

# **The Public Employees' Retirement System of New Jersey**

**GASB 68 Report  
as of June 30, 2025**

**Produced by Cheiron**

**March 2026**

## TABLE OF CONTENTS

<i>Section</i>		<i>Page</i>
Section I	Board Summary .....	1
Section II	Certification .....	3
Section III	Determination of Discount Rate .....	5
Section IV	Collective Employer Reporting Amounts.....	7
 <i>Appendices</i>		
Appendix A	Membership Information .....	17
Appendix B	Actuarial Assumptions and Methods .....	18
Appendix C	Summary of Plan Provisions.....	35
Appendix D	Determination of Discount Rate .....	47
Appendix E	Glossary of Terms.....	51

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY**  
**GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**SECTION I – BOARD SUMMARY**

The purpose of this report is to provide accounting and financial disclosure information under Governmental Accounting Standards Board Statement 68 for the Public Employees' Retirement System of New Jersey (PERS, Plan or System). This information includes:

- Disclosure of Deferred Inflows and Outflows, and
- Calculation of the Collective Annual Pension Expense.

**Highlights**

The reporting date for the PERS is June 30, 2025. Measurements as of the reporting date are based on the fair value of assets as of June 30, 2025 and the Total Pension Liability (TPL) as of the valuation date, July 1, 2024, updated to June 30, 2025. As a result of the Experience Study covering the period July 1, 2021 – June 30, 2024, the underlying demographic and economic assumptions were updated. To see a detailed comparison of the changes refer to the Experience Study. We are not aware of any other significant events between the valuation date and the measurement date that are measurable at this time, so the update procedures only include the addition of service cost and interest cost offset by actual benefit payments, and adjustments to reflect the changes in assumptions.

Additional information about the TPL can be found in the GASB 67 report. This report contains the GASB 68 collective employer reporting amounts. The individual employer reporting amounts can be found in the GASB 67-68 Employer Schedules provided separately in excel format.

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**SECTION I – BOARD SUMMARY**

The following table provides a summary of the key results during this reporting period for the System in Total, as well as broken out for the State portion and the Local Employers portion.

<b>Table I-1 Summary of Collective Results</b>		
<b>Measurement Date</b>	<b>6/30/2025</b>	<b>6/30/2024</b>
<b><u>State</u></b>		
Net Pension Liability	\$ 21,950,691,897	\$ 22,170,235,622
Deferred Outflows	(587,657,022)	(523,673,665)
Deferred Inflows	<u>196,447,406</u>	<u>162,209,027</u>
Net Impact on Statement of Net Position	\$ 21,559,482,281	\$ 21,808,770,984
Total Pension Expense/(Income)	\$ 1,671,628,540	\$ 1,421,296,005
Pension Expense/(Income) (% of Payroll)	32.85%	29.80%
<b><u>Local Employers</u></b>		
Net Pension Liability	\$ 12,404,749,906	\$ 13,702,423,985
Deferred Outflows	(352,599,528)	(289,074,215)
Deferred Inflows	<u>1,180,379,255</u>	<u>820,816,333</u>
Net Impact on Statement of Net Position	\$ 13,232,529,633	\$ 14,234,166,103
Total Pension Expense/(Income)	\$ 435,736,779	\$ 372,160,096
Pension Expense/(Income) (% of Payroll)	5.22%	4.68%
<b><u>Total</u></b>		
Net Pension Liability	\$ 34,355,441,803	\$ 35,872,659,607
Deferred Outflows	(940,256,550)	(812,747,880)
Deferred Inflows	<u>1,376,826,661</u>	<u>983,025,360</u>
Net Impact on Statement of Net Position	\$ 34,792,011,914	\$ 36,042,937,087
Total Pension Expense/(Income)	\$ 2,107,365,319	\$ 1,793,456,101
Pension Expense/(Income) (% of Payroll)	15.68%	14.10%

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**SECTION II – CERTIFICATION**

The purpose of this report is to provide accounting and financial reporting information under GASB 68 for the Public Employees' Retirement System of New Jersey (PERS). This report is for the use of PERS, the Division of Pensions and Benefits (DPB) and their auditors in preparing financial reports in accordance with applicable law and accounting requirements. This report is not appropriate for other purposes, including the measurement of funding requirements for PERS and estimating the price to settle PERS's obligations.

In preparing our report, we relied on information (some oral and some written) supplied by the DPB. This information includes, but is not limited to, the Plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23, *Data Quality*.

Future actuarial measurements may differ significantly from the current measurements due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; and changes in plan provisions or applicable law.

For purposes of this report, the calculation of the Total Pension Liability and the projection of the Plan's contributions and projected benefit payments as of June 30, 2025 was based on the recommended demographic assumptions of the July 1, 2021 – June 30, 2024 Experience Study, which was approved by the Board of Trustees on September 17, 2025.

This report reflects two changes to the Plan provisions. Chapter 97, P.L. 2024 establishes eligibility for enrollment in PERS and subsequent retirement benefits for county fire instructors who were employed and enrolled before November 1, 2008. Chapter 56, P.L. 2024 permits county prosecutors to purchase and receive credit in the Prosecutors Part of PERS for judicial law clerk service in a State court. Additionally, Chapter 56, P.L. 2024 permits a retired member of the Judicial Retirement System (JRS) to be appointed as a county prosecutor but such member cannot be enrolled in any other State-administered retirement system based on that service. Chapter 97, P.L. 2024 and Chapter 56, P.L. 2024 did not impact the Total Pension Liability for this report. The impact of Chapter 97, P.L. 2024 and Chapter 56, P.L. 2024 will be recognized in subsequent years as experience emerges.

Chapter 82, P.L. 2025 revises the apportionment of State lottery revenue. The percentage of lottery revenue dedicated to the New Jersey Retirement Systems is reduced from 30% to 27% for at least FYE 2026 through FYE 2028 and may revert to 30% thereafter depending on future lottery revenue. We continue to rely on the projected lottery revenue proceeds from the most recent New Jersey Lottery Valuation Report as of December 31, 2021.

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**SECTION II – CERTIFICATION**

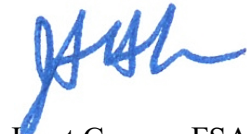
This report was prepared using census data as of the July 1, 2024 valuation date and financial information as of the June 30, 2025 measurement date.

