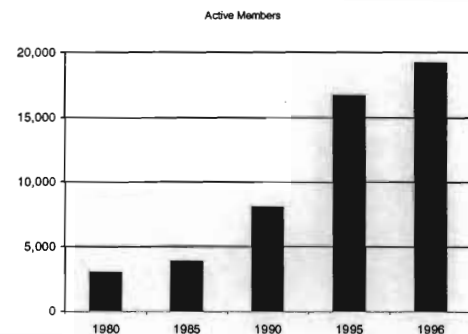
The fund's assets totaled \$35,999,878 at the close of the fiscal year 1996.

NJ STATE EMPLOYEES DEFERRED COMPENSATION PLAN

Fiscal year 1996 continues to show a marked increase in active participation due to membership campaigns conducted by the Division of Pensions and Benefits.

As of June 30, 1996, the membership of the New Jersey State Employees Deferred Compensation Plan totaled 19,249.

The plan's net assets (participant's balances) were \$439,481,785 at the close of the fiscal year 1996.



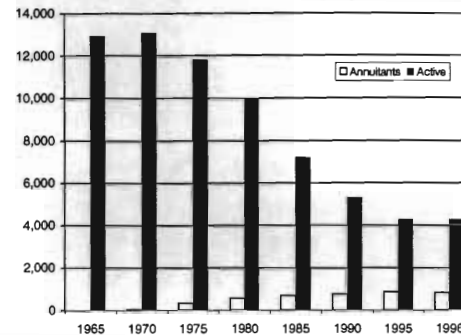
MEMBERSHIP

SUPPLEMENTAL ANNUITY COLLECTIVE TRUST

As of June 30, 1996, the active membership of the system totaled 4,280. The unit value was \$39.6184, an increase of \$6.3719 from the June 30, 1995 value of \$33.2465.

There were 829 annuitants.

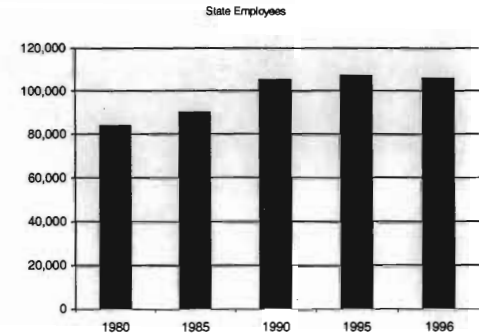
The Trust's assets totaled \$147,861,759 at the close of the fiscal year 1996.



UNEMPLOYMENT COMPENSATION AND TEMPORARY DISABILITY INSURANCE

As of June 30, 1996, the Unemployment Compensation Program for State employees covered as many as 106,214 persons and the Division remitted \$15,280,822 on behalf of the State. There were 5,293 requests for unemployment benefits filed and \$14,287,064 was paid to the employees found eligible.

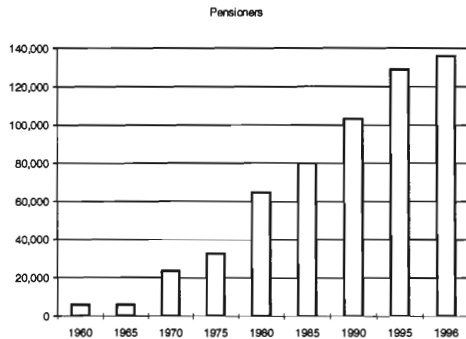
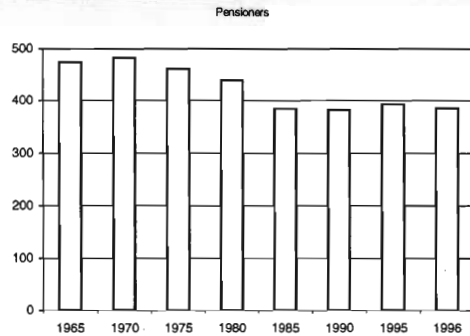
During the same period, the Temporary Disability Insurance Program covered 114,337 employees and the Division remitted \$18,364,954 on behalf of the State. Claims paid totaled \$18,274,943.



MEMBERSHIP

CENTRAL PENSION FUND

As of June 30, 1996, there were 386 beneficiaries receiving annual pensions totaling \$473,019.



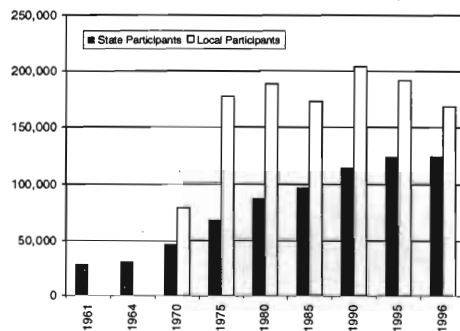
PENSION ADJUSTMENT PROGRAM

There were 135,838 pensioners who were paid \$318,568,713 during fiscal year 1996.

STATE HEALTH BENEFITS PROGRAM

As of June 30, 1996, there were 292,995 covered participants (active and retired) consisting of 124,683 State participants and 168,312 participants of 770 Local participating employers.

The State and state employee contributions were \$534,861,645 while payment made by local employers and employees was \$756,211,205.

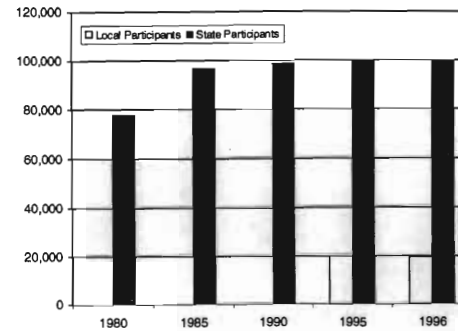


MEMBERSHIP

PRESCRIPTION DRUG PLAN

The Prescription Drug Plan covered as many as 99,579 State employees and 19,343 local employees during fiscal year 1996.

The State's contribution was \$62,895,743 while payment made by local employers was \$12,746,241.



STATE EMPLOYEE DENTAL PROGRAM

The State Employee Dental Program covered as many as 81,733 eligible State employees during fiscal year 1996. The State of New Jersey as the employer, expended \$17,946,796 on their behalf during that period.



Audited Financial Statements



TABLE OF CONTENTS

REPORT OF INDEPENDENT AUDITORS	35.
--------------------------------------	-----

AUDITED COMBINED FINANCIAL STATEMENTS

Component Unit Financial Statements

<i>Combined Balance Sheets</i>	36.
<i>Combined Statements of Revenues, Expenses and Changes in Fund Balance</i>	37.
<i>Notes to Component Unit Financial Statements</i>	38.

Other Financial Information

<i>Combining Balance Sheets</i>	46.
<i>Combining Statements of Revenues, Expenses and Changes in Fund Balance</i>	48.

Required Supplementary Information

<i>Analysis of Funding Progress</i>	50.
<i>Revenues by Source and Expenses by Type</i>	52.

AUDITED FINANCIAL STATEMENTS

Report of Independent Auditors

KPMG PEAT MARWICK
Princeton Pike Corporate Center
P.O. Box 7468
Princeton, NJ 08543

Office of Legislative Services
Office of the State Auditor
State of New Jersey:

We have audited the accompanying combined balance sheet of the State of New Jersey Pension Trust Funds as of June 30, 1996, and the related combined statement of revenues, expenses and changes in fund balances for the year then ended. These combined financial statements are the responsibility of the Funds' management. Our responsibility is to express an opinion on these combined financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of the State of New Jersey Pension Trust Funds at June 30, 1996, and the combined revenues, expenses and changes in fund balances for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the combined financial statements taken as a whole. The supplementary information included in the schedules of analysis of funding progress and revenues by source and expenses by type and the combining schedule - balance sheet and combining schedule - revenues, expenses and changes in fund balances is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information has been subjected to the auditing procedures applied in the audit of the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

August 30, 1996

/s/ KPMG Peat Marwick

AUDITED FINANCIAL STATEMENTS

Combined Balance Sheets

June 30, 1996

Assets

Cash	\$ 571,268
Investments (note 6)	2,455,721,550
Receivables - contribution:	
Members	148,312,830
Employers	561,883,419
Member loans	742,242,294
Accrued investment income	14,182,679
Due from other funds	33,396,674,301
Other assets	4,826,972

Total assets \$ 37,324,415,313

Liabilities and Fund Balances

Liabilities:

Benefits payable	177,785,921
Accounts payable and accrued expenses	29,770,683
Due to other funds	7,315,970

Total liabilities 214,872,574

Fund balances:

Members' annuity savings fund	8,736,614,527
Contingent reserve fund	8,270,544,711
Retirement reserve fund	19,627,797,706
Special reserve fund	333,710,087
Contributory group insurance premium fund	140,875,708

Total fund balances 37,109,542,739

Total liabilities and fund balances \$ 37,324,415,313

See accompanying notes to combined financial statements.

AUDITED FINANCIAL STATEMENTS

Combined Statements of Revenues, Expenditures and Changes in Fund Balance

Year ended June 30, 1996

Revenues:

Contributions:	
Members	\$ 849,150,033
Employers	752,664,362
Investment income	5,000,286,651
Transfer from Pension Adjustment Fund	19,241,598
Other	45,862
Total revenues	6,621,388,506

Expenses:

Benefit payments	2,126,476,484
Other	415,647,985

Total expenses 2,542,124,469

Excess of revenues over expenses 4,079,264,037

Fund balances, beginning of year 33,030,278,702

Fund balances, end of year \$ 37,109,542,739

See accompanying notes to combined financial statements.

AUDITED FINANCIAL STATEMENTS

Notes to Combined Financial Statements

(1) Summary of Significant Accounting Policies

The combined financial statements of the State of New Jersey Pension Trust Funds (the Funds) are included in the State of New Jersey's General Purpose Financial Statements. The combined financial statements of the Funds are prepared on the accrual basis of accounting and conform to generally accepted accounting principles used for pension trust funds.

Financial statement footnote disclosures are in accordance with Statements No. 3 and No. 5 of the Government Accounting Standards Board (GASB), "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements" and "Disclosure of Pension Information by Public Employee Retirement Systems and State and Local Governmental Employers," respectively.

Security valuation:

Bonds with fixed maturities are reported at cost, adjusted for amortization of premiums or accretion of discounts on the straight-line basis for securities which mature within one year and the effective interest rate method for long-term securities.

Due from other funds in the combined balance sheet is comprised of the Common Pension Funds and the State of New Jersey Cash Management Fund investments.

Investments in the Common Pension Funds, commingled funds in which the Funds are the sole participants, are valued at cost plus undistributed realized net gains.

State of New Jersey Cash Management Fund units are stated at a cost of \$1.00 per unit, which approximates quoted market value. Investment income is recognized when earned and is credited daily on the basis of units of ownership.

Mortgages are valued at the amount of unpaid principal balance of the loan, adjusted for amortization of premiums or accretion of discounts over the life of the loans.

Purchases and sales of investments are reflected on a trade date basis. Realized gains and losses on sales of investments are determined by the average cost basis and recognized as investment income when the sale occurs. Interest income on investments is recognized when earned and dividend income is recorded on the ex-dividend date.

Actuarial valuations:

The Public Employees' Retirement System and Teachers' Pension and Annuity Fund benefit obligations were determined as part of the most recent actuarial valuations dated March 31, 1995. The liabilities were determined as of March 31 and projected forward to June 30, allowing for increases in benefits and variations in the population during the three-month period.

The State of New Jersey contribution for the June 30, 1996 fiscal year, due July 1, 1995, was based on 1994 actuarial valuations, and the state-related employer contributions were accrued on June 30, 1996 based on the most recent 1995 actuarial valuations.

Administrative expenses:

The Funds are administered by the State of New Jersey Division of Pensions and Benefits. Legislation requires administrative expenses to be paid by the Funds and included in the normal cost of future employer contributions.

(2) Description of the Systems

Organization:

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all state and local government employees:

AUDITED FINANCIAL STATEMENTS

Notes to Combined Financial Statements

(2) Description of the Systems, cont.

Consolidated Police and Firemen's Pension Fund (CPFPPF)
Judicial Retirement System (JRS)
Police and Firemen's Retirement System (PFRS)
Prison Officers' Pension Fund (POPF)
Public Employees' Retirement System (PERS)
State Police Retirement System (SPRS)
Teachers' Pension and Annuity Fund (TPAF)

All retirement systems are single employer plans, except for CPFPPF, PFRS and PERS, which are considered to be cost-sharing multi-employer plans and their designated purpose is to provide retirement allowances and other benefits to members. Each retirement system has a Board of Trustees which is responsible for its organization and administration.

CPFPPF — established in January 1952 under the provisions of N.J.S.A. 43:16 to cover municipal police and firemen who were appointed prior to July 1, 1944. The fund is a closed system.

JRS — established in June 1973 under the provisions of N.J.S.A. 43:6A to cover all members of the state judiciary system.

PFRS — established in July 1944 under the provisions of N.J.S.A. 43:16A to cover substantially all full-time county and municipal police or firemen and state firemen appointed after June 30, 1944.

POPF — established in January 1941 under the provisions of N.J.S.A. 43:7 to cover various employees in the state penal institutions who were appointed prior to January 1, 1960. The Fund was closed to new employees as of January 1960. During fiscal 1990, legislation was passed allowing remaining members to transfer to PFRS.

PERS — established in January 1955 under the provisions of N.J.S.A. 43:15A to cover substantially all full-time employees of the state or any county, municipality, school district, or public agency provided the employee is not a member of another state-administered retirement system.

SPRS — established in July 1965 under the provisions of N.J.S.A. 53:5A to cover all uniformed officers and troopers in the Division of State Police in the State of New Jersey.

TPAF — established in January 1955 under the provisions of N.J.S.A. 18A:66 to cover substantially all full-time public school employees of the State of New Jersey.

Cumulative membership in the above retirement systems as included in the most recent actuarial valuation for each system or fund follows:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	154,580
Active members:	
Vested	207,896
Nonvested	225,435
Total active members	433,331

AUDITED FINANCIAL STATEMENTS

Notes to Combined Financial Statements

(2) Description of the Systems, cont.

In addition to the aforementioned retirement systems, the State of New Jersey established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of several state-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement systems. The state or local government employers do not appropriate funds to SACT.

The State of New Jersey also administers the Central Pension Fund (CPF) which is a noncontributory defined benefit plan for special groups which are not included in other state-administered systems. The State of New Jersey funds CPF on a "pay-as-you-go" basis. There are no active employees covered by CPF.

Loans receivable:

The SPRS, PFRS, PERS and TPAF provide for member loans up to 50% of each member's accumulated contributions. To obtain a loan, a member must have three years of contributions made to the member's annuity savings account. Repayment of loan balances is deducted from payroll checks and bears an annual interest rate of 4%. A lump sum payment, regular deductions from benefit payments and other methods are utilized to repay any outstanding loan balances upon retirement, termination, or death.

Pension adjustment program:

Pursuant to N.J.S.A. 43:3B, eligible retirees receiving monthly benefits are entitled to cost-of-living increases equal to 60% of the change in the average consumer price index for the calendar year in which the pensioner retired as compared to the average consumer price index for a 12-month period ending with each August 31st immediately preceding the year in which the adjustment becomes payable. The regular retirement allowance is multiplied by the 60% factor as developed and results in the dollar amount of the adjustment payable. Retired members become eligible for pension adjustment benefits after 24 months of retirement.

These cost-of-living adjustments (COLA) are funded on an actuarial reserve basis and paid from the retirement system, except in the CPF, CPFPF and POPF. The annual actuarial calculations of the required state and state-related employer contributions include the cost of providing COLA benefits to eligible participants. In the CPF, CPFPF and POPF, COLA benefits are payable from the State of New Jersey Pension Adjustment Fund which is funded on a "pay-as-you-go" basis by the State of New Jersey and state-related employers contributions. The State of New Jersey Pension Adjustment Fund and its related obligations are not included in these combined financial statements.

Vesting and benefit provisions:

The vesting and benefit provisions have been established by state statutes. The retirement systems provide retirement as well as death and disability benefits. The benefit provisions for TPAF and PERS also include post-retirement medical benefits. Benefits vest between eight and ten years of service credit except for post-retirement medical benefits which vest after 25 years of service credit. Retirement benefits for age and service credit are available beginning between the ages of 55 and 60 and are generally determined as a percentage of final or final average compensation (or average of the highest three years' compensation). Included in most of the retirement systems are provisions regarding early or deferred retirement for which benefits are adjusted to reflect the timing of retirement.

Members are always fully vested in their own contributions, and a portion of related interest for applicable retirement systems vests after three years of service credit.

Other:

According to state statutes, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

Information about the retirement systems, including additional vesting and benefit provisions, are published in pamphlet format. Copies of these pamphlets are available from the State of New Jersey Division of Pensions and Benefits.

