

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 | |
|---|--|
| <p>Office of Financial Services ... continued.</p> | <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> |
| <p>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.</p> | <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> |
| <p>Office of Management Information and Support Services ... responsible for the development and maintenance of all processing and management information processing ...</p> | <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> |
| <p>Boards and Commissions ... general responsibility for the proper operation of their respective employee benefits program.</p> | <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> | <p>Actuarial Advisor ... establish actuarial tables for the operation of the systems ...</p> |
| <p>The State Attorney General is the legal advisor for all pension funds and other employee benefit programs.</p> | <p>Legal Advisor</p> |
| <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> | <p>Medical Advisors</p> |

ORGANIZATION

Board of Trustees



PUBLIC EMPLOYEES' RETIREMENT SYSTEM

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



TEACHERS' PENSION AND ANNUITY FUND

| | |
|--|---|
| <i>Seated (left to right)</i> | Louis Karagias <i>DAG Representative</i> |
| Grace Haislip | Thomas Bryan <i>Treasurer Representative</i> |
| John Keeler | Jackie Bussanich <i>Support Staff</i> |
| Harry Baldwin <i>Chairperson</i> | James Clemente <i>Absent</i> |
| <i>Standing (left to right)</i> | Deborah Rivosa |
| Marie Flynn | |
| 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 <i>DAG Representative</i> |
| Alan C. Levine | Regina Trauner <i>Board Secretary</i> |
| Marty Barrett <i>Chairperson</i> | Thomas Bryan <i>Treasurer Representative</i> |
| M. Michael DiSalvo | Peter Katevatis |
| Samuel DiUbaldo | Peter J. VanEtten |
| | Jackie Bussanich <i>Support Staff</i> |

Board of Trustees

ORGANIZATION

STATE POLICE RETIREMENT SYSTEM

| | |
|-------------------------------|--|
| <i>Seated (left to right)</i> | <i>Standing (left to right)</i> |
| Kevin McPartland | Janice Vasil <i>Treasurer Representative</i> |
| John Foody | 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 <i>Support Staff</i> |
| Spencer H. Smith, Jr. <i>Chairperson</i> | Wendy Jamison <i>Board Secretary</i> |
| George Beaumont | Louis J. Risacher Nancy Naughton Janice Vasil <i>Treasurer Representative</i> |



PRISON OFFICERS' PENSION FUND

Thomas Bryan, *State Treasurer Representative*

STATE HEALTH BENEFITS COMMISSION

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

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*

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.

PUBLIC EMPLOYEES' RETIREMENT SYSTEM

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.

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.

TEACHERS' PENSION AND ANNUITY FUND

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.

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.

POLICE AND FIREMEN'S RETIREMENT SYSTEM

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.

| SCOPE OF OPERATION | |
|---------------------------------------|--|
| STATE POLICE RETIREMENT SYSTEM | <p>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.</p> <p>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.</p> |
| JUDICIAL RETIREMENT SYSTEM | <p>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.</p> <p>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.</p> |
| ALTERNATE BENEFIT PROGRAM | <p>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.</p> <p>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.</p> |
| PRISON OFFICERS' PENSION FUND | <p>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.</p> |

| SCOPE OF OPERATION | |
|--|---|
| <p>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.</p> | <i>Prison Officers' Pension Fund, continued.</i> |
| <p>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.</p> <p>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.</p> | CONSOLIDATED POLICE AND FIREMEN'S PENSION FUND |
| <p>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.</p> <p>Statutes can be found in the New Jersey Statutes Annotated, Title 52, Chapter 18A.</p> | STATE EMPLOYEES DEFERRED COMPENSATION PLAN |
| <p>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.</p> <p>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.</p> | SUPPLEMENTAL ANNUITY COLLECTIVE TRUST |
| <p>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.</p> | CENTRAL PENSION FUND |
| <p>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.</p> | PENSION ADJUSTMENT PROGRAM |

| SCOPE OF OPERATION | |
|---|---|
| <i>Pension Adjustment Program, continued.</i> | 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 | | |
|--|----------------|-----------------|
| 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 | | |
| 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. | | |
| 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

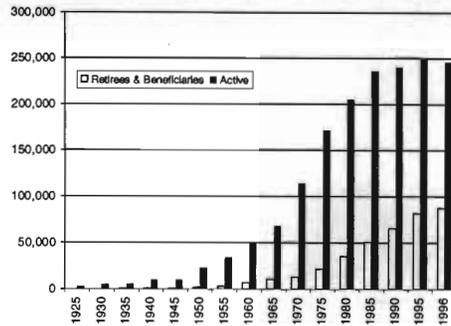
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