Based on the State Treasurer's recommendation, the investment return assumption used to determine the actuarially determined contributions is 7.00% per annum.

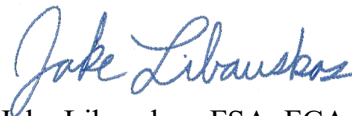
In accordance with Paragraph 40 of GASB Statement No. 67, the projection of the Plan's fiduciary net position is based on a long-term expected rate of return of 7.00% per annum. The discount rate used to measure the Total Pension Liability is 7.00% as of June 30, 2025 and is described in Section III of the report.

This report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices and our understanding of the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board as well as applicable laws and regulations. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this report. This report does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

This report was prepared for PERS for the purposes described herein and for the use by the Plan auditor in completing an audit related to the matters herein. Other users of this report are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to such other users.



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Principal Consulting Actuary



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Principal Consulting Actuary

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**SECTION III – DETERMINATION OF DISCOUNT RATE**

The discount rate used to measure the Total Pension Liability was 7.00% as of June 30, 2024 and June 30, 2025. As discussed with the DPB, the projection of cash flows used to determine the discount rate as of June 30, 2025 assumed:

- In accordance with Paragraph 40 of GASB Statement No. 67, the projection of the Plan's fiduciary net position is based on a long-term expected rate of return of 7.00% per annum.
- In accordance with Paragraph 41 of GASB Statement No. 67, the projection of the Plan's contributions and benefit payments are based on the same assumptions used to determine the expected contributions for the System. The demographic assumptions are based on the recommendations of the July 1, 2021 – June 30, 2024 Experience Study, which was approved by the Board of Trustees on September 17, 2025.

Based on the State Treasurer's recommendation, the investment return assumption used to determine the actuarially determined contributions is 7.00% per annum.

- It is assumed that the Local employers will contribute 100% of their actuarially determined contribution and 100% of their Non-Contributory Group Insurance Premium Fund (NCGIPF) contribution. It is assumed that the State will contribute 100% of its actuarially determined contribution and NCGIPF contribution. The 100% contribution rate is the total State contribution rate expected to be paid in fiscal year ending June 30, 2026 with respect to the actuarially determined contribution for the fiscal year ending June 30, 2026 for all State administered retirement systems.
- Consistent with Chapter 83, P.L. 2016, it is assumed that the State will make pension contributions in equal amounts at the end of each quarter.
- In accordance with Chapter 98, P. L. 2017, PERS receives 21.02% of the proceeds of the Lottery Enterprise for a period of 30 years. Revenues received from lottery proceeds are assumed to be contributed to the System on a monthly basis. Chapter 82, P.L. 2025 revises the apportionment of State lottery revenue. The percentage of lottery revenue dedicated to the New Jersey Retirement Systems is reduced from 30% to 27% for at least FYE 2026 through FYE 2028 and may revert to 30% thereafter depending on future lottery revenue. We continue to rely on the projected lottery revenue proceeds from the most recent New Jersey Lottery Valuation Report as of December 31, 2021.
- It is assumed that Local employers' contributions, including the NCGIPF contributions, are expected to be received on April 1<sup>st</sup>, 21 months after the associated valuation date.
- The State NCGIPF contributions are assumed to be paid monthly.
- Annual administrative expenses are assumed to be 0.44% and 0.76% of expected pension benefit payments for State and Local employers, respectively.

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**SECTION III – DETERMINATION OF DISCOUNT RATE**

The Fiduciary Net Position (FNP) includes Local employers' contributions receivable as reported in the financial statements provided to us by the DPB. In determining the discount rate in Appendix D, the FNP at the beginning of each year does not reflect receivable contributions as those amounts are not available at the beginning of the year to pay benefits. The receivable contributions for the current year and prior year are shown below:

- For FYE June 30, 2024, the FNP includes receivable contributions of \$1,393,655,054 (\$1,302,428,289 for appropriations, \$58,292,182 for NCGIPF, \$18,582,343 for Chapter 19 and \$14,352,240 for Early Retirement Incentive (ERI)).
- For FYE June 30, 2025, the FNP includes receivable contributions of \$1,390,211,483 (\$1,306,246,332 for appropriations, \$60,427,007 for NCGIPF, \$10,413,465 for Chapter 19 and \$13,124,679 for ERI).

In the event the Plan's fiduciary net position was no longer sufficient to make future benefit payments, municipal bond rates of 3.93% as of June 30, 2024 and 5.20% as of June 30, 2025 would be used to develop the blended GASB discount rate. As selected by the State Treasurer, the rates are based on the Bond Buyer GO 20-Bond Municipal Bond Index.

As of June 30, 2025, based on the assumptions above, the pension Plan's fiduciary net position is expected to be sufficient to make all projected future benefit payments for current Plan members; therefore, the GASB discount rate as of June 30, 2025 is equal to the long-term rate of return of 7.00%. Similarly, the GASB discount rate as of June 30, 2024 was equal to the long-term rate of return of 7.00%. The assumed discount rates have been determined in accordance with the method prescribed by GASB Statement No. 67. See Appendix D for the determination of the discount rate.

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**SECTION IV – COLLECTIVE EMPLOYER REPORTING AMOUNTS**

Consistent with previous reporting, the schedules in this section will be used by the State and Local employers for their 2026 reporting.

The impact of experience gains or losses and assumption changes on the TPL are recognized in expense over the average expected remaining service life of all active and inactive members of the System. As of the beginning of the measurement period, this recognition period was 5.15 years.

The following tables summarize the current balances of deferred outflows and deferred inflows of resources along with the net recognition over the next five years and thereafter.