AUDITED FINANCIAL STATEMENTS

Notes to Combined Financial Statements

(3) Pensions and Post-retirement Medical Benefit Obligations

The "pension and post-retirement medical benefit obligations" which follow are the actuarial present values of credited projected benefits. They are a standardized disclosure measure representing the present value of benefits adjusted for the effects of projected salary increases estimated to be payable in the future based on employee service credit to date. This measure is independent of the actuarial funding method used to determine employer contributions to the Funds discussed in note 4.

The above obligations for the combined funds, which include cost-of-living benefit provisions for all funds except CPF, CPFPF and POPF, were calculated based on actuarial assumptions of (a) an 8.75% discount rate compounded annually; (b) salary increases of 5.95% a year; (c) assets stated at a market-related value which recognized 20% of the realized and unrealized appreciation in value each year; (d) 2.4% increases in the cost-of-living benefit provisions; (e) mortality, vesting, retirement and withdrawal estimates based on tables supplied by the actuary; and (f) medical premium increases of 5.00% per year.

The benefits obligations for each applicable plan were determined as part of each plan's most recent actuarial valuation for the fiscal year ended June 30, 1996 and are cumulatively represented as follows:

	Pension benefit obligations	Post- retirement medical benefit obligations
Benefit obligations:		
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$ 19,887,693	1,578,830
Current employees:		
Accumulated employee contributions with interest	7,729,671	-
Employer financed - vested	16,743,110	1,870,620
Employer financed - nonvested	1,569,492	170,830
Total benefit obligations	45,929,966	3,620,280
Net assets available for benefits at market-related value	40,466,801	337,828
Unfunded benefit obligations	\$ 5,463,165	3,282,452

In the SPRS and JRS, the method for estimating future cost of living adjustments has been changed beginning with the July 1, 1995 actuarial valuation to reflect the Consumer Price Index used to determine the COLA increases at a compounding rate. The previous method based future COLA's on increases at a simple rate of 2.4%. As a result of this change in the calculation of projected cost of living adjustments, the unfunded pension benefit obligation in the SPRS and JRS increased by \$88,956,643 and \$9,646,899, respectively.

AUDITED FINANCIAL STATEMENTS

Notes to Combined Financial Statements

(3) Pensions and Post-retirement Medical Benefit Obligations, cont.

The actuarial assumptions used for valuing the PERS were modified as of March 31, 1994, to reflect the proposed actuarial assumptions developed from the three year experience investigation for the period ended March 31, 1993. The additional cost attributable to these revised assumptions is being phased in over a three year period from March 31, 1994 to March 31, 1996.

In PFRS, the method for estimating future cost-of-living adjustments has been changed to reflect the fact that the Consumer Price Index (CPI) used to determine the COLA increases at a compounding rate. The previous method based future COLA's on increases at a simple rate of 2.4%. As a result of this change, the system's unfunded pension benefit obligation increased by \$662,134,220.

Beginning with July 1, 1994 valuation, the actuarial assumptions used for valuing the SPRS and JRS have been updated to reflect the proposed assumptions from the triennial experience study covering the period July 1, 1990 through June 30, 1993. Due to these assumption changes, the actuarial accrued liability increased by \$35,154,510 and \$48,392,105 for SPRS and JRS, respectively, and state contributions increased by \$1,396,240 and \$4,792,740 for SPRS and JRS, respectively, as of July 1, 1994.

The mortality actuarial assumptions for retirees and beneficiaries of POPF and CPFPPF were modified as of the July 1, 1994 valuation to better reflect current and anticipated future experience. For CPFPPF, the probability of marriage for retirees without listed beneficiaries was also modified for this purpose. These assumption changes resulted in an increase in the actuarial accrued liability of \$2,841,440 and \$8,905,486 for POPF and CPFPPF, respectively, and an increase in the total state contribution for CPFPPF of \$2,274,701 as of July 1, 1994.

The unfunded accrued liability at June 30, 1996 approximated \$4.3 billion and is based upon the most recent actuarial valuations. The amortization period for the unfunded accrued liabilities is initially set at 40 years beginning July 1, 1992.

The actuarial methods and assumptions used to compute the system's actuarial accrued liability are the same as those used to compute the standardized measure of the pension benefit obligation except that, for funding purposes, the accrued liability excludes the value of the lump sum death benefits payable during active service. These benefits are funded on a pay-as-you-go term cost basis and are included in the normal cost of the plans.

(4) Contribution Policy

The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members, employers, and the State of New Jersey. The Funds provide for employee contributions based on percentages ranging from 4.96% to 9.91% of employees' annual compensation (as defined). Funding by State of New Jersey and state-related employers is based upon annual actuarially determined percentages of total compensation of all active members. The amount necessary to provide the retirement systems with assets sufficient to meet benefits is determined annually.

The State of New Jersey contribution for the June 30, 1996 fiscal year, due July 1, 1995, was based on 1994 actuarial valuations, and the state-related employer contributions were accrued on June 30, 1996 based on the most recent 1995 actuarial valuations. The State of New Jersey's annual contribution approximates the actuarially determined pension cost for the year. The Funds use various "projected benefit cost methods" which require employers to make normal cost contributions and accrued liability contributions to fund retirement benefits earned by members with credited past services.

Pension contributions recognized for the year ended June 30, 1996, totaled \$1,601,814,395 (\$752,664,362 from employers and \$849,150,033 from members). Actuarially determined employer contributions for 1996 based on the revised funding requirements were determined to be \$633,777,124. Corresponding contribution rates for the State of New Jersey and state-related (local government) employers ranged from 2.13% to 39.47% of active payroll.

AUDITED FINANCIAL STATEMENTS

Notes to Combined Financial Statements

(4) Contribution Policy, cont.

CPF is not actuarially funded. During the year, the State of New Jersey contributed \$450,186 to fund CPF. At June 30, 1996, the estimated present value of unfunded benefits approximated \$5,000,000.

The contributing employers as of the most recent actuarial report date for each respective plan, excluding SACT and CPF, follow:

State	1
County agencies	69
Municipalities	577
School district	586
Other public agencies	388
Total	1,621

Significant actuarial assumptions used to determine employer contribution requirements are the same as those used to compute the standardized measures of pension benefit obligations discussed in note 3.

(5) Description of Fund Balances

Members' Annuity Savings Fund:

The Members' Annuity Savings Fund (ASF) is credited with all contributions made by active members of the retirement systems. Interest is applied to JRS, PERS, and TPAF members' individual accounts at an annual rate established by the State Treasurer which was 8.75% for the year ended June 30, 1996. Interest is immediately credited to members' accounts and is available for distribution upon withdrawal. After three years of participation in PERS and TPAF, withdrawing members receive interest at an annual rate of 2% of their accumulative contributions with the remaining portion of interest forfeited.

Upon retirement of a member, the accumulative contributions plus interest, if applicable, are transferred to the Retirement Reserve Fund for subsequent payment of benefits.

Upon death or withdrawal from active service prior to qualifying for retirement, accumulated contributions plus applicable accumulative interest are paid from the Members' Annuity Savings Fund.

Contingent Reserve Fund:

The Contingent Reserve Fund is credited with the contributions from the State of New Jersey and local governmental employers. Additionally, realized investment earnings for each retirement system, after crediting the ASF and the Retirement Reserve Fund, are credited to this account.

Upon retirement of a member, the employer contributions necessary to produce the balance of the retirement reserve are transferred to the Retirement Reserve Fund for subsequent benefit payments.

Each year the amounts necessary to adjust for a deficit or surplus in the Retirement Reserve Fund, as determined by actuaries, are transferred from or to the Contingent Reserve Fund, including cost-of-living adjustments for TPAF, PERS, PFRS, JRS and SPRS retired members and health care benefits for TPAF and PERS retired members, as applicable. Payments for group insurance administered by The Prudential Insurance Company of America to provide noncontributory cash death benefits are also made from the Contingent Reserve Fund.

Retirement Reserve Fund:

The Retirement Reserve Fund is the account from which all retirement benefits are paid, including cost-of-living and

AUDITED FINANCIAL STATEMENTS

Notes to Combined Financial Statements

(5) Description of Fund Balances, cont.

health care benefit adjustments. Upon retirement of a member, accumulated contributions together with accumulative interest are transferred to the Retirement Reserve Fund from the ASF, and a reserve needed to fund the retirement benefit is transferred from the Contingent Reserve Fund. Annually, interest, as determined by the State Treasurer (8.75% for 1996), is credited to the Retirement Reserve Fund. Any surplus or deficit developing in the Retirement Reserve Fund shall be adjusted from time to time by transfers to or from the Contingent Reserve Fund upon the advice of actuaries.

Special Reserve Fund:

The Special Reserve Fund is the fund to which excess realized investment earnings are transferred. This fund is limited to 1% of the assets allocated to the specific retirement systems. Amounts in excess of 1% are transferred to the Contingent Reserve Fund.

Contributory Group Insurance Premium Fund:

The Contributory Group Insurance Premium Fund represents the accumulation of member contributions in excess of premiums disbursed to the insurance carrier since the inception of the contributory death benefit provision, plus the reserves held by the insurance carrier.

Members in the PERS and TPAF are required by statute to participate in the Contributory Group Insurance Premium Fund in their first year of membership and may cancel the contributory coverage thereafter. The current contribution rate for this coverage is .55 of 1% of salary for PERS and .40 of 1% of salary for TPAF.

(6) Investments and Due from Other Funds

Investments are carried at cost or amortized cost, except for supplemental annuity collective trust investments which are carried at market value.

The State of New Jersey Division of Investment, under the jurisdiction of the State Investment Council, has the investment responsibility for all funds administered by the State of New Jersey Division of Pensions and Benefits. All investments must conform to standards set by the state law.

The purchase, sale, receipt of income, and other transactions affecting investments are governed by custodial agreements between the Funds through the State Treasurer and custodian banks as agents for the Funds. State laws and policies set forth the requirements of such agreements and other particulars as to the size of the custodial institution, amount of the portfolio to be covered by the agreements and other pertinent matters.

GASB Statement No. 3 requires disclosures of the level of investment risk assumed by the retirement system. Category 1 includes investments that are insured or registered or for which the securities are held by the Funds or their agent in the Funds' name. As of June 30, 1996, all investments, including investments classified as due from other funds, held by the Funds are classified as Category 1.

Federal securities are maintained at Federal Reserve Banks in Philadelphia and New York through the custodian banks in trust for the Funds. A significant portion of corporate equity and debt securities are maintained by the Depository Trust Company (DTC) through the custodian banks in trust for the retirement systems. The custodian banks as agents for the Funds maintain internal accounting records identifying the securities maintained by the Federal Reserve Banks and the DTC as securities owned by the Funds.

Securities not maintained by the Federal Reserve Banks or DTC are in the name of a designated nominee representing the securities of the retirement systems, which establishes the Funds' unconditional rights to the securities.

AUDITED FINANCIAL STATEMENTS

Notes to Combined Financial Statements

(6) Investments and Due from Other Funds

The following presents a summary of investment securities as of June 30, 1996 and the approximate market values. Investments that represent 5% or more of the Funds' net assets are separately identified with an asterisk.

	Cost or amortized cost	Market value
	(in thousands)	
Bonds:		
U.S. and municipal government bonds and obligations	\$ 83,037	84,338
Telephone bonds	1,599	1,607
Gas and electric bonds	1,749	1,737
Mortgages	1,805,870	1,788,350
Common stocks	90,143	144,695
Other	418,772	431,421
	<u>2,401,170</u>	<u>2,452,148</u>
Investments included with due from other funds:		
Common Pension Fund A *	13,558,016	23,091,035
Common Pension Fund B *	11,074,476	11,294,780
Common Pension Fund D *	5,530,127	7,046,831
State of New Jersey Cash Management Fund *	<u>2,017,747</u>	<u>2,017,746</u>
	<u>32,180,366</u>	<u>43,450,392</u>
Total investments	\$ <u>34,581,536</u>	<u>45,902,540</u>

Based on a 1986 declaration of the Attorney General of the State of New Jersey, the Funds are qualified plans as described in Section 401(a) of the Internal Revenue Code. In the opinion of State of New Jersey Division of Pensions and Benefits, the Funds have operated within the terms of the Funds and remain qualified under the applicable provisions of the Internal Revenue Code.

(7) Income Tax Status

Based on a 1986 declaration of the Attorney General of the State of New Jersey, the funds are qualified plans as described in Section 401(a) of the Internal Revenue Code. In the opinion of the State of New Jersey Division of Pensions and Benefits, the Funds have operated within the terms of the Funds and remain qualified under the applicable provisions of the Internal Revenue Code.

AUDITED FINANCIAL STATEMENTS
Combining Balance Sheets

	Central Pension Fund	Consolidated Police and Firemen's Pension Fund	Judicial Retirement System	Police and Firemen's Retirement System
Assets:				
Cash	\$ 27,508	349,260	151,984	-
Investments, at cost	-	19,276,840	2,421,933	810,702,687
Receivables - contribution:				
Members	-	-	-	32,231,833
Employers	-	-	-	483,010,809
Member loans	-	-	36,479	267,749,141
Accrued investment income	35	288,718	16,326	4,069,170
Due from other funds	18,941	15,913,068	144,072,499	6,644,879,783
Other assets	-	171,992	(953)	2,578,385
Total assets	\$ 46,484	35,999,878	146,698,268	8,245,221,808
Liabilities:				
Benefits payable	43,907	2,942,884	1,398,152	40,979,879
Accounts payable and accrued expenses	-	213	181,278	2,336,719
Due to other funds	2,577	45,059	58,299	1,406,141
Total liabilities	46,484	2,988,156	1,637,729	44,722,739
Fund balances:				
Members' annuity savings fund	-	-	8,868,002	1,258,307,354
Contingent reserve fund	-	-	50,371,019	2,018,660,269
Retirement reserve fund	-	33,011,722	85,821,518	4,851,222,542
Special reserve fund	-	-	-	72,308,904
Contributory group insurance premium fund	-	-	-	-
Total fund balances	-	33,011,722	145,060,539	8,200,499,069
Total liabilities and fund balances	\$ 46,484	35,999,878	146,698,268	8,245,221,808

AUDITED FINANCIAL STATEMENTS
Combining Balance Sheets

Prison Officers' Pension Fund	Public Employees' Retirement System	State Police Retirement System	Supplemental Annuity Collective Trust	Teachers' Pension and Annuity Fund	Total
			4,919	-	571,268
37,597	-	-	144,694,918	825,403,075	2,455,721,550
-	637,460,421	15,761,676	-	-	0
-	49,092,453	2,317	416,551	66,569,676	148,312,830
-	64,968,538	-	-	13,904,072	561,883,419
-	276,028,235	17,367,370	-	181,061,069	742,242,294
297	4,194,164	89,166	208,476	5,316,327	14,182,679
1,578,891	11,658,962,989	822,406,011	2,984,843	14,105,857,276	33,396,674,301
-	1,881,062	161,024	-	35,462	4,826,972
1,616,785	12,692,587,862	855,787,564	148,309,707	15,198,146,957	37,324,415,313
317,527	60,420,757	3,663,349	-	68,019,466	177,785,921
-	14,636,458	36,580	442,947	12,136,488	29,770,683
4,990	3,036,851	154,191	5,001	2,602,861	7,315,970
322,517	78,094,066	3,854,120	447,948	82,758,815	214,872,574
-	3,739,518,910	86,440,540	147,861,759	3,495,617,962	8,736,614,527
-	2,218,618,839	471,132,304	-	3,511,762,280	8,270,544,711
1,294,268	6,458,993,150	294,360,600	-	7,903,093,906	19,627,797,706
-	118,029,773	-	-	143,371,410	333,710,087
-	79,333,124	-	-	61,542,584	140,875,708
1,294,268	12,614,493,796	851,933,444	147,861,759	15,115,388,142	37,109,542,739
1,616,785	12,692,587,862	855,787,564	148,309,707	15,198,146,957	37,324,415,313

AUDITED FINANCIAL STATEMENTS

Combining Statements of Revenues, Expenditures and Changes in Fund Balances

	Central Pension Fund	Consolidated Police and Firemen's Pension Fund	Judicial Retirement System	Police and Firemen's Retirement System
Revenues:				
Contributions:				
Members	\$ -	-	965,657	178,207,387
Employers	450,186	9,324,857	15,726,316	338,933,472
Interest and dividend income	-	2,097,881	24,190,412	998,719,216
Transfer from Pension Adjustment Fund	22,833	17,753,090	-	-
Other	-	958	-	-
Total revenues	473,019	29,176,786	40,882,385	1,515,860,075
Expenses:				
Benefit payments	473,019	32,356,142	16,528,693	487,442,506
Other	-	139,934	646,718	28,106,845
Total expenses	473,019	32,496,076	17,175,411	515,549,351
Excess (deficiency) of revenues over expenses	-	(3,319,290)	23,706,974	1,000,310,724
Fund balances, beginning of year	-	36,331,012	121,353,565	7,200,188,345
Fund balances, end of year	\$ -	33,011,722	145,060,539	8,200,499,069

AUDITED FINANCIAL STATEMENTS

Combining Statements of Revenues, Expenditures and Changes in Fund Balances

	Prison Officers' Pension Fund	Public Employees' Retirement System	State Police Retirement System	Supplemental Annuity Collective Trust	Teachers' Pension and Annuity Fund	Total
	-	367,184,462	10,540,032	5,950,325	286,302,170	849,150,033
	2,798,192	160,732,148	29,817,484	-	194,881,707	752,664,362
	128,100	1,732,810,971	121,753,706	28,887,104	2,091,699,261	5,000,286,651
	1,465,675	-	-	-	-	19,241,598
	-	32,204	401	2,717	9,582	45,862
	4,391,967	2,260,759,785	162,111,623	34,840,146	2,572,892,720	6,621,388,506
	3,618,375	722,985,106	43,251,192	12,943,378	806,878,073	2,126,476,484
	20,508	218,236,644	673,444	-	167,823,892	415,647,985
	3,638,883	941,221,750	43,924,636	12,943,378	974,701,965	2,542,124,469
	753,084	1,319,538,035	118,186,987	21,896,768	1,598,190,755	4,079,264,037
	541,184	11,294,955,761	733,746,457	125,964,991	13,517,197,387	33,030,278,702
	1,294,268	12,614,493,796	851,933,444	147,861,759	15,115,388,142	37,109,542,739

AUDITED FINANCIAL STATEMENTS

Analysis of Funding Progress

Information from the recent actuarial valuation for each plan fiscal year end.