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



MEMBERSHIP

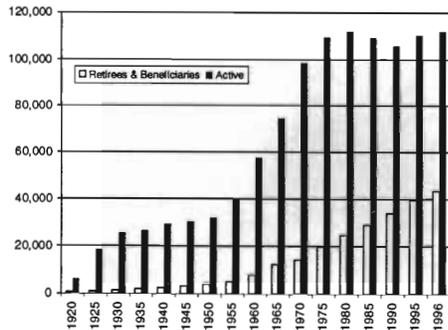
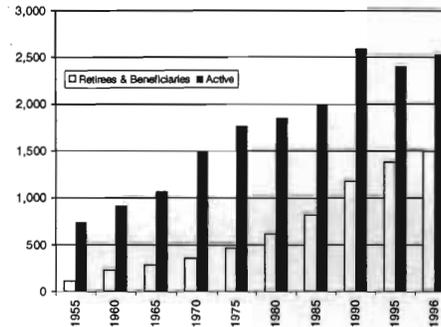
STATE POLICE RETIREMENT SYSTEM

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



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.

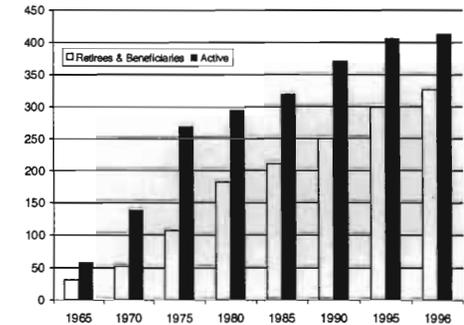
The system's assets totaled \$15,198,146,957 at the close of the fiscal year 1996.

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

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.



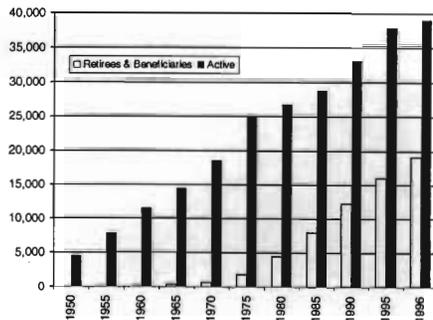
POLICE AND FIREMEN'S RETIREMENT SYSTEM

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*.

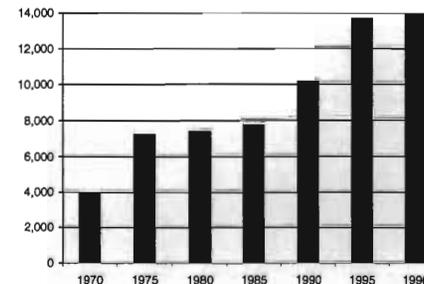
Beneficiaries of deceased active and retired members received lump sum death benefits in the amount of \$17,784,921.

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



Active ABP Members



ALTERNATE BENEFIT PROGRAM

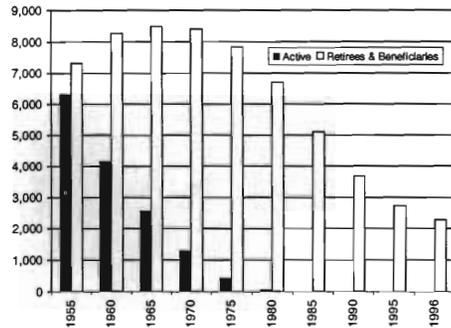
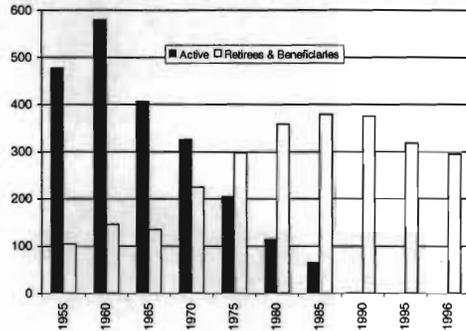
As of June 30, 1996, the State paid \$71,100,380 on behalf of 13,937 participants to the carriers underwriting this program.

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.