<b>Table IV-1A</b>		
<b>Schedule of Collective Deferred Inflows and Outflows of Resources</b>		
<b>State</b>		
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 586,267,660	\$ 22,701,147
Changes in assumptions	1,389,362	23,686,976
Net differences between projected and actual earnings on pension plan investments	0	150,059,283
<b>Total</b>	<b><u>\$ 587,657,022</u></b>	<b><u>\$ 196,447,406</u></b>
Amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:		
<b>Measurement year ended June 30:</b>		
2026	\$ 289,747,418	
2027	60,835,632	
2028	13,860,760	
2029	15,565,481	
2030	11,200,325	
Thereafter	\$ 0	

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**SECTION IV – COLLECTIVE EMPLOYER REPORTING AMOUNTS**

Table IV-1B		
Schedule of Collective Deferred Inflows and Outflows of Resources		
Local Employers		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 350,657,510	\$ 13,142,768
Changes in assumptions	1,942,018	141,691,352
Net differences between projected and actual earnings on pension plan investments	0	1,025,545,135
<b>Total</b>	<b><u>\$ 352,599,528</u></b>	<b><u>\$ 1,180,379,255</u></b>
Amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:		
<b>Measurement year ended June 30:</b>		
	2026 \$ 227,784,959	
	2027 (475,438,218)	
	2028 (366,876,806)	
	2029 (214,756,075)	
	2030 1,506,413	
	Thereafter \$ 0	

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**SECTION IV – COLLECTIVE EMPLOYER REPORTING AMOUNTS**

Table IV-1C		
Schedule of Collective Deferred Inflows and Outflows of Resources		
Total		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 936,925,170	\$ 35,843,915
Changes in assumptions	3,331,380	165,378,328
Net differences between projected and actual earnings on pension plan investments	0	1,175,604,418
<b>Total</b>	<b><u>\$ 940,256,550</u></b>	<b><u>\$ 1,376,826,661</u></b>
Amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:		
<b>Measurement year ended June 30:</b>		
	2026 \$ 517,532,377	
	2027 (414,602,586)	
	2028 (353,016,046)	
	2029 (199,190,594)	
	2030 12,706,738	
	Thereafter \$ 0	

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**SECTION IV – COLLECTIVE EMPLOYER REPORTING AMOUNTS**

Table IV-2A  
Detailed Schedule of Collective Deferred Inflows and Outflows of Resources  
State

**Recognition of liability experience gains and losses**

From Measurement Year Ending	Remaining Recognition Period	Beginning of Year Deferred (Inflows) and Outflows	End of Year Deferred (Inflows) and Outflows	Recognition Year						
				2025	2026	2027	2028	2029	2030	Thereafter
2025	5.15	\$ 385,135,113	\$ 310,351,596	\$ 74,783,517	\$ 74,783,517	\$ 74,783,517	\$ 74,783,517	\$ 74,783,517	\$ 11,217,528	\$ 0
2024	4.08	164,349,389	124,067,676	40,281,713	40,281,713	40,281,713	40,281,713	3,222,537	0	0
2023	3.08	218,677,344	147,678,206	70,999,138	70,999,138	70,999,138	5,679,930	0	0	0
2022	2.04	(44,529,173)	(22,701,147)	(21,828,026)	(21,828,026)	(873,121)	0	0	0	0
2021	1.13	36,248,516	4,170,182	32,078,334	4,170,182	0	0	0	0	0
2020	0.16	19,301,764	0	19,301,764	0	0	0	0	0	0
<b>Total</b>		<b>\$ 779,182,953</b>	<b>\$ 563,566,513</b>	<b>\$ 215,616,440</b>	<b>\$ 168,406,524</b>	<b>\$ 185,191,247</b>	<b>\$ 120,745,160</b>	<b>\$ 78,006,054</b>	<b>\$ 11,217,528</b>	<b>\$ 0</b>

**Recognition of assumption changes**

From Measurement Year Ending	Remaining Recognition Period	Beginning of Year Deferred (Inflows) and Outflows	End of Year Deferred (Inflows) and Outflows	Recognition Year						
				2025	2026	2027	2028	2029	2030	Thereafter
2025	5.15	\$ (590,613)	\$ (475,931)	\$ (114,682)	\$ (114,682)	\$ (114,682)	\$ (114,682)	\$ (114,682)	\$ (17,203)	\$ 0
2024	4.08	0	0	0	0	0	0	0	0	0
2023	3.08	0	0	0	0	0	0	0	0	0
2022	2.04	(45,529,359)	(23,211,045)	(22,318,314)	(22,318,314)	(892,731)	0	0	0	0
2021	1.13	12,076,772	1,389,362	10,687,410	1,389,362	0	0	0	0	0
2020	0.16	(72,150,495)	0	(72,150,495)	0	0	0	0	0	0
<b>Total</b>		<b>\$ (106,193,695)</b>	<b>\$ (22,297,614)</b>	<b>\$ (83,896,081)</b>	<b>\$ (21,043,634)</b>	<b>\$ (1,007,413)</b>	<b>\$ (114,682)</b>	<b>\$ (114,682)</b>	<b>\$ (17,203)</b>	<b>\$ 0</b>

**Recognition of investment gains and losses**

From Measurement Year Ending	Remaining Recognition Period	Beginning of Year Deferred (Inflows) and Outflows	End of Year Deferred (Inflows) and Outflows	Recognition Year						
				2025	2026	2027	2028	2029	2030	Thereafter
2025	5.00	\$ (311,629,451)	\$ (249,303,561)	\$ (62,325,890)	\$ (62,325,890)	\$ (62,325,890)	\$ (62,325,890)	\$ (62,325,891)	\$ 0	\$ 0
2024	4.00	(177,775,312)	(133,331,484)	(44,443,828)	(44,443,828)	(44,443,828)	(44,443,828)	0	0	0
2023	3.00	(49,735,456)	(33,156,970)	(16,578,486)	(16,578,486)	(16,578,484)	0	0	0	0
2022	2.00	531,465,466	265,732,732	265,732,734	265,732,734	0	0	0	0	0
2021	1.00	(230,934,818)	0	(230,934,818)	0	0	0	0	0	0
<b>Total</b>		<b>\$ (238,609,571)</b>	<b>\$ (150,059,283)</b>	<b>\$ (88,550,288)</b>	<b>\$ 142,384,528</b>	<b>\$ (123,348,202)</b>	<b>\$ (106,769,718)</b>	<b>\$ (62,325,891)</b>	<b>\$ 0</b>	<b>\$ 0</b>