Pension benefit obligations:

Plan fiscal year	Net assets available for benefits	Benefit obligations	Percentage funded (1)/(2)	Unfunded benefit obligations	Annual covered payroll	Unfunded benefit obligations as a percentage of covered payroll
1988	\$ 16,886	21,261	79.4 %	\$ 4,375	8,826	49.6 %
1989	19,222	26,494	72.6	7,272	9,667	75.2
1990	21,917	28,551	76.8	6,634	10,615	62.5
1991	28,076	30,154	93.1	2,078	11,541	18.0
1992	30,870	32,944	93.7	2,074	12,506	16.6
1993	33,154	33,975	97.6	821	13,126	6.3
1994	35,603	38,271	93.0	2,668	13,780	19.4
1995	37,669	42,368	88.9	4,699	14,539	32.3
1996	40,467	45,930	88.1	5,463	15,185	36.0

Post-retirement medical premiums obligations:

Plan fiscal year	Net assets available for benefits	Benefit obligation	Percentage funded	Unfunded benefit obligation
1988	\$ -	2,306	- %	\$ 2,306
1989	-	2,908	-	2,908
1990	54	4,467	1.2	4,413
1991	49	3,707	1.3	3,658
1992	88	4,416	2.0	4,328
1993	163	2,613	6.2	2,450
1994	357	3,070	11.6	2,713
1995	278	3,314	8.4	3,036
1996	338	3,620	9.3	3,282

AUDITED FINANCIAL STATEMENTS

Analysis of Funding Progress

Analysis of the dollar amounts of net assets available for benefits, benefit obligations, and unfunded benefit obligations in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the benefit obligations provides one indication of the Funds' funding status on a going-concern basis. Analysis of this percentage over time indicates whether the Funds are becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Funds. Trends in unfunded benefit obligations and annual covered payroll are both affected by inflation. Expressing the unfunded benefit obligations as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the Funds' progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the Fund.

To obtain the above historical trend information on an individual fund, refer to the separately issued audited financial statements for each respective fund.

Required supplemental information for the one year prior to the year ended June 30, 1988 is unavailable.

Pension benefit obligations include cost-of-living adjustments for TPAF in 1988 and PERS and PFRS in 1989. Funding of post-retirement medical premiums became effective for TPAF and PERS in 1988 and 1989, respectively.

Beginning in the plan year 1991 (1990 for PERS), the pension benefit obligations reflect the impact of the pension revaluation.

Net assets available for benefits are the amounts used by the actuary and comprise of market related values rather than the Plan's actual net assets (fund balance) as shown in the Plan's balance sheet.

The unfunded benefit obligation in 1993 reflects changes as a result of legislation enacted in 1994.

Annual covered payroll is an estimate based upon annualizing one quarter's actual payroll.

AUDITED FINANCIAL STATEMENTS

Revenues by Source and Expenses by Type

Revenues by Source

Plan fiscal year	Employee contri- butions (1)	State/ local (3)	Percentage of annual covered compensation	Investment and other revenues	Total
1987	\$ 439,025,901	835,986,956	10.31 %	\$1,912,733,090	3,187,745,947
1988	471,761,881	908,442,901	10.29	1,812,862,237	3,193,067,019
1989	507,580,154	1,069,654,281	11.77	1,856,915,237	3,434,149,672
1990	557,493,658	1,201,787,790	11.31	1,890,101,903	3,649,383,351
1991	614,979,741	1,314,890,959	11.39	1,916,783,658	3,846,654,358
1992	677,951,555	521,895,733	4.21	2,045,628,523	3,245,475,811
1993	683,979,892	864,113,497	6.62	2,200,653,330	3,748,746,719
1994	771,453,594	273,651,376	3.97	2,883,300,053	3,928,405,023
1995	702,405,378	545,249,724	8.50	3,304,131,167	4,551,786,269
1996	791,121,505	752,664,362	4.96	5,019,574,111	6,563,359,978

Expenses by Type

Plan fiscal year	Retirement	Benefits Other (2)	Withdrawals and administrative expenses	Transfers to other retirement systems	Total
1987	633,436,064	236,851,730	68,550,855	35,758,781	974,597,430
1988	715,479,499	286,309,678	69,393,443	18,111,324	1,089,293,944
1989	790,054,243	268,625,133	112,980,412	11,410,384	1,183,070,172
1990	865,437,219	476,150,548	83,348,580	20,290,067	1,445,226,414
1991	959,419,746	378,273,552	81,237,833	24,499,129	1,443,430,260
1992	1,112,626,035	402,582,294	213,058,320	21,541,029	1,749,807,678
1993	1,284,002,192	494,983,476	77,602,295	35,372,467	1,891,960,430
1994	1,432,203,735	534,615,379	88,619,614	77,290,579	2,132,729,307
1995	1,668,085,436	496,875,129	90,603,878	9,754,800	2,265,319,243
1996	1,827,126,532	571,791,297	112,905,378	30,301,262	2,542,124,469

The revenues by source and expenses by type above are not intended to be all-inclusive. Accordingly, revenues and expenses from the Supplemental Annuity Collective Trust and the Central Pension Fund are not included.

To obtain the above historical trend information on an individual plan, refer to the separately issued audited component unit financial statements for each respective plan, except for the Supplemental Annuity Collective Trust and Central Pension Fund where historical trend information is not required.

(1) Excludes contributions for contributory group insurance in PERS and TPAF of \$58,028,528.

(2) Amounts include cost-of-living benefits and post-retirement medical premiums for TPAF and PERS, effective 1988 and 1990, respectively, and cost of living benefits for PFRS in 1990.

(3) The 1992 state/local contributions reflect the net amount, after the refund, resulting from the pension revaluation.

Report of Supplementary Programs



TABLE OF CONTENTS

REPORT OF THE DIVISION OF PENSIONS AND BENEFITS	57.
<i>Combined Balance Sheets</i>	
<i>All Fund Types and Account Groups</i>	58.
<i>Combined Statement of Revenues, Expenditures and Changes in Fund Balances</i>	59.
<i>Combined Balance Sheet</i>	
<i>All Fund Types and Account Groups Agency Funds</i>	60.
<i>Combining Statement of Changes in Assets and Liabilities Agency Funds</i>	61.
<i>Notes</i>	62.

REPORT OF SUPPLEMENTARY PROGRAMS

NEW JERSEY DIVISION OF PENSIONS AND BENEFITS

CN 295

Trenton, New Jersey 08625-0295

REPORT OF SUPPLEMENTARY PROGRAMS

The following information concerning the supplementary programs was prepared by the New Jersey Division of Pensions and Benefits. These programs are a component of the State of New Jersey's Trust Fund and Agency Fund type which is audited annually by the Office of Legislative Services, Office of the State Auditors.

The State Auditor's report on the State of New Jersey financial statements which included the above fund type was published in the State Comprehensive Annual Financial Report June 30, 1996.

AUDITED FINANCIAL STATEMENTS

Combined Balance Sheets, All Fund Types and Account Groups

Year Ended June 30, 1996

	Pension Adjustment Fund	Deferred Compensation Plan	Alternate Benefit Fund
ASSETS			
Cash and Cash Equivalents	\$ 95,077	62,014	0
Investments	0	319,564,659	0
Receivables net of allowances for uncollectibles:			
Other	5,752,385	2,647,780	19,249
Other Assets:			
Due from other funds	1,892,055	119,229,966	17,346,175
TOTAL ASSETS	<u>7,739,517</u>	<u>441,504,419</u>	<u>17,365,424</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable and accrued expenses	0	1,860,940	15,609,329
Deferred revenue	0	0	0
Due to other funds	3,627,023	0	1,756,095
Other	4,112,494	161,694	0
Deferred Compensation Payable	0	439,481,785	0
TOTAL LIABILITIES	<u>7,739,517</u>	<u>441,504,419</u>	<u>17,365,424</u>
FUND BALANCES			
Unreserved:			
Undesignated	0	0	0
TOTAL FUND BALANCES	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 7,739,517</u>	<u>441,504,419</u>	<u>17,365,424</u>

AUDITED FINANCIAL STATEMENTS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 1996

	Health Benefits Program Fund	Dental Expense Program Fund	Prescription Drug Program Fund	Alternate Benefit Long-Term Disability Fund
REVENUES				
Contributions	\$ 805,354,375	17,900,477	13,326,756	0
Investment Earnings	21,942,289	799,755	1,333,283	94,286
Other	13,967,751	0	0	0
Total Revenues	<u>841,264,415</u>	<u>18,700,232</u>	<u>14,660,039</u>	<u>94,286</u>
OTHER INCREASES				
Transfers from other funds	485,628,568	17,946,796	62,895,743	0
Other	0	0	0	0
Total Other Increases	<u>485,628,568</u>	<u>17,946,796</u>	<u>62,895,743</u>	<u>0</u>
TOTAL REVENUES AND OTHER INCREASES	<u>1,326,892,983</u>	<u>36,647,028</u>	<u>77,555,782</u>	<u>94,286</u>
EXPENDITURES				
Government direction, management and control	1,251,210,304	39,748,463	85,129,041	0
Total Expenditures	<u>1,251,210,304</u>	<u>39,748,463</u>	<u>85,129,041</u>	<u>0</u>
OTHER DECREASES				
Transfers to other funds	0	0	0	0
Other	0	0	0	503,400
Total Other Decreases	<u>0</u>	<u>0</u>	<u>0</u>	<u>503,400</u>
TOTAL EXPENDITURES AND OTHER DECREASES	<u>1,251,210,304</u>	<u>39,748,463</u>	<u>85,129,041</u>	<u>503,400</u>
Net Increases (Decreases) in Fund Balances for the Year	75,682,679	(3,101,435)	(7,573,259)	409,114
FUND BALANCES - JULY 1, 1995	<u>139,629,736</u>	<u>15,649,004</u>	<u>22,166,589</u>	<u>1,286,215</u>
FUND BALANCES - JUNE 30, 1996	<u>215,312,415</u>	<u>12,547,569</u>	<u>14,593,330</u>	<u>877,101</u>

AUDITED FINANCIAL STATEMENTS

Combined Balance Sheets, All Fund Types and Account Groups

Year Ended June 30, 1996

	Health Benefits Program Fund	Dental Expense Program Fund	Prescription Drug Program Fund	Alternate Benefit Long-Term Disability Fund
ASSETS				
Cash and Cash Equivalents	\$ 0	2,659,222	0	0
Investments	39,670,863	0	0	0
Receivables:				
Other	40,838,936	0	609,283	0
Other Assets:				
Due from other funds	420,201,664	14,657,488	21,220,910	877,101
TOTAL ASSETS	<u>500,711,463</u>	<u>17,316,710</u>	<u>21,830,193</u>	<u>877,101</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued expenses	266,766,592	4,367,389	7,236,863	0
Deferred revenue	16,967,414	401,752	0	0
Due to other funds	1,665,042	0	0	0
Other	0	0	0	0
TOTAL LIABILITIES	<u>285,399,048</u>	<u>4,769,141</u>	<u>7,236,863</u>	<u>0</u>
FUND BALANCES				
Reserved for:				
Pension Benefits	0	0	0	0
Unreserved:				
Undesignated	215,312,415	12,547,569	14,593,330	877,101
TOTAL FUND BALANCES	<u>215,312,415</u>	<u>12,547,569</u>	<u>14,593,330</u>	<u>877,101</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>500,711,463</u>	<u>17,316,710</u>	<u>21,830,193</u>	<u>877,101</u>

AUDITED FINANCIAL STATEMENTS

Combining Statement of Changes in Assets and Liabilities

Year Ended June 30, 1996

	Balance July 1, 1995	Additions	Deductions	Balance June 30, 1996
ALTERNATE BENEFIT PROGRAM FUND				
ASSETS				
Cash	\$ 0	9,253,965	9,253,965	0
Receivables - Other	10,766	19,249	10,766	19,249
Due from other funds	16,269,439	97,010,875	95,934,129	17,346,175
TOTAL ASSETS	<u>16,280,205</u>	<u>106,284,089</u>	<u>105,198,870</u>	<u>17,365,424</u>
LIABILITIES				
Accounts Payable	16,280,205	15,033,279	15,704,155	15,609,329
Due to other funds	0	1,756,095	0	1,756,095
TOTAL LIABILITIES	<u>16,280,205</u>	<u>16,789,374</u>	<u>15,704,155</u>	<u>17,365,424</u>
NEW JERSEY STATE EMPLOYEES DEFERRED COMPENSATION PLAN				
ASSETS				
Cash	\$ 3,203	107,330,552	107,271,741	62,014
Investments	222,781,620	748,304,437	651,521,398	319,564,659
Receivables - Other	1,704,810	14,030,671	13,087,701	2,647,780
Due from other funds	125,917,512	151,126,608	157,814,154	119,229,966
TOTAL ASSETS	<u>350,407,145</u>	<u>1,020,792,268</u>	<u>929,694,994</u>	<u>441,504,419</u>
LIABILITIES				
Accounts Payable	1,971,082	36,813,053	36,923,195	1,860,940
Other	229,466	0	67,772	161,694
Deferred Compensation Payable	348,206,597	110,881,452	19,606,264	439,481,785
TOTAL LIABILITIES	<u>350,407,145</u>	<u>147,694,505</u>	<u>56,597,231</u>	<u>441,504,419</u>
PENSION ADJUSTMENT FUND				
ASSETS				
Cash	\$ 52,417	21,629,448	21,586,788	95,077
Receivables - Other	6,055,847	24,832,889	25,136,351	5,752,385
Due from other funds	2,025,100	21,667,660	31,800,705	1,892,055
TOTAL ASSETS	<u>8,133,364</u>	<u>68,129,997</u>	<u>68,523,844</u>	<u>7,739,517</u>
LIABILITIES				
Due to other funds	3,883,919	38,455,803	38,712,699	3,627,023
Other	4,249,445	0	136,951	4,112,494
TOTAL LIABILITIES	<u>8,133,364</u>	<u>38,455,803</u>	<u>38,849,650</u>	<u>7,739,517</u>

REPORT OF SUPPLEMENTARY PROGRAMS

Notes

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) FUND ACCOUNTING

The Governmental Accounting Standards Board (GASB) in its Statement 1 entitled Authoritative Status of NCGA Pronouncements and AICPA Industry Audit Guide continued in force the National Council on Governmental Accounting's (NCGA) Statement 1. NCGA Statement 1 defines a fund as a fiscal and accounting entity with a self-balancing set of accounts recording case and other financial resources together with all related liabilities and residual equities for balances, and changes, therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. These statements reflect financial reporting practices in accordance with the above.

Basis of Preparation

The financial statements have been prepared from accounts and records maintained by the Division of Pensions and Benefits. The accompanying statements include the following funds:

- Health Benefits Program Fund
- Dental Expense Program Fund
- Prescription Drug Program Fund
- Alternate Benefit Program Fund
- Alternate Benefit Long Term Disability Fund
- Pension Adjustment Fund
- N.J. State Employees' Deferred Compensation Fund

The Health Benefits Program Fund, Dental Expense Program Fund, Prescription Drug Program Fund, and Alternate Benefit Long Term Disability Fund are classified as expendable trust funds. Trust funds are used to account for transactions related to assets, liabilities, and fund equity held in a trustee capacity by the state.