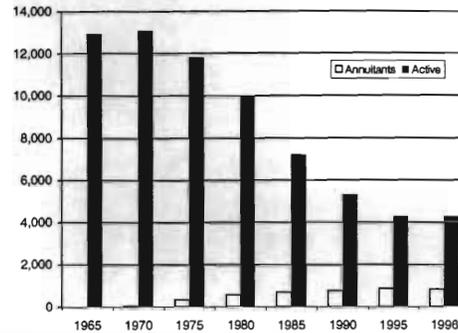
CONSOLIDATED POLICE AND FIREMEN'S PENSION FUND

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.

MEMBERSHIP

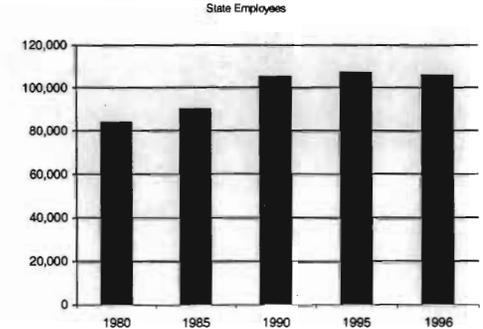
SUPPLEMENTAL ANNUITY COLLECTIVE TRUST

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.



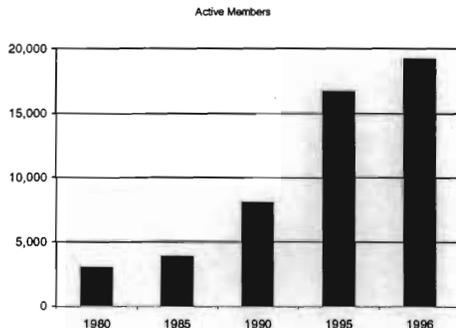
UNEMPLOYMENT COMPENSATION AND TEMPORARY DISABILITY INSURANCE

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.



NJ STATE EMPLOYEES DEFERRED COMPENSATION PLAN

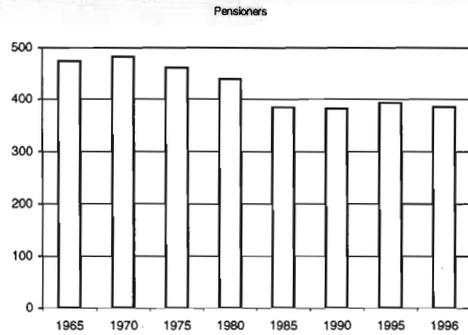
Fiscal year 1996 continues to show a marked increase in active participation due to membership campaigns conducted by the Division of Pensions and Benefits. As of June 30, 1996, the membership of the New Jersey State Employees Deferred Compensation Plan totaled 19,249. The plan's net assets (participant's balances) were \$439,481,785 at the close of the fiscal year 1996.



MEMBERSHIP

CENTRAL PENSION FUND

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

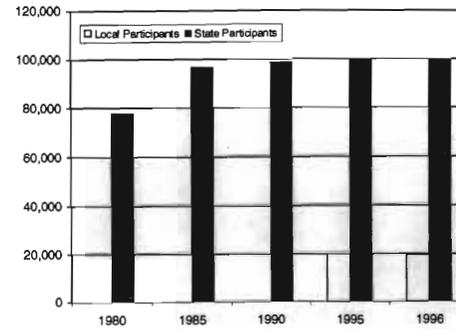


MEMBERSHIP

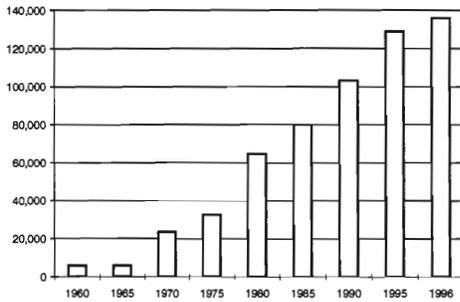
PRESCRIPTION DRUG PLAN

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.



Pensioners



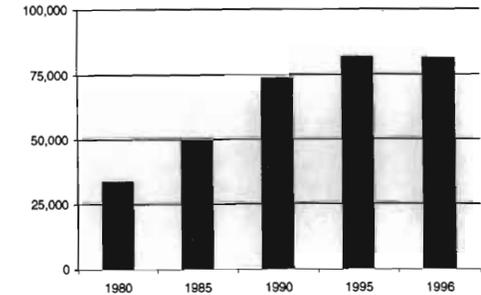
PENSION ADJUSTMENT PROGRAM

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

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.