<b>Grand Total</b>		<b>\$ 434,379,687</b>	<b>\$ 391,209,616</b>	<b>\$ 43,170,071</b>	<b>\$ 289,747,418</b>	<b>\$ 60,835,632</b>	<b>\$ 13,860,760</b>	<b>\$ 15,565,481</b>	<b>\$ 11,200,325</b>	<b>\$ 0</b>
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**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**SECTION IV – COLLECTIVE EMPLOYER REPORTING AMOUNTS**

**Table IV-2B  
Detailed Schedule of Collective Deferred Inflows and Outflows of Resources  
Local Employers**

**Recognition of liability experience gains and losses**

From Measurement Year Ending	Remaining Recognition Period	Beginning of Year Deferred (Inflows) and Outflows	End of Year Deferred (Inflows) and Outflows	Recognition Year							
				2025	2026	2027	2028	2029	2030	Thereafter	
2025	5.15	\$ 192,216,887	\$ 154,893,220	\$ 37,323,667	\$ 37,323,667	\$ 37,323,667	\$ 37,323,667	\$ 37,323,667	\$ 37,323,667	\$ 5,598,552	\$ 0
2024	4.08	196,796,041	148,561,717	48,234,324	48,234,324	48,234,324	48,234,324	3,858,745	0	0	0
2023	3.08	69,896,118	47,202,573	22,693,545	22,693,545	22,693,545	1,815,483	0	0	0	0
2022	2.04	(22,750,625)	(11,598,357)	(11,152,268)	(11,152,268)	(446,089)	0	0	0	0	0
2021	1.13	(13,424,492)	(1,544,411)	(11,880,081)	(1,544,411)	0	0	0	0	0	0
2020	0.16	5,501,427	0	5,501,427	0	0	0	0	0	0	0
<b>Total</b>		<b>\$ 428,235,356</b>	<b>\$ 337,514,742</b>	<b>\$ 90,720,614</b>	<b>\$ 95,554,857</b>	<b>\$ 107,805,447</b>	<b>\$ 87,373,474</b>	<b>\$ 41,182,412</b>	<b>\$ 5,598,552</b>	<b>\$ 0</b>	<b>\$ 0</b>

**Recognition of assumption changes**

From Measurement Year Ending	Remaining Recognition Period	Beginning of Year Deferred (Inflows) and Outflows	End of Year Deferred (Inflows) and Outflows	Recognition Year							
				2025	2026	2027	2028	2029	2030	Thereafter	
2025	5.15	\$ (140,496,784)	\$ (113,215,855)	\$ (27,280,929)	\$ (27,280,929)	\$ (27,280,929)	\$ (27,280,929)	\$ (27,280,929)	\$ (27,280,929)	\$ (4,092,139)	\$ 0
2024	4.08	0	0	0	0	0	0	0	0	0	0
2023	3.08	0	0	0	0	0	0	0	0	0	0
2022	2.04	(55,855,784)	(28,475,497)	(27,380,287)	(27,380,287)	(1,095,210)	0	0	0	0	0
2021	1.13	16,880,629	1,942,018	14,938,611	1,942,018	0	0	0	0	0	0
2020	0.16	(98,744,928)	0	(98,744,928)	0	0	0	0	0	0	0
<b>Total</b>		<b>\$ (278,216,867)</b>	<b>\$ (139,749,334)</b>	<b>\$ (138,467,533)</b>	<b>\$ (52,719,198)</b>	<b>\$ (28,376,139)</b>	<b>\$ (27,280,929)</b>	<b>\$ (27,280,929)</b>	<b>\$ (4,092,139)</b>	<b>\$ 0</b>	<b>\$ 0</b>

**Recognition of investment gains and losses**

From Measurement Year Ending	Remaining Recognition Period	Beginning of Year Deferred (Inflows) and Outflows	End of Year Deferred (Inflows) and Outflows	Recognition Year							
				2025	2026	2027	2028	2029	2030	Thereafter	
2025	5.00	\$ (1,143,287,790)	\$ (914,630,232)	\$ (228,657,558)	\$ (228,657,558)	\$ (228,657,558)	\$ (228,657,558)	\$ (228,657,558)	\$ (228,657,558)	\$ 0	\$ 0
2024	4.00	(793,247,175)	(594,935,381)	(198,311,794)	(198,311,794)	(198,311,794)	(198,311,793)	0	0	0	0
2023	3.00	(383,694,522)	(255,796,348)	(127,898,174)	(127,898,174)	(127,898,174)	0	0	0	0	0
2022	2.00	1,479,633,651	739,816,826	739,816,825	739,816,826	0	0	0	0	0	0
2021	1.00	(932,732,458)	0	(932,732,458)	0	0	0	0	0	0	0
<b>Total</b>		<b>\$ (1,773,328,294)</b>	<b>\$ (1,025,545,135)</b>	<b>\$ (747,783,159)</b>	<b>\$ 184,949,300</b>	<b>\$ (554,867,526)</b>	<b>\$ (426,969,351)</b>	<b>\$ (228,657,558)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

<b>Grand Total</b>		<b>\$ (1,623,309,805)</b>	<b>\$ (827,779,727)</b>	<b>\$ (795,530,078)</b>	<b>\$ 227,784,959</b>	<b>\$ (475,438,218)</b>	<b>\$ (366,876,806)</b>	<b>\$ (214,756,075)</b>	<b>\$ 1,506,413</b>	<b>\$ 0</b>	<b>\$ 0</b>
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**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**SECTION IV – COLLECTIVE EMPLOYER REPORTING AMOUNTS**

**Table IV-2C  
Detailed Schedule of Collective Deferred Inflows and Outflows of Resources  
Total**

**Recognition of liability experience gains and losses**

From Measurement Year Ending	Remaining Recognition Period	Beginning of Year Deferred (Inflows) and Outflows	End of Year Deferred (Inflows) and Outflows	Recognition Year							
				2025	2026	2027	2028	2029	2030	Thereafter	
2025	5.15	\$ 577,352,000	\$ 465,244,816	\$ 112,107,184	\$ 112,107,184	\$ 112,107,184	\$ 112,107,184	\$ 112,107,184	\$ 112,107,184	\$ 16,816,080	\$ 0
2024	4.08	361,145,430	272,629,393	88,516,037	88,516,037	88,516,037	88,516,037	7,081,282	0	0	0
2023	3.08	288,573,462	194,880,779	93,692,683	93,692,683	93,692,683	7,495,413	0	0	0	0
2022	2.04	(67,279,798)	(34,299,504)	(32,980,294)	(32,980,294)	(1,319,210)	0	0	0	0	0
2021	1.13	22,824,024	2,625,771	20,198,253	2,625,771	0	0	0	0	0	0
2020	0.16	24,803,191	0	24,803,191	0	0	0	0	0	0	0
<b>Total</b>		<b>\$ 1,207,418,309</b>	<b>\$ 901,081,255</b>	<b>\$ 306,337,054</b>	<b>\$ 263,961,381</b>	<b>\$ 292,996,694</b>	<b>\$ 208,118,634</b>	<b>\$ 119,188,466</b>	<b>\$ 16,816,080</b>	<b>\$ 0</b>	<b>\$ 0</b>