The Alternate Benefit Program Fund, Pension Adjustment Fund and New Jersey State Employees' Deferred Compensation Plan are classified as agency funds. Agency funds function primarily as clearing mechanisms for cash or other resources which are received or collected by the State and usually held for a brief period and then disbursed for authorized purposes. They are custodial in nature and do not involve measurement of results of operations.

Description of Funds

The Health Benefits Program Fund was established by N.J.S.A. 52:14.25 et seq. This fund provides employer paid basic health services.

The Dental Expense Program Fund was established effective February 1, 1978 as authorized by N.J.S.A. 52:14-17.29. Eligible members contribute premiums calculated to meet half the cost of the plan.

The Prescription Drug Program Fund was established effective December 1, 1974 as authorized by N.J.S.A. 52:14-17.29. This fund provides employer paid coverage for drugs prescribed by a physician.

The Alternate Benefit Program Fund was established by N.J.S.A. 18A:66-167 et seq. to permit full-time

REPORT OF SUPPLEMENTARY PROGRAMS

Notes

faculty members of public institutions of higher education to transfer their interests in the State pension plans to this program.

The Alternate Benefit Long Term Disability Fund was established October 1, 1986. It is an employer funded, expendable trust fund for long term disability. Benefits will be paid to those members of the Alternate Benefit Program Fund who have been disabled for two years or more since October 1, 1986.

The Pension Adjustment Fund was established by N.J.S.A. 43:3B. The Fund provides cost-of-living increases in retirement allowances to certain retired public employees and beneficiaries of retired members of state-administered retirement systems.

The New Jersey State Employees' Deferred Compensation Plan was established by Chapter 39, P.L. 1978 which became effective June 19, 1978 and is available to any state employee who is a member of a state-administered pension system or an employee of an eligible state agency or authority providing the employee has at least 12 continuous months of service.

(B) BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made regardless of the measurement focus applied.

The expendable trust funds and agency funds are accounted for using the modified accrual basis of accounting. Under this basis, revenues are recognized in the accounting period in which they become susceptible to accrual - that is, then they become both measurable and available to finance expenditures of the fiscal period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Those revenues which are considered to be susceptible to accrual include amounts that were earned as of June 30, 1996 and substantially remitted within the three month period subsequent to June 30.

(C) ACTUARIAL ASSUMPTIONS

Actuarial assumptions regarding Accounts Payable for the Health Benefits Program Fund, Dental Expense Program Fund and Prescription Drug Program Fund entail that an average factor is developed for claims incurred but not paid in a fiscal year. The factors and the claims paid are then multiplied in order to arrive at the payable amount for the various funds.

NOTE 2 - INVESTMENTS

Investment securities in the Health Benefits Program Fund as of June 30, 1994 as follows:

	<u>Book Value</u>	<u>Market Value</u>
U.S. Treasury Notes	\$ 39,670,863	\$ 39,869,450
State of New Jersey Cash Management Fund	382,638,908	382,638,908

For a detailed description of the investment portfolio of the New Jersey State Employees' Deferred compensation Plan, please refer to the Plan's Audited Financial Statements and Other Financial Information, which is available from the State of New Jersey Division of Pensions and Benefits.

REPORT OF SUPPLEMENTARY PROGRAMS

Notes

NOTE 3 - DUE FROM OTHER FUNDS

This is mainly comprised of from Cash Management Fund and Due from the General Fund. Any difference is due from the various pension funds (\$3,767).

Cash Management Fund

Most funds of the State participate in the State of New Jersey Cash Management Fund wherein amounts also contributed by other units of government are combined into a large scale investment program. At June 30, 1996 the book value (\$554,497,258) approximated market value.

Due from General Fund

The Dental Expense Program Fund, Health Benefits Program Fund and Prescription Drug Program Fund includes the employer's and employees' share of insurance premiums applicable to Fiscal Year 96, but not received until the succeeding fiscal year (\$51,285,209).

The Alternate Benefit Program Fund represents employee payroll contributions withheld and not remitted until July, 1996 (\$5,363) and Employer Contributions of \$200,000.

In the Pension Adjustment Fund, this amount includes payments owed by the various pension trust plans (\$28,039).

NOTE 4 - RECEIVABLE - OTHER

This is comprised of employee and employer contributions receivable and receivable from insurance carriers.

Members of the Alternate Benefit Program Fund contribute a minimum of 5% of their gross salary.

Members of the Dental Expense Program Fund contribute a premium established by the State Health Benefits Commission. Costs of this plan are shared equally by employers and employees.

For the Health Benefits Program Fund, those covered by HMO's contribute a premium based on the difference between traditional rates and HMO rates established by the Commission.

Employees' contributions receivable includes amounts withheld by employers at June 30, 1996 which were substantially remitted within the three month period subsequent to June 30.

Employers' contributions receivable includes premiums due from local employers at June 30 for Health Maintenance, Traditional and NJ Plus organization program which were substantially collected during the succeeding three months. Receivable from insurance carriers are advance deposits with insurance carriers.

For the Pension Adjustment Fund, local employer contributions are required to provide the cost-of-living benefits. Under this program, payments from the local employers are remitted annually.

NOTE 5 - ACCOUNTS PAYABLE

The Health Benefits Program Fund, Dental Expense Program Fund and Prescription Drug Program Fund are self-insured programs administered through insurance carriers. Claims paid by the insurance carriers are reimbursed from the Fund. The accounts payable represents claims that were incurred as of June 30 and paid during the succeeding fiscal year.

REPORT OF SUPPLEMENTARY PROGRAMS

Notes

The Alternate Benefit Program Fund is a defined contribution plan for full-time officers and full-time members of the faculty at the University of Medicine and Dentistry; Rutgers, the State University; The New Jersey Institute of Technology; the Robert Wood Johnson Medical School; the Department of Higher Education; and for the State and county colleges. The State makes the employer contribution for such benefit programs appropriate to participants in the alternate benefit plans at these institutions. For employees who are paid by the State Centralized Payroll Unit, the Division transmits the employee contributions and a report to various carriers as provided for in Chapter 92, P.L. 1995. All other employee contributions are remitted by the participating colleges directly to the approved carriers. This payable includes the June 1996 employee contributions for those members who are paid by the State Centralized Payroll Unit and the June 1996 employer contributions due to the various institutions. This liability was satisfied within 60 days subsequent to June 30, 1996.

A participant of the New Jersey State Employees' Deferred Compensation Plan or beneficiary may receive a distribution of assets upon the participant's retirement, termination of service, disability, death, or in the case of an "unforeseen emergency" as defined by Federal regulations. This payable represents participant distributions incurred as of June 30 and paid during the succeeding fiscal year.

NOTE 6 - DEFERRED REVENUE

Represents Health Benefits Program Fund premiums received in June 1996 but for July 1996 coverage.

NOTE 7 - DUE TO OTHER FUNDS

Funds owed to the State General Fund are:

Health Benefits	\$	313,393
Pension Adjustment		579,461
Alternate Benefit Program		1,597,395

The Pension Adjustment Fund also owes the fund various pension funds (\$3,047,562).

NOTE 8 - FUND BALANCE

The fund balance of the Health Benefits Program Fund, Dental Expense Program Fund and Prescription Drug Program Fund are available to pay claims of future periods. These reserves are maintained by the Fund to stabilize rates and assure the ability to meet unexpected increase in claims.

NOTE 9 - POST-RETIREMENT MEDICAL BENEFITS

Chapter 136, P.L. 1977 provides for the state to pay health benefits coverage of retired state employees regardless of retirement date whose pensions are based upon 25 years or more of credited service (except those who elect a deferred retirement) or a disability retirement regardless of years of service. Excluded from these benefits are retirees from the Public Employees' Retirement System and the Teachers' Pension and Annuity Fund which finance the cost of providing the same health benefits coverage to the retirees.

These benefits are funded by the State on a "pay as you go" basis. For FY 1996, the state contributed \$11,829,413 for 2,864 eligible retired members.

REPORT OF SUPPLEMENTARY PROGRAMS

Notes

JRS	372,500	120
SPRS	4,672,330	980
Other	6,784,583	1,764
Total	11,829,413	2,864

The State is also responsible for the cost attributable to Chapter 126, P.L. 1992 which provides free health benefits to members of PERS, TPAF and ABP who retired from a board of education or county college with 25 years of service. In fiscal year 1996, the State paid \$11,446,932 toward Chapter 126 benefits for 3,391 retired members.

Participating Employers



PARTICIPATING EMPLOYERS

ABERDEEN TOWNSHIP	BASS RIVER TOWNSHIP	BEVERLY SEWERAGE AUTH
ABERDEEN TWP FIRE DIST 1 (*)	BASS RIVER TWP BD OF ED (*)	BLACK HORSE PIKE REG SCH (*)
ABERDEEN TWP FIRE DIST 2	BAY HEAD BD OF ED	BLAIRSTOWN TOWNSHIP (*)
ABERDEEN TWP MUN UTIL AUTH	BAY HEAD BORO (*)	BLAIRSTOWN TWP BD OF ED
ABSECON CITY (*)	BAYONNE BD OF ED	BLOOMFIELD TOWNSHIP
ABSECON BD OF ED (*)	BAYONNE CITY (*)	BLOOMFIELD TWP BD OF ED
ALEXANDRIA TOWNSHIP	BAYONNE PARKING AUTH (*)	BLOOMINGDALE BORO
ALEXANDRIA TWP BD OF ED (*)	BAYONNE HOUSING AUTH (*)	BLOOMINGDALE BORO BD OF ED
ALLAMUCHY BD OF ED	BAYSHORE REG SEW AUTH (*)	BLOOMSBURY BORO
ALLAMUCHY TOWNSHIP (*)	BEACH HAVEN BORO (*)	BLOOMSBURY BORO BD OF ED
ALLENDALE BORO (*)	BEACH HAVEN BORO BD OF ED (*)	BOGOTA BORO
ALLENDALE BORO BD OF ED	BEACH HAVEN SEW AUTH (*)	BOGOTA BORO BD OF ED (*)
ALLENHURST BD OF ED (*)	BEACHWOOD BORO (*)	BOONTON HOUSING AUTH (*)
ALLENHURST BORO	BEACHWOOD SEW AUTH (*)	BOONTON TOWN (*)
ALLOWAY TOWNSHIP	BEDMIN & FAR HILLS PUB LIB (*)	BOONTON TOWN BD OF ED (*)
ALLOWAY TWP BD OF ED	BEDMINSTER TOWNSHIP (*)	BOONTON TOWNSHIP (*)
ALPHA BD OF ED	BEDMINSTER TWP BD OF ED (*)	BOONTON TWP BD OF ED
ALPHA BORO	BELLEVILLE BD OF ED (*)	BORDENTOWN CITY (*)
ALPINE BORO	BELLEVILLE TOWNSHIP	BORDENTOWN FIRE DIST 1 (*)
ALPINE BORO BD OF ED	BELLMAWR BORO	BORDENTOWN REG SCH DIST (*)
ANDOVER BORO	BELLMAWR BORO BD OF ED	BORDENTOWN SEWERAGE (*)
ANDOVER REG BD OF ED (*)	BELMAR BORO	BORDENTOWN TOWNSHIP
ANDOVER TOWNSHIP (*)	BELMAR BORO BD OF ED	BORDENTOWN TWP FIRE #2 (*)
ASBURY PARK CITY	BELMAR HOUSING AUTH	BOUND BROOK BORO (*)
ASBURY PARK BD OF ED	BELVIDERE TOWN	BOUND BROOK BORO BD OF ED (*)
ASBURY PARK HOUSING AUTH (*)	BELVIDERE TOWN BD OF ED	BRADLEY BEACH BD OF ED
ATL HIGHLANDS-HIGHLANDS REG	BERGEN CO AUDIO-VIS COMM	BRADLEY BEACH BORO (*)
ATLANTIC CITY	BERGEN CO BD OF SOC SERV (*)	BRANCHBURG TOWNSHIP
ATLANTIC CITY BD OF ED	BERGEN CO BD OF SPEC SERV (*)	BRANCHBURG TWP BD OF ED
ATLANTIC CITY CONVEN CTR (*)	BERGEN CO HOUSING AUTH	BRANCHVILLE BD OF ED
ATLANTIC CITY HOUSING (*)	BERGEN CO SOIL CONSERV (*)	BRANCHVILLE BORO (*)
ATLANTIC CITY MUN UTIL AUTH (*)	BERGEN CO UTIL AUTH (*)	BRICK TOWNSHIP (*)
ATLANTIC CO AUDIO VIS COM	BERGEN CO VOC SCHOOL (*)	BRICK TWP BD OF ED
ATLANTIC CO COMM COLLEGE (*)	BERGEN COMM COLLEGE	BRICK TWP HOUSING AUTH (*)
ATLANTIC CO IMPRVMENT AUTH	BERGEN COUNTY	BRICK TWP JNT BD OF FIRE (*)
ATLANTIC CO SPEC SERV (*)	BERGENFIELD BD OF ED	BRICK TWP MUN UTIL AUTH (*)
ATLANTIC CO TRANS AUTH	BERGENFIELD BORO (*)	BRIDGETON CITY (*)
ATLANTIC CO UTIL AUTH	BERKELEY HEIGHTS TWP	BRIDGETON BD OF ED (*)
ATLANTIC CO VOC SCH (*)	BERKELEY HGHTS BD OF ED	BRIDGETON CITY HOUSING (*)
ATLANTIC CO WELFARE BD	BERKELEY TOWNSHIP (*)	BRIDGEWATER TOWNSHIP
ATLANTIC COUNTY	BERKELEY TWP BD OF ED	BRIDGEWATER-RARITAN REG
ATLANTIC HGLHND BD OF ED (*)	BERKELEY TWP HOUSING (*)	BRIELLE BORO
ATLANTIC HIGHLANDS (*)	BERKELEY TWP MUN UTIL (*)	BRIELLE BORO BD OF ED
AUDUBON BORO (*)	BERKELEY TWP SEWERAGE (*)	BRIGANTINE CITY
AUDUBON BORO BD OF ED	BERLIN BORO (*)	BRIGANTINE CITY BD OF ED (*)
AUDUBON PARK BD OF ED	BERLIN BORO BD OF ED	BROOKDALE COMM COLLEGE (*)
AUDUBON PARK BORO	BERLIN TOWNSHIP (*)	BROOKLAWN BORO
AVALON BORO	BERLIN TWP BD OF ED	BROOKLAWN BORO BD OF ED
AVALON BORO BD OF ED	BERNARDS TOWNSHIP	BUENA BORO (*)
AVON BY THE SEA	BERNARDS TWP BD OF ED	BUENA BORO HOUSING AUTH
AVON BY THE SEA BD OF ED (*)	BERNARDS TWP SEWERAGE	BUENA BORO MUN UTIL AUTH (*)
BARNEGAT LIGHT BORO (*)	BERNARDSVILLE BORO (*)	BUENA REGIONAL SCH DIST
BARNEGAT TOWNSHIP	BETHLEHEM TOWNSHIP	BUENA VISTA TOWNSHIP
BARNEGAT TWP BD OF ED	BETHLEHEM TWP BD OF ED	BURLINGTON CO COLLEGE (*)
BARRINGTON BORO	BEVERLY CITY	BURLINGTON CO MOSQ COMM
BARRINGTON BORO BD OF ED (*)	BEVERLY CITY BD OF ED	BURLINGTON CO SOIL CONS (*)
	BEVERLY HOUSING AUTH (*)	BURLINGTON CO VOC & TECH (*)

*In addition to participating in the retirement system, also participates in the State Health Benefits Program