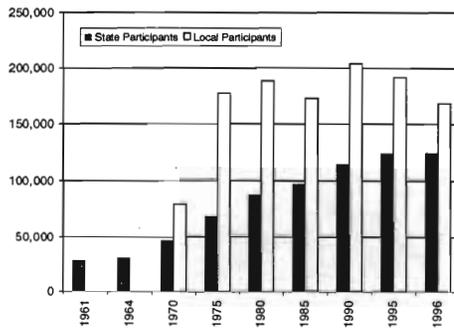
State Employees



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.



Audited Financial Statements



TABLE OF CONTENTS

REPORT OF INDEPENDENT AUDITORS 35.

AUDITED COMBINED FINANCIAL STATEMENTS

Component Unit Financial Statements

Combined Balance Sheets 36.

*Combined Statements of Revenues, Expenses
and Changes in Fund Balance* 37.

Notes to Component Unit Financial Statements 38.

Other Financial Information

Combining Balance Sheets 46.

*Combining Statements of Revenues, Expenses
and Changes in Fund Balance* 48.

Required Supplementary Information

Analysis of Funding Progress 50.

Revenues by Source and Expenses by Type 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 | | <u>6,621,388,506</u> |

Expenses:

| | | |
|------------------|--|----------------------|
| Benefit payments | | 2,126,476,484 |
| Other | | 415,647,985 |
| Total expenses | | <u>2,542,124,469</u> |

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 |
| | <hr/> |
| Active members: | |
| Vested | 207,896 |
| Nonvested | 225,435 |
| Total active members | 433,331 |
| | <hr/> |

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, CPFPPF 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, CPFPPF 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, CPFPPF 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 CPFPP were modified as of the July 1, 1994 valuation to better reflect current and anticipated future experience. For CPFPP, 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 CPFPP, respectively, and an increase in the total state contribution for CPFPP 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 | <u>1,621</u> |