**Recognition of assumption changes**

From Measurement Year Ending	Remaining Recognition Period	Beginning of Year Deferred (Inflows) and Outflows	End of Year Deferred (Inflows) and Outflows	Recognition Year							
				2025	2026	2027	2028	2029	2030	Thereafter	
2025	5.15	\$ (141,087,397)	\$ (113,691,786)	\$ (27,395,611)	\$ (27,395,611)	\$ (27,395,611)	\$ (27,395,611)	\$ (27,395,611)	\$ (27,395,611)	\$ (4,109,342)	\$ 0
2024	4.08	0	0	0	0	0	0	0	0	0	0
2023	3.08	0	0	0	0	0	0	0	0	0	0
2022	2.04	(101,385,143)	(51,686,542)	(49,698,601)	(49,698,601)	(1,987,941)	0	0	0	0	0
2021	1.13	28,957,401	3,331,380	25,626,021	3,331,380	0	0	0	0	0	0
2020	0.16	(170,895,423)	0	(170,895,423)	0	0	0	0	0	0	0
<b>Total</b>		<b>\$ (384,410,562)</b>	<b>\$ (162,046,948)</b>	<b>\$ (222,363,614)</b>	<b>\$ (73,762,832)</b>	<b>\$ (29,383,552)</b>	<b>\$ (27,395,611)</b>	<b>\$ (27,395,611)</b>	<b>\$ (4,109,342)</b>	<b>\$ 0</b>	<b>\$ 0</b>

**Recognition of investment gains and losses**

From Measurement Year Ending	Remaining Recognition Period	Beginning of Year Deferred (Inflows) and Outflows	End of Year Deferred (Inflows) and Outflows	Recognition Year							
				2025	2026	2027	2028	2029	2030	Thereafter	
2025	5.00	\$ (1,454,917,241)	\$ (1,163,933,793)	\$ (290,983,448)	\$ (290,983,448)	\$ (290,983,448)	\$ (290,983,448)	\$ (290,983,449)	0	0	0
2024	4.00	(971,022,487)	(728,266,865)	(242,755,622)	(242,755,622)	(242,755,622)	(242,755,621)	0	0	0	0
2023	3.00	(433,429,978)	(288,953,318)	(144,476,660)	(144,476,660)	(144,476,658)	0	0	0	0	0
2022	2.00	2,011,099,117	1,005,549,558	1,005,549,559	1,005,549,558	0	0	0	0	0	0
2021	1.00	(1,163,667,276)	0	(1,163,667,276)	0	0	0	0	0	0	0
<b>Total</b>		<b>\$ (2,011,937,865)</b>	<b>\$ (1,175,604,418)</b>	<b>\$ (836,333,447)</b>	<b>\$ 327,333,828</b>	<b>\$ (678,215,728)</b>	<b>\$ (533,739,069)</b>	<b>\$ (290,983,449)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

<b>Grand Total</b>		<b>\$ (1,188,930,118)</b>	<b>\$ (436,570,111)</b>	<b>\$ (752,360,007)</b>	<b>\$ 517,532,377</b>	<b>\$ (414,602,586)</b>	<b>\$ (353,016,046)</b>	<b>\$ (199,190,594)</b>	<b>\$ 12,706,738</b>	<b>\$ 0</b>	<b>\$ 0</b>
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**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY**  
**GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**SECTION IV – COLLECTIVE EMPLOYER REPORTING AMOUNTS**

The annual pension expense recognized by the State and Local employers can be calculated two different ways. First, it is the change in the amounts reported on the Statement of Net Position that relate to PERS and are not attributable to employer contributions. That is, it is the change in NPL plus the changes in deferred outflows and inflows plus employer contributions.

Alternatively, annual pension expense can be calculated by its individual components. While GASB does not require or suggest the organization of the individual components shown in the table below, we believe it helps to understand the level and volatility of pension expense.

First, there are components referred to as operating expenses. These are items directly attributable to the operation of the Plan during the measurement year. Service cost less employee contributions represents the increase in employer-provided benefits attributable to the year, and administrative expenses are the cost of operating PERS for the year.

Second, there are the financing expenses: the interest on the Total Pension Liability less the expected return on assets.

The final category is changes. This category will drive most of the volatility in pension expense from year to year. It includes any changes in benefits made during the year and the recognized amounts due to assumption changes, gains or losses on the TPL, and investment gains or losses.

The following table shows the development of pension expense for the State and Local employers through both of these methodologies.