PARTICIPATING EMPLOYERS

BURLINGTON COUNTY
BURLINGTON TOWNSHIP
BURLINGTON TWP BD OF ED
BURLINGTON TWP FIRE DIST 1
BURLINGTON WATER COMM
BUTLER BOARD OF ED (*)
BUTLER BORO
BYRAM TOWNSHIP
BYRAM TWP BD OF ED (*)
CALDWELL BORO
CALDWELL W CALDWELL BD (*)
CALIFON BORO (*)
CALIFON BORO BD OF ED (*)
CAMDEN CITY
CAMDEN CITY BD OF ED (*)
CAMDEN CITY HOUSING AUTH (*)
CAMDEN CITY PARKING AUTH (*)
CAMDEN CO AUDIO VIS AIDS
CAMDEN CO BD OF FREEHOLDERS
CAMDEN CO BD SOC SERV (*)
CAMDEN CO COLLEGE (*)
CAMDEN CO ED SERV COMM
CAMDEN CO HEALTH SERV COMM
CAMDEN CO IMPROVEMENT AUTH
CAMDEN CO MUN UTIL AUTH
CAMDEN CO PARK POLICE
CAMDEN CO POLLUTION CONTROL
CAMDEN CO SOIL CONSERV (*)
CAMDEN CO VOC SCHOOL (*)
CAMDEN MUN PORT AUTH
CAPE ATLANTIC SOIL CONS (*)
CAPE MAY CITY
CAPE MAY CITY BD OF ED (*)
CAPE MAY CITY HOUSING AUTH (*)
CAPE MAY CO BRIDGE COMM (*)
CAPE MAY CO MUN UTIL AUTH
CAPE MAY CO SPEC SERV (*)
CAPE MAY CO TECH SCHOOL
CAPE MAY CO WELFARE BOARD
CAPE MAY COUNTY
CAPE MAY POINT BORO
CAPE MAY PT BORO BD OF ED
CARLSTADT BORO
CARLSTADT BORO BD OF ED (*)
CARLSTADT SEWERAGE AUTH
CARLSTADT-E RUTH BD OF ED (*)
CARNEYS POINT TOWNSHIP
CARNEYS PT TWP SEWERAGE
CARTERET BORO
CARTERET BORO BD OF ED
CARTERET HOUSING AUTH (*)
CASINO REINVESTMENT DEV (*)
CEDAR GROVE TOWNSHIP (*)
CEDAR GROVE TWP BD OF ED (*)
CENTRAL REGIONAL H S DIST
CHATHAM BORO
CHATHAM PUBLIC LIBRARY (*)

CHATHAM SCHOOL DIST (*)
CHATHAM TOWNSHIP (*)
CHERRY HILL FIRE DIST 1
CHERRY HILL FIRE DIST 13
CHERRY HILL FIRE DIST 2
CHERRY HILL FIRE DIST 3
CHERRY HILL FIRE DIST 4
CHERRY HILL FIRE DIST 5
CHERRY HILL TOWNSHIP
CHERRY HILL TWP BD OF ED
CHESILHURST BD OF ED (*)
CHESILHURST BORO
CHESTER BORO (*)
CHESTER BORO/TWP PUB LIB (*)
CHESTER TOWNSHIP (*)
CHESTER TWP BD OF ED (*)
CHESTERFIELD TOWNSHIP (*)
CHESTERFIELD TWP BD OF ED (*)
CINNAMINSON SEWERAGE AUTH
CINNAMINSON TOWNSHIP
CINNAMINSON TWP BD OF ED
CINNAMINSON TWP FIRE DIST 1
CLARK TOWNSHIP
CLARK TOWNSHIP BD OF ED
CLAYTON BORO
CLAYTON BORO BD OF ED (*)
CLEARVIEW REGIONAL H S (*)
CLEMENTON BD OF ED (*)
CLEMENTON BORO (*)
CLEMENTON HOUSING AUTH
CLEMENTON SEWERAGE AUTH (*)
CLIFFSIDE PARK BD OF ED (*)
CLIFFSIDE PARK BORO (*)
CLIFFSIDE PARK HOUSING (*)
CLIFTON CITY
CLIFTON CITY BD OF ED (*)
CLINTON TOWN (*)
CLINTON TOWN BD OF ED (*)
CLINTON TOWNSHIP (*)
CLINTON TWP BD OF ED (*)
CLINTON TWP SEWERAGE (*)
CLOSTER BOARD OF ED (*)
CLOSTER BORO
COLLINGSWOOD BORO (*)
COLLINGSWOOD BORO BD ED (*)
COLLINGSWOOD BORO HSNB (*)
COLTS NECK TOWNSHIP
COLTS NECK TWP BD OF ED
COMMERCIAL TOWNSHIP (*)
COMMERCIAL TWP BD OF ED (*)
COMP RATING & INSP BUR (*)
CORBIN CITY (*)
CORBIN CITY BD OF ED
CRANBURY TOWNSHIP (*)
CRANBURY TWP BD OF ED
CRANFORD TOWNSHIP (*)
CRANFORD TWP BD OF ED (*)

CRESKILL BD OF ED (*)
CRESKILL BORO (*)
CUMBERLAND CO BD SOC SERV
CUMBERLAND CO BD VOC ED (*)
CUMBERLAND CO COLLEGE (*)
CUMBERLAND CO IMPRVMT (*)
CUMBERLAND CO UTIL AUTH (*)
CUMBERLAND COUNTY
CUMBERLAND REG SCH DIST (*)
CUMBERLAND SOIL CONSERV (*)
DEAL BORO (*)
DEAL BORO BD OF ED (*)
DEERFIELD TOWNSHIP
DEERFIELD TWP BD OF ED
DELANCO SEWERAGE AUTH
DELANCO TOWNSHIP
DELANCO TWP BD OF ED (*)
DELAWARE RVR BASIN COMM (*)
DELAWARE RVR INT TOLL BRDG
DELAWARE TOWNSHIP (*)
DELAWARE TWP BD OF ED
DELAWARE TWP MUN UTIL AUTH
DELAWARE VALLEY REG H S (*)
DELRAN FIRE DIST 1
DELRAN SEWERAGE AUTH (*)
DELRAN TOWNSHIP (*)
DELRAN TWP BD OF ED
DEMAREST BOARD OF ED (*)
DEMAREST BORO
DENNIS TOWNSHIP (*)
DENNIS TWP BD OF ED
DENVER TOWNSHIP (*)
DENVER TWP BD OF ED
DEPTFORD TOWNSHIP
DEPTFORD TWP BD OF ED
DEPTFORD TWP FIRE DIST
DEPTFORD TWP MUN UTIL
DOVER MUN UTIL AUTH
DOVER TOWN
DOVER TOWN BD OF ED (*)
DOVER TOWN HOUSING AUTH
DOVER TOWNSHIP
DOVER TWP FIRE DIST 1
DOVER TWP FIRE DIST 2
DOVER TWP PARKING AUTH
DOWNE TOWNSHIP
DOWNE TWP BD OF ED
DUMONT BORO (*)
DUMONT BORO BD OF ED (*)
DUNELLEN BOARD OF ED
DUNELLEN BORO (*)
DUNELLEN PARKING AUTH
DURIDGE REG HEALTH
E ORANGE HOUSING AUTH (*)
E ORANGE PARKING AUTH
E RUTHERFORD BORO BD ED
E RUTHERFORD SEWERAGE

EAGLESWOOD TOWNSHIP (*)
EAGLESWOOD TWP BD OF ED (*)
EAST AMWELL TOWNSHIP (*)
EAST AMWELL TWP BD OF ED (*)
EAST BRUNSWICK SEWERAGE
EAST BRUNSWICK TOWNSHIP
EAST BRUNSWICK TWP BD ED
EAST BRUNSWICK TWP FIRE #1
EAST BRUNSWICK TWP FIRE #2
EAST GREENWICH BD OF ED (*)
EAST GREENWICH TOWNSHIP
EAST HANOVER TOWNSHIP
EAST HANOVER TWP BD ED (*)
EAST NEWARK BD OF ED (*)
EAST NEWARK BORO
EAST ORANGE BD OF ED (*)
EAST ORANGE CITY (*)
EAST RUTHERFORD BORO
EAST WINDSOR MUN UTIL AUTH
EAST WINDSOR REG SCHOOL
EAST WINDSOR TOWNSHIP
EASTAMPTON TOWNSHIP (*)
EASTAMPTON TWP BD OF ED
EASTERN CAMDEN CO REG
EATONTOWN BD OF ED (*)
EATONTOWN BORO
EATONTOWN SEWERAGE
ED INFORM & RSRCE CTR (*)
EDGEWATER BORO
EDGEWATER BORO BD OF ED (*)
EDGEWATER HOUSING AUTH (*)
EDGEWATER PARK SEWERAGE
EDGEWATER PARK TOWNSHIP
EDGEWATER PARK TWP BD ED
EDISON TOWNSHIP
EDISON TWP BD OF ED
EGG HARBOR CITY
EGG HARBOR CITY BD OF ED (*)
EGG HARBOR TOWNSHIP
EGG HARBOR TWP BD OF ED (*)
EGG HARBOR TWP MUN UTIL (*)
ELIZABETH BOARD OF ED (*)
ELIZABETH CITY (*)
ELIZABETH HOUSING AUTH (*)
ELIZABETH LIBRARY (*)
ELIZABETH PARKING AUTH (*)
ELIZABETH WATER UTILITY
ELK TOWNSHIP (*)
ELK TOWNSHIP BD OF ED
ELK TOWNSHIP MUN UTIL AUTH
ELMER BOARD OF ED
ELMER BORO
ELMWOOD PARK BD OF ED (*)
ELMWOOD PARK BORO (*)
ELLSINBORO TOWNSHIP
ELLSINBORO TWP BD OF ED

EMERSON BORO
EMERSON BORO BD OF ED (*)
ENGLEWOOD CITY
ENGLEWOOD CITY BD OF ED (*)
ENGLEWOOD CLIFFS BD OF ED (*)
ENGLEWOOD CLIFFS BORO (*)
ENGLEWOOD HOUSING AUTH (*)
ENGLISHTOWN BORO
ESSEX CO COMM COLLEGE (*)
ESSEX CO EDUC SRV COMM
ESSEX CO IMPROVMT AUTH (*)
ESSEX CO VOC SCHOOL (*)
ESSEX COUNTY
ESSEX FELS BD OF ED
ESSEX FELS TOWNSHIP (*)
ESTELL MANOR BD OF ED (*)
ESTELL MANOR CITY (*)
EVESHAM MUN UTIL AUTH
EVESHAM TOWNSHIP (*)
EVESHAM TWP BD OF ED
EWING LAWRENCE SEWERAGE (*)
EWING TOWNSHIP (*)
EWING TOWNSHIP BD OF ED (*)
FAIR HAVEN BD OF ED (*)
FAIR HAVEN BORO
FAIR LAWN BD OF ED (*)
FAIR LAWN BORO
FAIRFIELD TWP (CUMBERLAND)
FAIRFIELD TWP (ESSEX)
FAIRFIELD TWP BD ED (CUMB) (*)
FAIRFIELD TWP BD ED (ESSEX)
FAIRVIEW BD OF ED (*)
FAIRVIEW BORO (*)
FANWOOD BORO
FAR HILLS BORO (*)
FAR HILLS BD OF ED
FARMINGDALE BD OF ED
FARMINGDALE BORO (*)
FIELDSBORO BD OF ED
FIELDSBORO BORO
FLEMINGTON BORO
FLEMINGTON RARITAN BD OF ED
FLORENCE TOWNSHIP
FLORENCE TWP BD OF ED (*)
FLORENCE TWP HOUSING AUTH
FLORHAM PARK BD OF ED (*)
FLORHAM PARK BORO
FLORHAM PARK SEWERAGE
FOLSOM BORO
FOLSOM BORO BD OF ED (*)
FORT LEE BD OF ED (*)
FORT LEE BORO (*)
FORT LEE HOUSING AUTH (*)
FORT LEE PARKING AUTH
FRANKFORD TOWNSHIP (*)
FRANKFORD TWP BD OF ED (*)
FRANKLIN BORO (*)

FRANKLIN BORO BD OF ED (*)
FRANKLIN LAKES BD OF ED (*)
FRANKLIN LAKES BORO
FRANKLIN TWP (GLOUCESTER)
FRANKLIN TWP (HUNTERDON)
FRANKLIN TWP (SOMERSET)
FRANKLIN TWP (WARREN)
FRANKLIN TWP BD ED (GLOUC)
FRANKLIN TWP BD ED (HUNT) (*)
FRANKLIN TWP BD ED (SOMER)
FRANKLIN TWP BD ED (WARREN)
FRANKLIN TWP HOUSING AUTH
FRANKLIN TWP SEWERAGE (*)
FREDON TOWNSHIP
FREDON TWP BD OF ED
FREEHOLD BORO (*)
FREEHOLD BORO BD OF ED
FREEHOLD BORO HOUSING (*)
FREEHOLD REG H S DIST
FREEHOLD SOIL CNSRVN DIST (*)
FREEHOLD TOWNSHIP
FREEHOLD TOWNSHIP BD OF ED
FRELINGHUYSEN TOWNSHIP
FRELINGHUYSEN TWP BD OF ED (*)
FRENCHTOWN BORO (*)
FRENCHTOWN BORO BD OF ED (*)
GALLOWAY TOWNSHIP
GALLOWAY TWP BD OF ED
GARFIELD CITY (*)
GARFIELD CITY BD OF ED (*)
GARFIELD HOUSING AUTH (*)
GARWOOD BORO (*)
GARWOOD BORO BD OF ED (*)
GATEWAY REG HIGH SCHOOL (*)
GIBBSBORO BD OF ED (*)
GIBBSBORO BORO
GLASSBORO BORO
GLASSBORO BORO BD OF ED
GLASSBORO HOUSING (*)
GLEN GARDNER BORO (*)
GLEN GARDNER BORO BD OF ED
GLEN RIDGE BOARD OF ED (*)
GLEN RIDGE BORO (*)
GLEN ROCK BORO (*)
GLEN ROCK BORO BD OF ED (*)
GLOUCESTER CITY (*)
GLOUCESTER CITY BD OF ED (*)
GLOUCESTER CO AUDIO VISUAL
GLOUCESTER CO BD SOC SERV
GLOUCESTER CO HOUSING (*)
GLOUCESTER CO IMPROVEMENT
GLOUCESTER CO MUN UTIL AUTH
GLOUCESTER CO VOC SCH
GLOUCESTER COUNTY
GLOUCESTER COUNTY COLLEGE
GLOUCESTER TOWNSHIP
GLOUCESTER TWP BD OF ED (*)

PARTICIPATING EMPLOYERS

*In addition to participating in the retirement system, also participates in the State Health Benefits Program

*In addition to participating in the retirement system, also participates in the State Health Benefits Program

PARTICIPATING EMPLOYERS

GLOUCESTER TWP FIRE #2 (*)
 GLOUCESTER TWP FIRE #3 (*)
 GLOUCESTER TWP FIRE #4
 GLOUCESTER TWP FIRE #5
 GLOUCESTER TWP FIRE #6 (*)
 GLOUCESTER TWP HOUSING
 GLOUCESTER TWP MUN UTIL
 GREAT MEADOWS REG BD ED
 GREATER EGG HARBOR REG
 GREEN BROOK BD OF ED (*)
 GREEN BROOK REG CENTER
 GREEN BROOK TOWNSHIP (*)
 GREEN TOWNSHIP (*)
 GREEN TWP BD OF ED (*)
 GREENWICH TWP (CUMBERLAND)
 GREENWICH TWP (GLOUCESTER)
 GREENWICH TWP (WARREN) (*)
 GREENWICH TWP BD ED (CUMB) (*)
 GREENWICH TWP BD ED (GLO) (*)
 GREENWICH TWP BD ED (WARREN)
 GUTTENBERG BORO BD OF ED (*)
 GUTTENBERG HOUSING (*)
 GUTTENBERG TOWN
 HACKENSACK CITY
 HACKENSACK CITY BD OF ED (*)
 HACKENSACK HOUSING AUTH
 HACKENSACK MEADOWLANDS (*)
 HACKETTSTOWN BD OF ED
 HACKETTSTOWN MUN UTIL (*)
 HACKETTSTOWN PARKING AUTH
 HACKETTSTOWN TOWN (*)
 HADDON HEIGHTS BORO (*)
 HADDON HGHTS BORO BD ED (*)
 HADDON TOWNSHIP
 HADDON TOWNSHIP BD OF ED
 HADDON TWP FIRE DIST 1 (*)
 HADDON TWP HOUSING AUTH (*)
 HADDONFIELD BORO
 HADDONFIELD BORO BD OF ED
 HAINESPORT TOWNSHIP (*)
 HAINESPORT TWP BD OF ED (*)
 HALEDON BORO (*)
 HALEDON BORO BD OF ED (*)
 HAMBURG BORO
 HAMBURG BORO BD OF ED (*)
 HAMILTON TOWNSHIP (ATL) (*)
 HAMILTON TOWNSHIP (MERCER)
 HAMILTON TWP BD ED (ATL) (*)
 HAMILTON TWP BD ED (MER) (*)
 HAMILTON TWP FIRE #2 (MER) (*)
 HAMILTON TWP FIRE #3 (MER) (*)
 HAMILTON TWP FIRE #4 (MER) (*)
 HAMILTON TWP FIRE #5 (MER) (*)
 HAMILTON TWP FIRE #6 (MER) (*)
 HAMILTON TWP FIRE #7 (MER) (*)
 HAMILTON TWP FIRE #8 (MER) (*)
 HAMILTON TWP FIRE #9 (MER) (*)