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 | <u>418,772</u> | <u>431,421</u> |
| | 2,401,170 | 2,452,148 |
| 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 |
|--|--|--|---|--|--|-----------------------|
| | | | | | | |
| | 37,597 | - | - | 4,919 | - | 571,268 |
| | - | 637,460,421 | 15,761,676 | 144,694,918 | 825,403,075 | 2,455,721,550 |
| | | | | | | 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 contributions (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 | Benefits | | Withdrawals and administrative expenses | Transfers to other retirement systems | Total |
|------------------|---------------|-------------|---|---------------------------------------|---------------|
| | Retirement | Other (2) | | | |
| 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 PERS 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. |
| Notes | 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
 ABERDEEN TWP FIRE DIST 1 (*)
 ABERDEEN TWP FIRE DIST 2
 ABERDEEN TWP MUN UTIL AUTH
 ABSECON CITY (*)
 ABSECON BD OF ED (*)
 ALEXANDRIA TOWNSHIP
 ALEXANDRIA TWP BD OF ED (*)
 ALLAMUCHY BD OF ED
 ALLAMUCHY TOWNSHIP (*)
 ALLENDALE BORO (*)
 ALLENDALE BORO BD OF ED
 ALLENHURST BD OF ED (*)
 ALLENHURST BORO
 ALLENTOWN BORO
 ALLOWAY TOWNSHIP
 ALLOWAY TWP BD OF ED
 ALPHA BD OF ED
 ALPHA BORO
 ALPINE BORO
 ALPINE BORO BD OF ED
 ANDOVER BORO
 ANDOVER REG BD OF ED (*)
 ANDOVER TOWNSHIP (*)
 ASBURY PARK CITY
 ASBURY PARK BD OF ED
 ASBURY PARK HOUSING AUTH (*)
 ATL HIGHLANDS-HIGHLANDS REG
 ATLANTIC CITY
 ATLANTIC CITY BD OF ED
 ATLANTIC CITY CONVEN CTR (*)
 ATLANTIC CITY HOUSING (*)
 ATLANTIC CITY MUN UTIL AUTH (*)
 ATLANTIC CO AUDIO VIS COM
 ATLANTIC CO COMM COLLEGE (*)
 ATLANTIC CO IMPRVMENT AUTH
 ATLANTIC CO SPEC SERV (*)
 ATLANTIC CO TRANS AUTH
 ATLANTIC CO UTIL AUTH
 ATLANTIC CO VOC SCH (*)
 ATLANTIC CO WELFARE BD
 ATLANTIC COUNTY
 ATLANTIC HGLHNDSD BD OF ED (*)
 ATLANTIC HIGHLANDS (*)
 AUDUBON BORO (*)
 AUDUBON BORO BD OF ED
 AUDUBON PARK BD OF ED
 AUDUBON PARK BORO
 AVALON BORO
 AVALON BORO BD OF ED
 AVON BY THE SEA
 AVON BY THE SEA BD OF ED (*)
 BARNEGAT LIGHT BORO (*)
 BARNEGAT TOWNSHIP
 BARNEGAT TWP BD OF ED
 BARRINGTON BORO
 BARRINGTON BORO BD OF ED (*)
 BASS RIVER TOWNSHIP
 BASS RIVER TWP BD OF ED (*)
 BAY HEAD BD OF ED
 BAY HEAD BORO (*)
 BAYONNE BD OF ED
 BAYONNE CITY (*)
 BAYONNE PARKING AUTH (*)
 BAYONNE HOUSING AUTH (*)
 BAYSHORE REG SEW AUTH (*)
 BEACH HAVEN BORO (*)
 BEACH HAVEN BORO BD OF ED (*)
 BEACH HAVEN SEW AUTH (*)
 BEACHWOOD BORO (*)
 BEACHWOOD SEW AUTH (*)
 BEDMIN & FAR HILLS PUB LIB (*)
 BEDMINSTER TOWNSHIP (*)
 BEDMINSTER TWP BD OF ED (*)
 BELLEVILLE BD OF ED (*)
 BELLEVILLE TOWNSHIP
 BELLMAWR BORO
 BELLMAWR BORO BD OF ED
 BELMAR BORO
 BELMAR BORO BD OF ED
 BELMAR HOUSING AUTH
 BELVIDERE TOWN
 BELVIDERE TOWN BD OF ED
 BERGEN CO AUDIO-VIS COMM
 BERGEN CO BD OF SOC SERV (*)
 BERGEN CO BD OF SPEC SERV (*)
 BERGEN CO HOUSING AUTH
 BERGEN CO SOIL CONSERV (*)
 BERGEN CO UTIL AUTH (*)
 BERGEN CO VOC SCHOOL (*)
 BERGEN COMM COLLEGE
 BERGEN COUNTY
 BERGENFIELD BD OF ED
 BERGENFIELD BORO (*)
 BERKELEY HEIGHTS TWP
 BERKELEY HGHTS BD OF ED
 BERKELEY TOWNSHIP (*)
 BERKELEY TWP BD OF ED
 BERKELEY TWP HOUSING (*)
 BERKELEY TWP MUN UTIL (*)
 BERKELEY TWP SEWERAGE (*)
 BERLIN BORO (*)
 BERLIN BORO BD OF ED
 BERLIN TOWNSHIP (*)
 BERLIN TWP BD OF ED
 BERNARDS TOWNSHIP
 BERNARDS TWP BD OF ED
 BERNARDS TWP SEWERAGE
 BERNARDSVILLE BORO (*)
 BETHLEHEM TOWNSHIP
 BETHLEHEM TWP BD OF ED
 BEVERLY CITY
 BEVERLY CITY BD OF ED
 BEVERLY HOUSING AUTH (*)
 BEVERLY SEWERAGE AUTH
 BLACK HORSE PIKE REG SCH (*)
 BLAIRSTOWN TOWNSHIP (*)
 BLAIRSTOWN TWP BD OF ED
 BLOOMFIELD TOWNSHIP
 BLOOMFIELD TWP BD OF ED
 BLOOMINGDALE BORO
 BLOOMINGDALE BORO BD OF ED
 BLOOMSBURY BORO
 BLOOMSBURY BORO BD OF ED
 BOGOTA BORO
 BOGOTA BORO BD OF ED (*)
 BOONTON HOUSING AUTH (*)
 BOONTON TOWN (*)
 BOONTON TOWN BD OF ED (*)
 BOONTON TOWNSHIP (*)
 BOONTON TWP BD OF ED
 BORDENTOWN CITY (*)
 BORDENTOWN FIRE DIST 1 (*)
 BORDENTOWN REG SCH DIST (*)
 BORDENTOWN SEWERAGE (*)
 BORDENTOWN TOWNSHIP
 BORDENTOWN TWP FIRE #2 (*)
 BOUND BROOK BORO (*)
 BOUND BROOK BORO BD OF ED (*)
 BRADLEY BEACH BD OF ED
 BRADLEY BEACH BORO (*)
 BRANCHBURG TOWNSHIP
 BRANCHBURG TWP BD OF ED
 BRANCHVILLE BD OF ED
 BRANCHVILLE BORO (*)
 BRICK TOWNSHIP (*)
 BRICK TWP BD OF ED
 BRICK TWP HOUSING AUTH (*)
 BRICK TWP INT BD OF FIRE (*)
 BRICK TWP MUN UTIL AUTH (*)
 BRIDGETON CITY (*)
 BRIDGETON BD OF ED (*)
 BRIDGETON CITY HOUSING (*)
 BRIDGEWATER TOWNSHIP
 BRIDGEWATER-RARITAN REG
 BRIELLE BORO
 BRIELLE BORO BD OF ED
 BRIGANTINE CITY
 BRIGANTINE CITY BD OF ED (*)
 BROOKDALE COMM COLLEGE (*)
 BROOKLAWN BORO
 BROOKLAWN BORO BD OF ED
 BUENA BORO (*)
 BUENA BORO HOUSING AUTH
 BUENA BORO MUN UTIL AUTH (*)
 BUENA REGIONAL SCH DIST
 BUENA VISTA TOWNSHIP
 BURLINGTON CO COLLEGE (*)
 BURLINGTON CO MOSQ COMM
 BURLINGTON CO SOIL CONS (*)
 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 HSGN (*)
 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
 DENVILLE TOWNSHIP (*)
 DENVILLE 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