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**SECTION IV – COLLECTIVE EMPLOYER REPORTING AMOUNTS**

<b>Table IV-3A Calculation of Collective Pension Expense State</b>		
<b>Measurement Year Ending</b>	<b>2025</b>	<b>2024</b>
Change in Net Pension Liability	\$ (219,543,725)	\$ (287,811,931)
Change in Deferred Outflows	(63,983,357)	340,537,361
Change in Deferred Inflows	34,238,379	(549,244,608)
Employer Contributions*	<u>1,920,686,451</u>	<u>1,917,641,812</u>
<b>Subtotal</b>	<b>\$ 1,671,397,748</b>	<b>\$ 1,421,122,634</b>
Employer Contribution - delayed enrollments**	230,792	173,371
Employer Contribution - delayed appropriations**	0	0
Employer Contribution - retroactive**	0	0
Employer Contribution - additional**	<u>0</u>	<u>0</u>
<b>Total Pension Expense/(Income)</b>	<b>\$ 1,671,628,540</b>	<b>\$ 1,421,296,005</b>
<b>Total Pension Expense/(Income) as % of Payroll</b>	<b>32.85%</b>	<b>29.80%</b>
<b>Operating Expenses</b>		
Service cost	\$ 500,747,398	\$ 475,413,604
Employee contributions	(403,203,125)	(378,562,135)
Administrative expenses	<u>9,480,036</u>	<u>10,145,458</u>
Total	\$ 107,024,309	\$ 106,996,927
<b>Financing Expenses</b>		
Interest cost	\$ 2,095,145,600	\$ 2,052,446,776
Expected return on assets	<u>(573,711,440)</u>	<u>(511,852,413)</u>
Total	\$ 1,521,434,160	\$ 1,540,594,363
<b>Changes</b>		
Benefit changes	\$ 0	\$ 0
Recognition of liability experience gains and losses	215,616,440	241,681,469
Recognition of assumption changes	(83,896,081)	(516,243,473)
Recognition of investment gains and losses	<u>(88,550,288)</u>	<u>48,266,719</u>
Total	\$ 43,170,071	\$ (226,295,285)
<b>Total Pension Expense/(Income)</b>	<b>\$ 1,671,628,540</b>	<b>\$ 1,421,296,005</b>

\* Includes appropriations and lottery revenue

\*\* Pension expense related to specific liabilities of individual employers

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**SECTION IV – COLLECTIVE EMPLOYER REPORTING AMOUNTS**

Table IV-3B Calculation of Collective Pension Expense Local Employers		
Measurement Year Ending	2025	2024
Change in Net Pension Liability	\$ (1,297,674,079)	\$ (904,065,081)
Change in Deferred Outflows	(63,525,313)	(52,063,318)
Change in Deferred Inflows	359,562,922	(116,206,291)
Employer Contributions*	<u>1,426,486,069</u>	<u>1,422,156,027</u>
<b>Subtotal</b>	<b>\$ 424,849,599</b>	<b>\$ 349,821,337</b>
Employer Contribution - delayed enrollments**	726,347	997,508
Employer Contribution - delayed appropriations**	3,397,016	4,693,651
Employer Contribution - retroactive**	6,728,284	7,524,065
Employer Contribution - additional**	<u>35,533</u>	<u>9,123,535</u>
<b>Total Pension Expense/(Income)</b>	<b>\$ 435,736,779</b>	<b>\$ 372,160,096</b>
<b>Total Pension Expense/(Income) as % of Payroll</b>	<b>5.22%</b>	<b>4.68%</b>
<b>Operating Expenses</b>		
Service cost	\$ 806,854,277	\$ 775,870,657
Employee contributions	(660,826,922)	(635,426,639)
Administrative expenses	<u>21,472,955</u>	<u>22,441,588</u>
Total	\$ 167,500,310	\$ 162,885,606
<b>Financing Expenses</b>		
Interest cost	\$ 2,974,909,463	\$ 2,898,094,511
Expected return on assets	<u>(1,911,142,916)</u>	<u>(1,774,021,808)</u>
Total	\$ 1,063,766,547	\$ 1,124,072,703
<b>Changes</b>		
Benefit changes	\$ 0	\$ 0
Recognition of liability experience gains and losses	90,720,614	88,293,662
Recognition of assumption changes	(138,467,533)	(708,275,835)
Recognition of investment gains and losses	<u>(747,783,159)</u>	<u>(294,816,040)</u>
Total	\$ (795,530,078)	\$ (914,798,213)
<b>Total Pension Expense/(Income)</b>	<b>\$ 435,736,779</b>	<b>\$ 372,160,096</b>

\* Includes appropriations and State contributions made on behalf of Local employers

\*\* Pension expense related to specific liabilities of individual employers

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**SECTION IV – COLLECTIVE EMPLOYER REPORTING AMOUNTS**

Table IV-3C Calculation of Collective Pension Expense Total		
Measurement Year Ending	2025	2024
Change in Net Pension Liability	\$ (1,517,217,804)	\$ (1,191,877,012)
Change in Deferred Outflows	(127,508,670)	288,474,043
Change in Deferred Inflows	393,801,301	(665,450,899)
Employer Contributions*	<u>3,347,172,520</u>	<u>3,339,797,839</u>
<b>Subtotal</b>	<b>\$ 2,096,247,347</b>	<b>\$ 1,770,943,971</b>
Employer Contribution - delayed enrollments**	957,139	1,170,879
Employer Contribution - delayed appropriations**	3,397,016	4,693,651
Employer Contribution - retroactive**	6,728,284	7,524,065
Employer Contribution - additional**	<u>35,533</u>	<u>9,123,535</u>
<b>Total Pension Expense/(Income)</b>	<b>\$ 2,107,365,319</b>	<b>\$ 1,793,456,101</b>
<b>Total Pension Expense/(Income) as % of Payroll</b>	<b>15.68%</b>	<b>14.10%</b>
<b>Operating Expenses</b>		
Service cost	\$ 1,307,601,675	\$ 1,251,284,261
Employee contributions	(1,064,030,047)	(1,013,988,774)
Administrative expenses	<u>30,952,991</u>	<u>32,587,046</u>
Total	\$ 274,524,619	\$ 269,882,533
<b>Financing Expenses</b>		
Interest cost	\$ 5,070,055,063	\$ 4,950,541,287
Expected return on assets	<u>(2,484,854,356)</u>	<u>(2,285,874,221)</u>
Total	\$ 2,585,200,707	\$ 2,664,667,066
<b>Changes</b>		
Benefit changes	\$ 0	\$ 0
Recognition of liability experience gains and losses	306,337,054	329,975,131
Recognition of assumption changes	(222,363,614)	(1,224,519,308)
Recognition of investment gains and losses	<u>(836,333,447)</u>	<u>(246,549,321)</u>
Total	\$ (752,360,007)	\$ (1,141,093,498)
<b>Total Pension Expense/(Income)</b>	<b>\$ 2,107,365,319</b>	<b>\$ 1,793,456,101</b>

\* Includes State and Local employer appropriations, lottery revenue and State contributions made on behalf of Local employers

\*\* Pension expense related to specific liabilities of individual employers

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**APPENDIX A – MEMBERSHIP INFORMATION**