HAMILTON TWP MUN UTIL (ATL) (*)
 HAMMONTON TOWN
 HAMMONTON TOWN BD OF ED (*)
 HAMPTON BORO (*)
 HAMPTON BORO BD OF ED (*)
 HAMPTON TOWNSHIP (*)
 HAMPTON TWP BD OF ED (*)
 HANOVER PARK REG H S DIST (*)
 HANOVER SEWERAGE AUTH (*)
 HANOVER TOWNSHIP
 HANOVER TWP BD OF ED (*)
 HANOVER TWP FIRE DIST 2
 HANOVER TWP FIRE DIST 3
 HARDING TOWNSHIP
 HARDING TOWNSHIP BD OF ED
 HARDWICK TOWNSHIP (*)
 HARDYSTON TOWNSHIP (*)
 HARDYSTON TWP BD OF ED (*)
 HARMONY TOWNSHIP (*)
 HARMONY TOWNSHIP BD OF ED
 HARRINGTON PARK BD OF ED (*)
 HARRINGTON PARK BORO (*)
 HARRISON HOUSING AUTH
 HARRISON TOWN
 HARRISON TOWN BD OF ED
 HARRISON TOWNSHIP (*)
 HARRISON TWP BD OF ED (*)
 HARVEY CEDARS BORO
 HASBROUCK HEIGHTS BORO (*)
 HASBROUCK HGHTS BD OF ED (*)
 HAWORTH BORO (*)
 HAWORTH BORO BD OF ED (*)
 HAWTHORNE BORO
 HAWTHORNE BORO BD OF ED (*)
 HAZLET TOWNSHIP
 HAZLET TOWNSHIP BD OF ED
 HAZLET TWP SEWERAGE (*)
 HELMETTA BORO (*)
 HELMETTA BORO BD OF ED
 HENRY HUDSON REG SCHOOL
 HI-NELLA BORO
 HI-NELLA BORO BOARD OF ED
 HIGH BRIDGE BORO
 HIGH BRIDGE BORO BD OF ED (*)
 HIGH POINT REG HIGH SCHOOL
 HIGHLAND PARK BD OF ED (*)
 HIGHLAND PARK BORO (*)
 HIGHLAND PARK HOUSING AUTH (*)
 HIGHLANDS BORO
 HIGHLANDS BORO BD OF ED
 HIGHLANDS HOUSING AUTH
 HIGHTSTOWN BORO
 HIGHTSTOWN BORO HOUSING (*)
 HILLSBOROUGH TOWNSHIP (*)
 HILLSBOROUGH TWP BD OF ED
 HILLSBOROUGH TWP MUN UTIL (*)
 HILLSDALE BORO

HILLSDALE BORO BD OF ED (*)
 HILLSIDE BOARD OF ED
 HILLSIDE PUBLIC LIBRARY
 HILLSIDE TOWNSHIP (*)
 HO HO KUS BORO (*)
 HO HO KUS BORO BD OF ED (*)
 HOBOKEN BOARD OF ED (*)
 HOBOKEN CITY
 HOBOKEN CITY HOUSING (*)
 HOBOKEN CITY PARKING (*)
 HOBOKEN-UNION-WEEHWKN (*)
 HOLLAND TOWNSHIP
 HOLLAND TWP BD OF ED
 HOLMDEL TOWNSHIP
 HOLMDEL TWP BD OF ED
 HOPATCONG BD OF ED
 HOPATCONG BORO
 HOPE TOWNSHIP (*)
 HOPE TWP BD OF ED (*)
 HOPEWELL BORO (*)
 HOPEWELL TOWNSHIP (CUMB)
 HOPEWELL TOWNSHIP (MER)
 HOPEWELL TWP BD OF ED
 HOPEWELL VALLEY REG SCH
 HOWELL TOWNSHIP (*)
 HOWELL TOWNSHIP BD OF ED
 HOWELL TWP FIRE DIST 3 (*)
 HUDSON CO AUDIO VISUAL
 HUDSON CO COMM COLLEGE (*)
 HUDSON CO IMPROVEMENT AUTH
 HUDSON CO UTIL AUTH (*)
 HUDSON CO VOC SCHOOL
 HUDSON COUNTY (*)
 HUDSON REG HEALTH COMM (*)
 HUDSON-ESSEX PASSAIC SOIL (*)
 HUNTERDON CENTRAL HIGH
 HUNTERDON CO AUDIO VIS
 HUNTERDON CO BD SOC SERV (*)
 HUNTERDON CO EDUC SERV (*)
 HUNTERDON CO SOIL CONS (*)
 HUNTERDON COUNTY
 INDEPENDENCE TOWNSHIP (*)
 INTERLAKEN BORO
 INTERLAKEN BORO BD OF ED
 INTERSTATE SANITATION COMM(*)
 IRVINGTON BD OF ED
 IRVINGTON HOUSING AUTH (*)
 IRVINGTON TOWNSHIP
 ISLAND HEIGHTS BORO (*)
 ISLAND HGHTS BORO BD OF ED (*)
 JACKSON FIRE DIST 2
 JACKSON FIRE DIST 3 (*)
 JACKSON FIRE DIST 4
 JACKSON TOWNSHIP (*)
 JACKSON TWP BD OF ED
 JACKSON TWP FIRE PREV (*)
 JACKSON TWP MUN UTIL (*)

*In addition to participating in the retirement system, also participates in the State Health Benefits Program

PARTICIPATING EMPLOYERS

JAMESBURG BORO (*)
 JAMESBURG BORO BD OF ED (*)
 JEFFERSON TOWNSHIP (*)
 JEFFERSON TWP BD OF ED (*)
 JERSEY CITY (*)
 JERSEY CITY BD OF ED (*)
 JERSEY CITY HOUSING (*)
 JERSEY CITY INCINERATOR
 JERSEY CITY PARKING (*)
 JERSEY CITY REDEV AGENCY (*)
 JERSEY CITY SEWERAGE AUTH
 JERSEY CITY STATE COLLEGE
 JOINT CONST OF THE WILDWOODS
 JOINT MEETING ESSEX & UNION
 KEAN COLLEGE
 KEANSBURG BD OF ED
 KEANSBURG BORO
 KEANSBURG BORO HOUSING
 KEANSBURG MUN UTIL AUTH
 KEARNY MUN UTIL AUTH (*)
 KEARNY TOWN (*)
 KEARNY TOWN BD OF ED (*)
 KENILWORTH BORO (*)
 KENILWORTH BORO BD OF ED
 KEYPORT BORO
 KEYPORT BORO BD OF ED
 KINGSWAY REGIONAL H S DIST
 KINGWOOD TOWNSHIP (*)
 KINGWOOD TWP BD OF ED (*)
 KINNELON BORO (*)
 KINNELON BORO BD OF ED
 KITTATINNY REGIONAL H S
 KNOWLTON TOWNSHIP (*)
 KNOWLTON TWP BD OF ED
 KRESSON FIRE DISTRICT
 LACEY MUN UTIL AUTH (*)
 LACEY TOWNSHIP (*)
 LACEY TWP BD OF ED (*)
 LAFAYETTE TOWNSHIP (*)
 LAFAYETTE TWP BD OF ED
 LAKEHURST BORO
 LAKEHURST BORO BD OF ED
 LAKELAND REGIONAL H S DIST (*)
 LAKEWOOD HOUSING AUTH
 LAKEWOOD TOWNSHIP
 LAKEWOOD TWP BD OF ED
 LAKEWOOD TWP FIRE DIST 1
 LAKEWOOD TWP MUN UTIL AUTH
 LAMBERTVILLE CITY (*)
 LAMBERTVILLE CITY BD OF ED (*)
 LAMBERTVILLE SEWERAGE (*)
 LANDIS SEWERAGE AUTH
 LAUREL SPRINGS BORO (*)
 LAUREL SPRINGS BORO BD OF ED
 LAUREL SPRINGS SEWERAGE AUTH
 LAVALLETTE BORO (*)
 LAVALLETTE BORO BD OF ED

LAWNSIDE BORO (*)
 LAWNSIDE BORO BD OF ED
 LAWRENCE TWP (CUMB) (*)
 LAWRENCE TWP (MERCER)
 LAWRENCE TWP BD ED (CUMB) (*)
 LAWRENCE TWP BD ED (MER)
 LEBANON BORO (*)
 LEBANON BORO BD OF ED (*)
 LEBANON BORO SEWERAGE AUTH
 LEBANON TOWNSHIP (*)
 LEBANON TWP BD OF ED
 LENAPE REG H S DIST (*)
 LENAPE VALLEY REG H S DIST (*)
 LEONIA BORO (*)
 LEONIA BORO BD OF ED (*)
 LIBERTY TOWNSHIP (*)
 LINCOLN PARK BD OF ED
 LINCOLN PARK BORO
 LINDEN CITY (*)
 LINDEN CITY BOARD OF ED
 LINDEN CITY HOUSING AUTH (*)
 LINDEN CITY PUBLIC LIBRARY (*)
 LINDEN ROSELLE SEWERAGE (*)
 LINDENWOLD BORO
 LINDENWOLD BORO BD OF ED
 LINDENWOLD BORO MUN UTIL
 LINWOOD BD OF ED (*)
 LINWOOD CITY
 LITTLE EGG HARBOR FIRE DIST 2
 LITTLE EGG HARBOR MUA (*)
 LITTLE EGG HARBOR TOWNSHIP
 LITTLE EGG HARBOR TWP BD ED
 LITTLE FALLS BD OF ED (*)
 LITTLE FALLS TOWNSHIP (*)
 LITTLE FERRY BD OF ED (*)
 LITTLE FERRY BORO
 LITTLE SILVER BORO (*)
 LITTLE SILVER BORO BD ED
 LIVINGSTON BOARD OF ED
 LIVINGSTON TOWNSHIP (*)
 LOCH ARBOUR VILLAGE
 LODI BOARD OF ED
 LODI BORO
 LODI HOUSING AUTH (*)
 LOGAN TOWNSHIP
 LOGAN TWP BD OF ED (*)
 LONG BEACH ISLAND BD ED (*)
 LONG BEACH TOWNSHIP (*)
 LONG BRANCH CITY (*)
 LONG BRANCH CITY BD ED
 LONG BRANCH CITY HOUSING (*)
 LONG BRANCH SEWERAGE (*)
 LONG HILL TOWNSHIP (*)
 LONG HILL TWP BD OF ED (*)
 LONGPORT BORO (*)
 LONGPORT BORO BD OF ED
 LOPATCONG TOWNSHIP

LOPATCONG TWP BD OF ED
 LOWER ALLOWAYS CREEK TWP
 LOWER ALLOWAYS CRK BD ED (*)
 LOWER CAMDEN CO REG H S (*)
 LOWER CAPE MAY REG SCH (*)
 LOWER TOWNSHIP
 LOWER TOWNSHIP BD OF ED (*)
 LOWER TWP MUN UTIL AUTH (*)
 LUMBERTON TOWNSHIP (*)
 LUMBERTON TWP BD OF ED
 LYNDDURST TOWNSHIP
 LYNDDURST TWP BD OF ED (*)
 MADISON BORO
 MADISON BORO BD OF ED
 MADISON BORO HOUSING AUTH
 MADISON-CHATHAM JNT MTNG
 MAGNOLIA BORO
 MAGNOLIA BORO BD OF ED
 MAHWAH BOARD OF ED (*)
 MAHWAH TOWNSHIP
 MAINLAND REGIONAL H S (*)
 MANALAPAN ENGLISHTOWN (*)
 MANALAPAN TOWNSHIP (*)
 MANASQUAN BORO
 MANASQUAN BORO BD OF ED
 MANASQUAN RIVER REG SEWER
 MANCHESTER TOWNSHIP
 MANCHESTER TWP BD OF ED
 MANCHESTER TWP MUN UTIL
 MANNINGTON TOWNSHIP
 MANNINGTON TWP BD OF ED
 MANSFIELD TOWNSHIP (BUR)
 MANSFIELD TOWNSHIP (WAR) (*)
 MANSFIELD TWP BD ED (WAR) (*)
 MANSFIELD TWP BD OF ED (BUR)
 MANTALOKING BORO (*)
 MANTALOKING BORO BD OF ED
 MANTUA TOWNSHIP (*)
 MANTUA TOWNSHIP BD OF ED (*)
 MANTUA TOWNSHIP MUN UTIL (*)
 MANVILLE BORO (*)
 MANVILLE BORO BD OF ED
 MAPLE SHADE BD OF ED
 MAPLE SHADE TOWNSHIP
 MAPLEWOOD TOWNSHIP (*)
 MARGATE CITY
 MARGATE CITY BD OF ED (*)
 MARLBORO TOWNSHIP
 MARLBORO TWP BD OF ED
 MARLBORO TWP FIRE DIST 1
 MARLBORO TWP MUN UTIL (*)
 MATAWAN BORO
 MATAWAN-ABERDEEN LIB (*)
 MATAWAN-ABERDEEN SCH (*)
 MAURICE RIVER TOWNSHIP
 MAURICE RIVER TWP BD OF ED
 MAYWOOD BOARD OF ED (*)

*In addition to participating in the retirement system, also participates in the State Health Benefits Program

PARTICIPATING EMPLOYERS

MAYWOOD BORO
MEDFORD LAKES BD OF ED (*)
MEDFORD LAKES BORO
MEDFORD TOWNSHIP (*)
MEDFORD TWP BD OF ED (*)
MENDHAM BORO
MENDHAM BORO BD OF ED (*)
MENDHAM TOWNSHIP (*)
MENDHAM TWP BD OF ED
MERCER CO AUDIO VISUAL
MERCER CO BD OF SOC SERV (*)
MERCER CO COMM COLLEGE (*)
MERCER CO IMPROVEMENT (*)
MERCER CO PARK COMM (*)
MERCER CO SOIL CONSERV (*)
MERCER CO SPEC SERV
MERCER CO VOC SCHOOL
MERCER COUNTY (*)
MERCHANTVILLE BD OF ED (*)
MERCHANTVIL PENNSKN WATER
METUCHEN BORO
METUCHEN BORO BD OF ED
METUCHEN PARKING AUTH
MID BERGEN REG HEALTH (*)
MIDDLE BROOK REG HEALTH (*)
MIDDLE TOWNSHIP (*)
MIDDLE TWP BD OF ED (*)
MIDDLESEX BORO (*)
MIDDLESEX BORO BD OF ED (*)
MIDDLESEX CO AUDIO VISUAL
MIDDLESEX CO BD SOC SERV
MIDDLESEX CO ED SERV COMM
MIDDLESEX CO MOSQ COMM
MIDDLESEX CO MUN JT INS
MIDDLESEX CO UTIL AUTH
MIDDLESEX CO VOC SCHOOL
MIDDLESEX COUNTY
MIDDLESEX COUNTY COLLEGE
MIDDLETOWN TOWNSHIP
MIDDLETOWN TWP BD OF ED
MIDDLETOWN TWP HOUSING (*)
MIDDLETOWN TWP SEWERAGE (*)
MIDLAND PARK BD OF ED (*)
MIDLAND PARK BORO (*)
MILFORD BORO (*)
MILFORD BORO BD OF ED (*)
MILLBURN TOWNSHIP (*)
MILLBURN TWP PUB SCH (*)
MILLSTONE BORO
MILLSTONE BORO BD OF ED
MILLSTONE TOWNSHIP (*)
MILLSTONE TWP BD OF ED
MILLTOWN BORO (*)
MILLTOWN BORO BD OF ED
MILLVILLE BOARD OF ED
MILLVILLE CITY

MILLVILLE HOUSING AUTH
MINE HILL TOWNSHIP (*)
MINE HILL TWP BD OF ED (*)
MONMOUTH BEACH BD OF ED
MONMOUTH BEACH BORO (*)
MONMOUTH CO BAYSHORE (*)
MONMOUTH CO BD SOC SERV
MONMOUTH CO HEALTH DEPT
MONMOUTH CO MOSQ COMM (*)
MONMOUTH CO REG HEALTH (*)
MONMOUTH CO VOC SCHOOL (*)
MONMOUTH COUNTY
MONMOUTH REG SCHOOL (*)
MONMOUTH-OCEAN ED SERV
MONROE TWP (GLOUCESTER)
MONROE TWP (MIDDLESEX)
MONROE TWP BD OF ED (GLO)
MONROE TWP BD OF ED (MID)
MONROE TWP FIRE DIST 2 (MID)
MONROE TWP FIRE DIST 3 (MID)
MONROE TWP MUA (GLO)
MONROE TWP MUA (MID) (*)
MONTAGUE BD OF ED (*)
MONTAGUE TOWNSHIP (*)
MONTCLAIR BOARD OF ED
MONTCLAIR LIBRARY (*)
MONTCLAIR REDEV AGEN (*)
MONTCLAIR STATE COLLEGE
MONTCLAIR TOWNSHIP (*)
MONTGOMERY TOWNSHIP (*)
MONTGOMERY TWP BD OF ED
MONTVALE BORO
MONTVALE BORO BD OF ED (*)
MONTVILLE TOWNSHIP
MONTVILLE TWP BD OF ED
MONTVILLE TWP MUN UTIL (*)
MOONACHIE BORO
MOONACHIE BORO BD OF ED (*)
MOORESTOWN TOWNSHIP (*)
MOORESTOWN TWP BD OF ED (*)
MOORESTOWN TWP FIRE #1 (*)
MOORESTOWN TWP FIRE #2
MORRIS AVA COMM (*)
MORRIS CO BD SOC SERV
MORRIS CO ED SERV COMM (*)
MORRIS CO SOIL CONSRVNT (*)
MORRIS CO VOC SCHOOL (*)
MORRIS COUNTY
MORRIS COUNTY COLLEGE (*)
MORRIS COUNTY HOUSING
MORRIS COUNTY PARK COMM
MORRIS HILLS REG REG DIST (*)
MORRIS PLAINS BORO (*)
MORRIS PLAINS BORO BD ED (*)
MORRIS SCHOOL DIST
MORRIS TOWNSHIP (*)
MORRIS-UNION JOINTURE COMM