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

PARTICIPATING EMPLOYERS

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 TOWNSHIP HOUSING (*)
 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 (*)
 ELSINBORO TOWNSHIP
 ELSINBORO 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
 GIBBSBORO 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 UTIL AUTH
 GLOUCESTER CO VOC SCH
 GLOUCESTER COUNTY
 GLOUCESTER COUNTY COLLEGE
 GLOUCESTER TOWNSHIP
 GLOUCESTER TWP BD OF ED (*)

*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
 KITTANNY 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 ENGLISH TOWN (*)
 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 (*)
 MERCHANTVILLE BORO
 MERCHANTVL 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 FIRE #1 (*)
 MIDDLETOWN TWP FIRE #2 (*)
 MIDDLETOWN TWP SEWERAGE (*)
 MIDLAND PARK BD OF ED (*)
 MIDLAND PARK BORO (*)
 MILFORD BORO (*)
 MILFORD BORO BD OF ED (*)
 MILBURN TOWNSHIP (*)
 MILBURN 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 INT 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 CERP
 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 INT
 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
 PARSIPANNY TROY HILLS BD ED
 PARSIPANNY 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
 PENNSMAN TWP BD OF ED
 PENNSVILLE TOWNSHIP
 PENNSVILLE TWP BD OF ED
 PBQ LIN PK & FLD SEWER (*)
 PEQUANNOCK TOWNSHIP
 PEQUANNOCK TWP BD ED
 PERTH AMBOY CITY
 PERTH TOWNSHIP (*)
 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
 PILESGROVE TOWNSHIP (*)
 PINE BEACH BORO (*)
 PINE HILL BORO
 PINE HILL BORO BD OF ED (*)
 PINE HILL BORO MUN UTIL
 PINE VALLEY BORO (*)

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

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
 RANCOCAS 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 (UNION)
 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
 SWEDESBORO BORO
 SWEDESBORO WOOLWICH SCH
 TABERNACLE TOWNSHIP (*)
 TABERNACLE TWP BD OF ED (*)
 TAVISTOCK BORO
 TEANECK BOARD OF ED (*)
 TEANECK TOWNSHIP (*)
 TETERBORO BORO
 TETERBORO BD OF ED (*)
 TETERBORO (*)
 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 (HUNT)
 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 (*)
 WANAQUE BD OF ED (*)
 WANAQUE BORO
 WANAQUE 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 1 (*)
 WOOD-RIDGE BD OF ED (*)
 WOOD-RIDGE BORO
 WOODBINE BORO (*)
 WOODBINE BORO BD OF ED (*)
 WOODBINE MUN UTIL AUTH (*)
 WOODBRIDGE HOUSING (*)
 WOODBRIDGE TOWNSHIP
 WOODBRIDGE TWP BD OF ED
 WOODBRIDGE TWP ED ASSOC

WOODBRIDGE TWP FIRE #1 (*)
 WOODBRIDGE TWP FIRE #11
 WOODBRIDGE TWP FIRE #2
 WOODBRIDGE TWP FIRE #5
 WOODBRIDGE TWP FIRE #7
 WOODBRIDGE 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