	Plan Membership					
	July 1, 2024			July 1, 2023		
	State	Local Employers	Total	State	Local Employers	Total
Contributing Actives	65,660	142,752	208,412	64,048	140,550	204,598
Non-Contributing Actives	10,636	29,717	40,353	10,519	29,207	39,726
Deferred Beneficiaries	10	63	73	10	63	73
Terminated Vested	142	388	530	146	427	573
Inactive Receiving Benefits*	64,395	131,643	196,038	63,777	130,138	193,915
<b>Total</b>	<b>140,843</b>	<b>304,563</b>	<b>445,406</b>	<b>138,500</b>	<b>300,385</b>	<b>438,885</b>
Annual Compensation for Contributing Actives	\$ 5,088,317,819	\$ 8,355,205,061	\$ 13,443,522,880	\$ 4,769,262,833	\$ 7,952,897,088	\$ 12,722,159,921
Annual Retirement Allowances for Those Receiving Benefits	\$ 1,966,256,030	\$ 2,696,736,397	\$ 4,662,992,427	\$ 1,918,915,717	\$ 2,612,310,525	\$ 4,531,226,242

\* QDRO recipients are excluded from the counts for both years.

THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE

APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

**A. Actuarial Assumptions**

- |  |   |
|--|---|
| <b>1. Investment Rate of Return for determining Actuarially Determined Contributions</b> | 7.00% per annum, compounded annually.   |
| <b>2. Long-Term Expected Rate of Return</b>  | 7.00% per annum, compounded annually.   |
| <b>3. Interest Crediting Rate on Accumulated Deductions</b>                              | 7.00% per annum, compounded annually. Interest credits are assumed to end upon termination.   |
| <b>4. GASB 67 Effective Discount Rate</b>  | <ul style="list-style-type: none"><li>• June 30, 2024: 7.00% per annum, compounded annually.</li><li>• June 30, 2025: 7.00% per annum, compounded annually.</li></ul> |
| <b>5. Price Inflation</b>  | <ul style="list-style-type: none"><li>• 2.75% per annum, compounded annually.</li></ul>   |
| <b>6. Wage Inflation</b>   | <ul style="list-style-type: none"><li>• 3.25% per annum, compounded annually.</li></ul>   |
| <b>7. Cost-of-Living Adjustments (COLAs)</b>   | No future COLAs are assumed. Previously granted COLAs are included in the data.   |

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS**

**8. Salary Increases**

Salaries are assumed to increase as follows:

Years of Service	Rates
0	7.75%
1	7.50
2	7.25
3	7.00
4	6.75
5	6.50
6	6.25
7	6.00
8	5.80
9	5.60
10	5.40
11	5.20
12	5.00
13	4.80
14	4.60
15	4.40
16	4.30
17	4.20
18	4.10
19	4.00
20	3.90
21	3.80
22	3.70
23	3.60
24	3.50
25-27	3.40
28+	3.25

Salary increases are assumed to occur on July 1.

Non-contributing members reported with a salary are assumed to have no future salary increase.

**9. 401(a)(17) Pay Limit** \$345,000 in 2024 increasing 2.75% per annum, compounded annually.

**10. Social Security Wage Base** \$168,600 in 2024 increasing 3.25% per annum, compounded annually.

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS**

**11. Termination**

Termination rates are shown separately for members electing a refund of contributions and members electing a deferred annuity.

Termination rates for members electing a refund of contributions are as follows:

<b>Termination Rates for Members Electing a Refund</b>				
<b>Service</b>	<b>State</b>		<b>Local Employers'</b>	
	<b>Less than 31 Years Old</b>	<b>31 Years or Older</b>	<b>Less than 31 Years Old</b>	<b>31 Years or Older</b>
0	22.00%	12.00%	19.50%	12.00%
1	22.00	12.00	19.50	12.00
2	12.00	8.50	16.50	9.00
3	10.00	7.00	14.00	8.00
4	9.50	6.00	12.50	7.00
5	8.50	5.50	10.50	6.50
6	7.00	5.00	9.00	6.00
7	7.00	4.50	8.00	5.00
8	7.00	4.00	8.00	4.50
9	7.00	3.50	6.50	4.00
10	1.70	1.70	1.80	1.80
11	1.50	1.50	1.70	1.70
12	1.30	1.30	1.50	1.50
13	1.30	1.30	1.30	1.30
14	0.90	0.90	1.20	1.20
15	0.80	0.80	1.10	1.10
16	0.80	0.80	1.00	1.00
17	0.70	0.70	0.90	0.90
18	0.60	0.60	0.80	0.80
19	0.50	0.50	0.70	0.70
20	0.50	0.50	0.60	0.60
21	0.50	0.50	0.50	0.50
22	0.30	0.30	0.50	0.50
23	0.30	0.30	0.40	0.40
24-29	0.30	0.30	0.30	0.30

No termination is assumed after attainment of retirement eligibility.

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS**

Termination rates for members electing a deferred annuity are as follows:

<b>Termination Rates for Members Electing a Deferred Annuity</b>		
<b>Service</b>	<b>State</b>	<b>Local Employers</b>
< 10	N/A	N/A
10	1.70%	1.90%
11	1.70	1.90
12	1.50	1.80
13	1.30	1.70
14	1.10	1.50
15	1.00	1.40
16	0.90	1.30
17	0.80	1.20
18	0.80	1.10
19	0.80	1.00
20	0.80	1.00
21	0.70	0.90
22	0.50	0.80
23	0.40	0.80
24+	0.40	0.70

No termination is assumed after attainment of retirement eligibility.