MORRISTOWN HOUSING AUTH (*)
MORRISTOWN PARKING AUTH
MORRISTOWN TOWN
MORRISTOWN/MORRIS LIB (*)
MOUNT ARLINGTON BORO (*)
MOUNT ARLINGTON BD OF ED
MOUNT EPHRAIM BORO
MOUNT EPHRAIM BORO BD ED (*)
MOUNT HOLLY TOWNSHIP
MOUNT HOLLY TWP BD ED (*)
MOUNT LAUREL FIRE DIST 1
MOUNT LAUREL TOWNSHIP
MOUNT LAUREL TWP BD OF ED
MOUNTAIN LAKES BD OF ED (*)
MOUNTAIN LAKES BORO (*)
MOUNTAINSIDE BD OF ED (*)
MOUNTAINSIDE BORO (*)
MT HOLLY SEWERAGE
MT LAUREL TWP MUN UTIL AUTH
MT OLIVE TOWNSHIP
MT OLIVE TWP BD OF ED
MULLICA TOWNSHIP (*)
MULLICA TWP BD OF ED (*)
MUSCONETCONG SEWERAGE (*)
N ARLINGTON LYND JNT MTG
NATIONAL PARK BORO
NATIONAL PARK BORO BD OF ED
NATIONAL PARK BORO MUA
NE MONMOUTH CO REG SEWER
NEPTUNE CITY BORO
NEPTUNE CITY BORO BD OF ED (*)
NEPTUNE CITY HOUSING AUTH
NEPTUNE TOWNSHIP (*)
NEPTUNE TWP BD OF ED
NEPTUNE TWP HOUSING AUTH (*)
NEPTUNE TWP SEWERAGE (*)
NETCONG BORO
NETCONG BORO BD OF ED (*)
NEW BRUNSWICK BD OF ED
NEW BRUNSWICK CITY
NEW BRUNSWICK HOUSING (*)
NEW BRUNSWICK PARKING (*)
NEW HANOVER TOWNSHIP (*)
NEW HANOVER TWP BD OF ED
NEW JERSEY HIGHWAY AUTH
NEW JERSEY TURNPIKE AUTH
NEW MILFORD BD OF ED (*)
NEW MILFORD BORO
NEW PROVIDENCE BORO
NEW PROVIDENCE BORO BD OF ED
NEWARK BD OF ED (*)
NEWARK CITY
NEWARK HOUSING AUTH (*)
NEWARK MANPOWER TRAINING
NEWARK PARKING AUTH
NEWFIELD BORO (*)
NEWFIELD BORO BD OF ED

NEWTON TOWN (*)
NEWTON TOWN BD OF ED
NEWTON TOWN HOUSING (*)
NJ ASSOC OF COUNTIES (*)
NJ EDUC ASSOCIATION
NJ EDUC FACILITIES AUTH (*)
NJ EXPRESSWAY AUTH
NJ HEALTH CARE FACILITIES (*)
NJ HOUSING & MORTGAGE FIN (*)
NJ INSTITUTE OF TECHNOLOGY
NJ SCHOOL BOARDS ASSOC INS (*)
NJ SCHOOL BOARDS ASSOCIATION
NJ SMALL BUS MIN & WOMENS
NJ SPORTS & EXPOSITION AUTH
NJ STATE LEAGUE OF MUN (*)
NJ TRANSIT CORPORATION
NJ URBAN DEVELOPMENT CORP
NJ WATER SUPPLY AUTH (*)
NO BERGEN HOUSING AUTH
NO BRUNSWICK TWP BD OF ED
NO HUNTERDON MUN COURT (*)
NO PLAINFIELD BORO BD OF ED (*)
NO PLAINFIELD PARKING AUTH (*)
NO WILDWOOD CITY BD OF ED (*)
NORTH ARLINGTON BD OF ED (*)
NORTH ARLINGTON BORO
NORTH BERGEN MUN UTIL AUTH
NORTH BERGEN TOWNSHIP
NORTH BERGEN TWP BD OF ED (*)
NORTH BRUNSWICK TOWNSHIP
NORTH CALDWELL BD OF ED
NORTH CALDWELL BORO (*)
NORTH HALEDON BORO
NORTH HALEDON BORO BD ED (*)
NORTH HANOVER TOWNSHIP
NORTH HANOVER TWP BD OF ED
NORTH HUNTERDON REG H S
NORTH JERSEY WATER SUPPLY
NORTH PLAINFIELD BORO (*)
NORTH WARREN REG H S
NORTH WILDWOOD CITY
NORTHERN BURLINGTON CO REG
NORTHERN HIGHLNDS REG H S (*)
NORTHERN VALLEY REG H S (*)
NORTHFIELD BOARD OF ED (*)
NORTHFIELD CITY (*)
NORTHVALE BORO
NORTHVALE BORO BD OF ED (*)
NORTHWEST BERGEN CO UTIL (*)
NORWOOD BD OF ED (*)
NORWOOD BORO (*)
NUTLEY BOARD OF ED (*)
NUTLEY TOWNSHIP
NW BERGEN REG HEALTH (*)
OAKLAND BORO
OAKLAND BORO BD OF ED
OAKLYN BORO

OAKLYN BORO BD OF ED
OCEAN CITY
OCEAN CITY BD OF ED
OCEAN CITY HOUSING AUTH (*)
OCEAN CITY PARKING AUTH
OCEAN CO BD OF HEALTH
OCEAN CO BD OF SOC SERV (*)
OCEAN CO MOSQUITO COMM (*)
OCEAN CO NORTH SHORE JNT
OCEAN CO SOIL CONS (*)
OCEAN CO UTILITIES AUTH (*)
OCEAN CO VOC SCHOOL (*)
OCEAN COUNTY (*)
OCEAN COUNTY COLLEGE (*)
OCEAN GATE BD OF ED (*)
OCEAN GATE BORO (*)
OCEAN GROVE BD OF FIRE (*)
OCEAN TOWNSHIP (MON) (*)
OCEAN TOWNSHIP (OCEAN)
OCEAN TWP BD OF ED (MON)
OCEAN TWP BD OF ED (OCEAN)
OCEAN TWP FIRE #1 (MON) (*)
OCEAN TWP FIRE #2 (MON) (*)
OCEAN TWP MUA (OCEAN) (*)
OCEAN TWP SEWER (MON) (*)
OCEANPORT BORO (*)
OCEANPORT SCHOOLS
OGDENSBURG BD OF ED (*)
OGDENSBURG BORO
OLD BRIDGE BD OF ED
OLD BRIDGE MUN UTIL AUTH
OLD BRIDGE TWP FIRE 2
OLD BRIDGE TWP FIRE 3 (*)
OLD TAPPAN BD OF ED (*)
OLD TAPPAN BORO
OLDSMAN TOWNSHIP
OLDSMAN TWP BD OF ED
ORADELL BD OF ED
ORADELL BORO (*)
ORANGE CITY (*)
ORANGE CITY BD OF ED (*)
ORANGE CITY HOUSING (*)
ORANGE CITY LIBRARY
OXFORD TOWNSHIP (*)
OXFORD TWP BD OF ED
PALISADES INTERSTATE PK
PALISADES PARK BD ED (*)
PALISADES PARK BORO
PALMYRA BORO
PALMYRA BORO BD OF ED
PARAMUS BD OF ED
PARAMUS BORO (*)
PARK RIDGE BD OF ED (*)
PARK RIDGE BORO
PARSIANNY TROY HILLS BD ED
PARSIANNY TROY HILLS TWP
PASCACK VALLEY REG H S (*)

PASSAIC CITY (*)
PASSAIC CITY BD OF ED (*)
PASSAIC CITY HOUSING (*)
PASSAIC CO BD SOC SERV
PASSAIC CO ED SERV COMM (*)
PASSAIC CO MANCHESTER
PASSAIC CO REG H S (*)
PASSAIC CO VOC SCHOOL (*)
PASSAIC COUNTY
PASSAIC COUNTY COLLEGE (*)
PASSAIC COUNTY UTIL AUTH
PASSAIC PUBLIC SCHOOLS (*)
PASSAIC VALLEY SEWERAGE (*)
PASSAIC VALLEY WATER (*)
PATERSON BD OF ED (*)
PATERSON CITY
PATERSON HOUSING AUTH
PATERSON PARKING AUTH (*)
PAULSBORO BORO
PAULSBORO BORO BD OF ED (*)
PEAPACK GLADSTONE BD OF ED
PEAPACK GLADSTONE BORO (*)
PEMBERTON BORO (*)
PEMBERTON BORO BD OF ED
PEMBERTON TOWNSHIP
PEMBERTON TWP BD OF ED
PEMBERTON TWP MUN UTIL
PENNINGTON BORO (*)
PENNS GROVE BORO
PENNS GROVE HOUSING (*)
PENNS GROVE SEWERAGE
PENNS GROVE-CRNY S BD OF ED
PENNSAUKEN SEWERAGE (*)
PENNSAUKEN SOLID WASTE
PENNSAUKEN TOWNSHIP
PENNSAUKEN TWP BD OF ED
PENNSVILLE SEWERAGE
PENNSVILLE TOWNSHIP
PENNSVILLE TWP BD OF ED
PEQUANNOCK TOWNSHIP
PEQUANNOCK TWP BD ED
PERTH AMBOY CITY
PERTH AMBOY CITY BD OF ED
PERTH AMBOY HOUSING
PERTH AMBOY PARKING (*)
PERTH AMBOY PORT AUTH
PHILLIPSBURG HOUSING AUTH
PHILLIPSBURG PARKING AUTH
PHILLIPSBURG TOWN
PHILLIPSBURG TOWN BD OF ED
PILES GROVE TOWNSHIP (*)
PINE BEACH BORO (*)
PINE HILL BORO
PINE HILL BORO BD OF ED (*)
PINE HILL BORO MUN UTIL
PINE VALLEY BORO (*)

*In addition to participating in the retirement system, also participates in the State Health Benefits Program

*In addition to participating in the retirement system, also participates in the State Health Benefits Program

PARTICIPATING EMPLOYERS

PINELANDS COMMISSION (*)
 PINELANDS REG SCH DIST (*)
 PISCATAWAY BD OF ED
 PISCATAWAY TOWNSHIP
 PISCATAWAY TWP ED ASSOC
 PITMAN BOARD OF ED
 PITMAN BORO (*)
 PITTSBORO TOWNSHIP (*)
 PITTSBORO TWP BD OF ED
 PLAINFIELD CITY (*)
 PLAINFIELD CITY BD OF ED
 PLAINFIELD DNLEN JOINT (*)
 PLAINFIELD HOUSING (*)
 PLAINSBORO TOWNSHIP
 PLAINSBORO TWP FIRE DIST (*)
 PLEASANTVILLE CITY
 PLEASANTVILLE CITY BD OF ED
 PLEASANTVILLE HOUSING (*)
 PLUMSTEAD TOWNSHIP
 PLUMSTEAD TWP BD OF ED (*)
 POHATCONG TOWNSHIP
 POHATCONG TWP BD OF ED
 POMPTON LAKES BD OF ED (*)
 POMPTON LAKES BORO (*)
 POMPTON LAKES MUN UTIL (*)
 PORT REPUBLIC BD OF ED (*)
 PORT REPUBLIC CITY (*)
 PRINCETON BORO
 PRINCETON HOUSING AUTH
 PRINCETON JNT PUB LIBRARY
 PRINCETON REG SCHOOLS
 PRINCETON TOWNSHIP
 PROSPECT PARK BD OF ED (*)
 PROSPECT PARK BORO (*)
 PT PLEASANT BEACH BD OF ED
 PT PLEASANT BEACH BORO
 PT PLEASANT BORO
 PT PLEASANT BORO BD OF ED
 QUINTON TOWNSHIP
 QUINTON TWP BD OF ED (*)
 RAHWAY CITY (*)
 RAHWAY CITY BD OF ED (*)
 RAHWAY HOUSING AUTH (*)
 RAHWAY PARKING AUTH
 RAHWAY PUBLIC LIBRARY
 RAHWAY VALLEY SEWERAGE (*)
 RAHWAY WATER COMM
 RAMAPO INDIAN HILLS H S (*)
 RAMAPO STATE COLLEGE
 RAMSEY BORO
 RAMSEY BORO BD OF ED
 RANOCAS VALLEY REG (*)
 RANDOLPH TOWNSHIP
 RANDOLPH TWP BD OF ED (*)
 RANDOLPH TWP MUN UTIL
 RARITAN BORO (*)
 RARITAN TOWNSHIP (*)

RARITAN TWP MUN UTIL (*)
 RARITAN VALL COMM COLL
 READINGTON TOWNSHIP (*)
 READINGTON TWP BD OF ED (*)
 READINGTON-LEBANON SEWER (*)
 RED BANK BD OF ED
 RED BANK BORO
 RED BANK BORO HOUSING (*)
 RED BANK REG H S DIST
 RIDGEFIELD BORO
 RIDGEFIELD BORO BD OF ED (*)
 RIDGEFIELD PARK BD OF ED (*)
 RIDGEWOOD LIBRARY
 RIDGEWOOD TWP BD OF ED
 RIDGEWOOD VILLAGE
 RINGWOOD BORO
 RINGWOOD BORO BD OF ED (*)
 RINGWOOD BORO SEWERAGE
 RIVER DELL REG SCH DIST (*)
 RIVER EDGE BORO (*)
 RIVER EDGE BORO BD OF ED (*)
 RIVERDALE BORO
 RIVERDALE BORO BD OF ED (*)
 RIVERSIDE SEWERAGE
 RIVERSIDE TOWNSHIP
 RIVERSIDE TWP BD OF ED (*)
 RIVERTON BORO (*)
 RIVERTON BORO BD OF ED (*)
 RIVERVALE TOWNSHIP (*)
 RIVERVALE TWP BD OF ED (*)
 ROCHELLE PARK TOWNSHIP (*)
 ROCHELLE PARK TWP BD ED (*)
 ROCKAWAY BORO (*)
 ROCKAWAY BORO BD OF ED (*)
 ROCKAWAY TOWNSHIP
 ROCKAWAY TWP BD OF ED
 ROCKAWAY VALL SEWERAGE (*)
 ROCKLEIGH BORO
 ROCKLEIGH BORO SEWERAGE
 ROCKY HILL BD OF ED
 ROCKY HILL BORO
 ROOSEVELT BORO (*)
 ROOSEVELT BORO BD OF ED
 ROSELAND BD OF ED
 ROSELAND BORO (*)
 ROSELLE BORO (*)
 ROSELLE BORO BD OF ED (*)
 ROSELLE BORO LIBRARY
 ROSELLE PARK BORO
 ROSELLE PARK BORO BD ED (*)
 ROWAN COLLEGE OF NJ
 ROWAN COLLEGE FOUNDATION
 ROXBURY TOWNSHIP (*)
 ROXBURY TWP BD OF ED (*)
 RUMSON BORO (*)
 RUMSON BORO BD OF ED
 RUMSON FAIR HAVEN REG (*)

RUNNEMEDE BORO
 RUNNEMEDE BORO BD OF ED (*)
 RUNNEMEDE SEWERAGE
 RUTGERS, STATE UNIVERSITY (*)
 RUTHERFORD BORO
 RUTHERFORD BORO BD OF ED (*)
 S MONMOUTH REG SEWERAGE (*)
 SADDLE BROOK BD OF ED (*)
 SADDLE BROOK TOWNSHIP
 SADDLE RIVER BD OF ED (*)
 SADDLE RIVER BORO
 SALEM CITY (*)
 SALEM CITY BD OF ED
 SALEM CITY HOUSING (*)
 SALEM CITY MUN PORT AUTH
 SALEM CO BD OF SOC SERV (*)
 SALEM CO MOSQUITO COMM
 SALEM CO SPEC SERV DIST
 SALEM CO UTILITIES AUTH
 SALEM CO VOCATIONAL SCH (*)
 SALEM COMMUNITY COLLEGE (*)
 SALEM COUNTY
 SALEM SOIL CONSERV DIST
 SANDYSTON TOWNSHIP
 SANDYSTON-WALPACK SCH (*)
 SAYREVILLE BORO (*)
 SAYREVILLE BORO BD OF ED
 SAYREVILLE HOUSING AUTH
 SCOTCH PLAINS FANWOOD BD
 SCOTCH PLAINS TOWNSHIP (*)
 SEA BRIGHT BORO
 SEA BRIGHT BORO BD OF ED
 SEA GIRT BD OF ED (*)
 SEA GIRT BORO
 SEA ISLE CITY
 SEA ISLE CITY BD OF ED (*)
 SEASIDE HEIGHTS BORO
 SEASIDE HEIGHTS BORO BD ED
 SEASIDE PARK BD OF ED
 SEASIDE PARK BORO
 SECAUCUS TOWN
 SECAUCUS TOWN BD OF ED
 SECOND RIVER JNT MEETING
 SHAMONG TOWNSHIP
 SHAMONG TWP BD OF ED (*)
 SHILOH BORO BD OF ED (*)
 SHIP BOTTOM BORO
 SHORE REG HIGH SCHOOL
 SHREWSBURY BORO
 SHREWSBURY BORO BD OF ED
 SHREWSBURY TOWNSHIP
 SO BRUNSWICK TWP BD ED (*)
 SO GLOUCESTER CO REG H S (*)
 SO ORANGE VILLAGE TWP (*)
 SO PLAINFIELD BD OF ED
 SOMERDALE BORO
 SOMERDALE BORO BD OF ED (*)

*In addition to participating in the retirement system, also participates in the State Health Benefits Program

PARTICIPATING EMPLOYERS

SOMERS POINT CITY
 SOMERS POINT CITY BD OF ED (*)
 SOMERS POINT SEWERAGE AUTH
 SOMERSET CO BD SOC SERV (*)
 SOMERSET CO EDUC SERV (*)
 SOMERSET CO PARK COMM (*)
 SOMERSET CO VOC SCHOOL (*)
 SOMERSET COUNTY
 SOMERSET RARITAN VALL SEW (*)
 SOMERSET REG ANIMAL SHELTH (*)
 SOMERVILLE BD OF ED (*)
 SOMERVILLE BORO (*)
 SOUTH AMBOY BD OF ED
 SOUTH AMBOY CITY
 SOUTH AMBOY HOUSING AUTH
 SOUTH BELMAR BORO
 SOUTH BELMAR BORO BD OF ED
 SOUTH BERGEN JOINTURE (*)
 SOUTH BOUND BROOK (*)
 SOUTH BOUND BROOK BD ED (*)
 SOUTH BRUNSWICK TOWNSHIP
 SOUTH HACKENSACK BD ED (*)
 SOUTH HACKENSACK TOWNSHIP
 SOUTH HARRISON TOWNSHIP
 SOUTH HARRISON TWP BD ED (*)
 SOUTH HUNTERDON BD OF ED (*)
 SOUTH JERSEY PORT CORP
 SOUTH JERSEY TRANS AUTH
 SOUTH ORANGE TWP PARK (*)
 SOUTH ORANGE-MPLWD BD ED
 SOUTH PLAINFIELD BORO (*)
 SOUTH RIVER BD OF ED
 SOUTH RIVER BORO (*)
 SOUTH RIVER PUBLIC WORKS
 SOUTH TOMS RIVER SEWERAGE
 SOUTHAMPTON TOWNSHIP (*)
 SOUTHAMPTON TWP BD OF ED
 SOUTHEAST MORRIS CO MUA (*)
 SOUTHERN REGIONAL H S DIST
 SPARTA TOWNSHIP
 SPARTA TWP BD OF ED
 SPOTSWOOD BORO (*)
 SPOTSWOOD BORO BD OF ED
 SPRING LAKE BORO
 SPRING LAKE BORO BD OF ED
 SPRING LAKE HEIGHTS BORO
 SPRING LAKE HGHTS BD OF ED
 SPRINGFIELD TWP (BUR) (*)
 SPRINGFIELD TWP BD ED (BUR)
 SPRINGFIELD TWP BD ED (UN)
 STAFFORD MUN UTIL AUTH (*)
 STAFFORD TOWNSHIP (*)
 STAFFORD TWP BD OF ED
 STANHOPE BORO (*)
 STANHOPE BORO BD OF ED (*)
 STERLING HIGH SCH DIST (*)

STILLWATER TOWNSHIP (*)
 STILLWATER TWP BD OF ED (*)
 STOCKTON BORO
 STOCKTON BORO BD OF ED
 STOCKTON STATE COLLEGE
 STONE HARBOR BD OF ED (*)
 STONE HARBOR BORO
 STONY BROOK REG SEWERAGE
 STOW CREEK TOWNSHIP
 STOW CREEK TWP BD OF ED (*)
 STRATFORD BD OF ED (*)
 STRATFORD BORO (*)
 STRATFORD SEWERAGE AUTH (*)
 SUBURBAN REG HEALTH (*)
 SUMMIT BOARD OF ED
 SUMMIT CITY (*)
 SURF CITY BORO
 SUSSEX BORO (*)
 SUSSEX CO AUDIO VISUAL
 SUSSEX CO COMM COLLEGE (*)
 SUSSEX CO EDUC COMM (*)
 SUSSEX CO MUN UTIL AUTH (*)
 SUSSEX CO SOIL CONSERV (*)
 SUSSEX CO VOCATIONAL SCH
 SUSSEX COUNTY (*)
 SUSSEX-WANTAGE REG SCH
 SWEDESBO BORO
 SWEDESBO WOOLWICH SCH
 TABERNACLE TOWNSHIP (*)
 TABERNACLE TWP BD OF ED (*)
 TAVISTOCK BORO
 TEANECK BOARD OF ED (*)
 TEANECK TOWNSHIP (*)
 TENAFLY BOARD OF ED (*)
 TENAFLY BORO (*)
 TETERBORO BORO
 TEWKSBURY TOWNSHIP (*)
 TEWKSBURY TWP BD OF ED (*)
 THOMAS EDISON STATE COLL
 TINTON FALLS BD OF ED (*)
 TINTON FALLS BORO (*)
 TOMS RIVER SCHOOL DIST
 TOTOWA BORO (*)
 TOTOWA BORO BD OF ED (*)
 TOWACO FIRE DIST 2
 TOWN OF WEST NEW YORK
 TRENTON CITY (*)
 TRENTON CITY BD OF ED
 TRENTON DOWNTOWN ASSOC
 TRENTON EDUCATION ASSOC
 TRENTON HOUSING AUTH (*)
 TRENTON PARKING AUTH (*)
 TRENTON STATE COLLEGE
 TUCKERTON BORO (*)
 TUCKERTON BORO BD OF ED
 UNION BEACH BORO (*)
 UNION BEACH BORO BD OF ED (*)

UNION CITY
 UNION CITY BD OF ED
 UNION CITY HOUSING AUTH (*)
 UNION CITY PARKING AUTH
 UNION CO AUDIO VIS AID COMM
 UNION CO BD OF SOC SERV
 UNION CO COLLEGE (*)
 UNION CO ED SERV COMM (*)
 UNION CO REG HIGH SCH DIST
 UNION CO UTILITIES AUTH
 UNION CO VOCATIONAL SCH (*)
 UNION COUNTY
 UNION TOWNSHIP (HUNT) (*)
 UNION TOWNSHIP (UNION)
 UNION TWP BD OF ED (HUNT)
 UNION TWP BD OF ED (UNION) (*)
 UNION TWP LIBRARY (UNION)
 UNIVERSITY OF MED & DENTISTRY
 UPPER DEERFIELD TOWNSHIP
 UPPER DEERFIELD TWP BD ED
 UPPER FREEHOLD REG SCHOOL
 UPPER FREEHOLD TOWNSHIP (*)
 UPPER PITTSBORO TWP (*)
 UPPER PITTSBORO TWP BD OF ED
 UPPER SADDLE RIVER BD OF ED (*)
 UPPER SADDLE RIVER BORO (*)
 UPPER TOWNSHIP
 UPPER TOWNSHIP BD OF ED
 VENTNOR CITY
 VENTNOR CITY BD OF ED (*)
 VERNON TOWNSHIP
 VERNON TOWNSHIP BD OF ED
 VERONA BOARD OF ED (*)
 VERONA TOWNSHIP
 VICTORY GARDENS BORO
 VICTORY GARDENS BORO BD ED
 VILLAGE OF RIDGEFIELD PARK
 VINELAND CITY (*)
 VINELAND CITY BD OF ED (*)
 VINELAND CITY HOUSING
 VOORHEES TOWNSHIP (*)
 VOORHEES TWP BD OF ED
 VOORHEES TWP FIRE DIST 1
 VOORHEES TWP FIRE DIST 2
 W ESSEX REG BD OF ED
 W WINDSOR PARKING AUTH
 WALDWICK BORO (*)
 WALDWICK BORO BD OF ED (*)
 WALL TOWNSHIP
 WALL TOWNSHIP BD OF ED (*)
 WALLINGTON BORO (*)
 WALLINGTON BORO BD OF ED (*)
 WALLKILL VALL REG H S (*)
 WALPACK TOWNSHIP (*)
 WANAEQUE BD OF ED (*)
 WANAEQUE BORO
 WANAEQUE BORO SEWERAGE

*In addition to participating in the retirement system, also participates in the State Health Benefits Program

PARTICIPATING EMPLOYERS

WANAQUE VALL REG SEW AUTH
WANTAGE TOWNSHIP
WARREN CO AUDIO VIS AIDS
WARREN CO COMM COLLEGE (*)
WARREN CO MOSQUITO COMM
WARREN CO MUN UTIL AUTH
WARREN CO POLLUTION CNTRL
WARREN CO SOIL CONSERV (*)
WARREN CO SPEC SERV (*)
WARREN CO VOC SCHOOL (*)
WARREN CO WELFARE BOARD
WARREN COUNTY
WARREN HILLS REG SCHOOLS
WARREN TOWNSHIP (*)
WARREN TWP BD OF ED
WASHINGTON BORO (*)
WASHINGTON BORO BD OF ED
WASHINGTON TWP (BERGEN)
WASHINGTON TWP (BURL)
WASHINGTON TWP (GLOUC) (*)
WASHINGTON TWP (MERCER) (*)
WASHINGTON TWP (MORRIS) (*)
WASHINGTON TWP (WARREN)
WASHINGTON TWP BD ED (BUR)
WASHINGTON TWP BD ED (GLO)
WASHINGTON TWP BD ED (MER) (*)
WASHINGTON TWP BD ED (MOR) (*)
WASHINGTON TWP BD ED (WAR)
WASHINGTON TWP FIRE (GLO)
WASHINGTON TWP FIRE (MER) (*)
WASHINGTON TWP MUA (MER) (*)
WASHINGTON TWP MUA (MOR)
WASHINGTON TWP MUA (WAR) (*)
WATCHUNG BORO (*)
WATCHUNG BORO BD OF ED (*)
WATCHUNG HILLS REG H S (*)
WATERFORD TOWNSHIP
WATERFORD TWP BD OF ED (*)
WATERFORD TWP MUA (*)
WATERFRONT OF NY HARBOR
WAYNE BOARD OF ED
WAYNE TOWNSHIP
WEEHAWKEN TOWNSHIP
WEEHAWKEN TWP BD OF ED (*)
WEEHAWKEN TWP HOUSING
WENONAH BORO (*)
WENONAH BORO BD OF ED (*)
WEST AMWELL TOWNSHIP (*)
WEST AMWELL TWP BD OF ED (*)
WEST CALDWELL TOWNSHIP
WEST CAPE MAY BORO (*)
WEST CAPE MAY BORO BD ED (*)
WEST DEPTFORD TOWNSHIP
WEST DEPTFORD TWP BD ED
WEST LONG BRANCH BD ED (*)
WEST LONG BRANCH BORO (*)

WEST MILFORD TOWNSHIP
WEST MILFORD TWP BD OF ED
WEST MILFORD TWP MUA (*)
WEST MORRIS REG H S DIST (*)
WEST NEW YORK BD OF ED (*)
WEST NEW YORK HOUSING
WEST NEW YORK MUN UTIL
WEST NEW YORK PARKING
WEST ORANGE LIBRARY
WEST ORANGE TOWNSHIP (*)
WEST ORANGE TWP BD ED
WEST PATERSON BORO
WEST PATERSON BORO BD ED (*)
WEST WILDWOOD BORO
WEST WINDSOR TOWNSHIP
WEST WINDSOR-PLAINSBORO
WESTAMPTON TOWNSHIP
WESTAMPTON TWP BD OF ED
WESTERN MONMOUTH UTIL (*)
WESTFIELD TOWN
WESTFIELD TOWN BD OF ED
WESTVILLE BOARD OF ED (*)
WESTVILLE BORO
WESTWOOD BORO
WESTWOOD REG SCH DIST (*)
WEYMOUTH TOWNSHIP (*)
WEYMOUTH TWP BD OF ED (*)
WEYMOUTH TWP MUA
WHARTON BORO (*)
WHARTON BORO BD OF ED (*)
WHARTON SEWERAGE AUTH
WHITE TOWNSHIP (*)
WHITE TWP BD OF ED
WILDWOOD CITY (*)
WILDWOOD CITY BD OF ED (*)
WILDWOOD CITY HOUSING (*)
WILDWOOD CREST BD OF ED (*)
WILDWOOD CREST BORO
WILLIAM PATERSON COLLEGE
WILLINGBORO MUN UTIL (*)
WILLINGBORO TOWNSHIP
WILLINGBORO TWP BD OF ED
WINFIELD TOWNSHIP (*)
WINFIELD TWP BD OF ED (*)
WINSLOW TOWNSHIP
WINSLOW TWP BD OF ED
WINSLOW TWP FIRE DIST I (*)
WOOD-RIDGE BD OF ED (*)
WOOD-RIDGE BORO
WOODBINE BORO (*)
WOODBINE BORO BD OF ED (*)
WOODBINE MUN UTIL AUTH (*)
WOODBINE HOUSING (*)
WOODBRIIDGE TOWNSHIP
WOODBRIIDGE TWP BD OF ED
WOODBRIIDGE TWP ED ASSOC

WOODBRIIDGE TWP FIRE #1 (*)
WOODBRIIDGE TWP FIRE #11
WOODBRIIDGE TWP FIRE #2
WOODBRIIDGE TWP FIRE #5
WOODBRIIDGE TWP FIRE #7
WOODBRIIDGE TWP FIRE #9
WOODBURY CITY
WOODBURY CITY BD OF ED (*)
WOODBURY HEIGHTS BORO
WOODBURY HGHTS BD OF ED (*)
WOODCLIFF LAKE BD OF ED (*)
WOODCLIFF LAKE BORO (*)
WOODLAND TOWNSHIP (*)
WOODLAND TWP BD OF ED (*)
WOODLYNNE BORO (*)
WOODLYNNE BORO BD OF ED (*)
WOODSTOWN BORO (*)
WOODSTOWN PILESGROVE REG
WOODSTOWN SEWERAGE AUTH
WOOLWICH TOWNSHIP
WRIGHTSTOWN BORO (*)
WRIGHTSTOWN MUN UTIL (*)
WYCKOFF TOWNSHIP (*)
WYCKOFF TWP BD OF ED (*)

ALL NEW JERSEY STATE GOVERN-
MENT DEPARTMENTS AND THEIR
ASSOCIATED DIVISIONS

THE FOLLOWING LOCATIONS
PARTICIPATE IN THE STATE HEALTH
BENEFITS PROGRAM ONLY:

ESSEX COUNTY PENSION FUND
HUDSON COUNTY PENSION FUND
JERSEY CITY PENSION FUND
UMDMJ PENSION FUND

THE NEW JERSEY DIVISION OF PENSIONS AND BENEFITS

- *Public Employees' Retirement System*
- *Teachers' Pension and Annuity Fund*
- *Police and Firemen's Retirement System*
- *State Police Retirement System*
- *Judicial Retirement System*
- *Alternate Benefit Program*
- *Prison Officers' Pension Fund*
- *Consolidated Police and Firemen's Pension Fund*
- *State Employees Deferred Compensation Plan*
- *Supplemental Annuity Collective Trust*
- *Central Pension Fund*
- *Pension Adjustment Program*
- *Unemployment Compensation and Temporary Disability for State Employees*
- *State Health Benefits Program*
- *Prescription Drug Plan*
- *State Employee Dental Program*



*In addition to participating in the retirement system, also participates in the State Health Benefits Program