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS**

**12. Disability**

Ordinary disability rates are as follows:

Ordinary Disability Rates					
Age	State	Local Employers'	Age	State	Local Employers'
25	0.100%	0.200%	50	0.335%	0.335%
26	0.110	0.200	51	0.350	0.350
27	0.120	0.200	52	0.365	0.365
28	0.130	0.200	53	0.380	0.380
29	0.140	0.200	54	0.395	0.395
30	0.150	0.205	55	0.700	0.550
31	0.160	0.210	56	0.700	0.550
32	0.170	0.215	57	0.700	0.550
33	0.180	0.220	58	0.700	0.550
34	0.190	0.225	59	0.700	0.550
35	0.205	0.225	60	0.700	0.550
36	0.220	0.225	61	0.700	0.550
37	0.220	0.225	62	0.700	0.550
38	0.220	0.225	63	0.700	0.550
39	0.220	0.225	64	0.700	0.550
40	0.230	0.235	65	0.700	0.550
41	0.240	0.245	66	0.700	0.550
42	0.250	0.255	67	0.700	0.550
43	0.260	0.265	68	0.700	0.550
44	0.270	0.275	69	0.700	0.550
45	0.280	0.275	70	0.700	0.550
46	0.290	0.275	71	0.700	0.550
47	0.300	0.290	72	0.700	0.550
48	0.310	0.305	73	0.700	0.550
49	0.320	0.320	74	0.700	0.550

Accidental disability rates are assumed to be 0.015% for all State members and 0.03% for all Local employers' members.

Ordinary disability rates apply upon attainment of 10 years of service until the attainment of age 55 with at least 25 years of service.

Members are assumed to receive the greater of the applicable disability benefit or the early or service retirement benefit, depending on eligibility.

Tier 4 and Tier 5 members are not eligible for the Ordinary or Accidental Disability benefits, but the disability rates still apply. Such members terminating under the disability decrement are assumed to separate from service and elect a Deferred Retirement benefit.

THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE

APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

13. Mortality

Pre-Retirement Mortality (Non-Annuitants): The Pub-2016 General Below-Median Income Employee mortality table [*PubG-2016(B) Employee*] as published by the Society of Actuaries (SOA) with an 86.3% adjustment for males and 97.6% adjustment for females, and with future improvement from the base year of 2016 on a generational basis using SOA's Scale MP-2021.

All pre-retirement deaths are assumed to be ordinary deaths.

Healthy Retirees and Beneficiaries (Healthy Annuitants): The Pub-2016 General Below-Median Income Healthy Retiree mortality table [*PubG-2016(B) Healthy Retiree*] as published by the SOA with a 93.3% adjustment for males and 99.5% adjustment for females, and with future improvement from the base year of 2016 on a generational basis using SOA's Scale MP-2021.

Disabled Retirees (Disabled Annuitants): The Pub-2016 Non-Safety Disabled Retiree mortality table [*PubNS-2016 Disabled Retiree*] as published by the SOA with a 156.9% adjustment for males and 139.0% adjustment for females, and with future improvement from the base year of 2016 on a generational basis using SOA's Scale MP-2021.

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS**

**14. Retirement**

Retirement rates for State Tier 1-4 members are as follows:

<b>State Tiers 1-4 Retirement Rates</b>			
<b>Age</b>	<b>Years of Service</b>	<b>25 Years of Service</b>	<b>26 or More Years of Service</b>
< 49	N/A	4.50%	2.00%
49	N/A	4.50	2.00
50	N/A	4.50	3.50
51	N/A	4.50	3.50
52	N/A	6.00	4.25
53	N/A	6.00	5.50
54	N/A	7.00	6.75
55	N/A	20.00	21.00
56	N/A	20.00	15.00
57	N/A	20.00	14.00
58	N/A	20.00	14.00
59	N/A	20.00	14.00
60	5.00	20.00	19.00
61	5.00	27.00	19.00
62	8.00	36.50	27.00
63	8.00	36.50	24.00
64	8.00	38.00	21.00
65	15.00	40.00	25.00
66	16.00	47.00	29.00
67	16.00	47.00	29.00
68	15.00	47.00	23.00
69	15.00	43.00	26.00
70	15.00	43.00	26.00
71	15.00	43.00	23.00
72	15.00	43.00	21.00
73	15.00	43.00	21.00
74	15.00	43.00	21.00
75	100.00	100.00	100.00

Rates apply upon retirement eligibility by tier.

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS**

Retirement rates for Local employers' Tier 1-4 members are as follows:

<b>Local Employers' Tiers 1-4 Retirement Rates</b>			
<b>Age</b>	<b>Years of Service</b>	<b>25 Years of Service</b>	<b>26 or More Years of Service</b>
< 49	N/A	3.00%	2.25%
49	N/A	4.00	3.00
50	N/A	4.00	3.50
51	N/A	6.00	3.75
52	N/A	6.00	3.75
53	N/A	6.00	5.00
54	N/A	6.00	6.00
55	N/A	15.00	16.00
56	N/A	17.00	13.00
57	N/A	18.00	12.00
58	N/A	18.00	12.00
59	N/A	18.00	12.00
60	5.50	18.00	14.00
61	4.50	22.00	14.00
62	7.50	30.00	25.00
63	7.50	32.00	20.00
64	7.50	32.00	20.00
65	12.00	34.00	22.00
66	15.00	37.00	24.00
67	15.00	43.00	27.00
68	14.00	37.00	22.00
69	14.00	37.00	22.00
70	14.00	37.00	22.00
71	14.00	37.00	22.00
72	14.00	37.00	22.00
73	14.00	37.00	22.00
74	14.00	37.00	22.00
75	100.00	100.00	100.00

Rates apply upon retirement eligibility by tier.

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS**

Retirement rates for State Tier 5 members are as follows:

State Tier 5 Retirement Rates					
Age	Less Than 25		26 to 29		
	Years of Service	25 Years of Service	Years of Service	30 Years of Service	31 or More Years of Service
< 49	N/A	N/A	N/A	4.50%	2.00%
49	N/A	N/A	N/A	4.50	2.00
50	N/A	N/A	N/A	4.50	3.50
51	N/A	N/A	N/A	4.50	3.50
52	N/A	N/A	N/A	6.00	4.25
53	N/A	N/A	N/A	6.00	5.50
54	N/A	N/A	N/A	7.00	6.75
55	N/A	N/A	N/A	20.00	21.00
56	N/A	N/A	N/A	20.00	15.00
57	N/A	N/A	N/A	20.00	14.00
58	N/A	N/A	N/A	20.00	14.00
59	N/A	N/A	N/A	20.00	14.00
60	N/A	N/A	N/A	20.00	19.00
61	N/A	N/A	N/A	27.00	19.00
62	N/A	N/A	N/A	36.50	27.00
63	N/A	N/A	N/A	36.50	24.00
64	N/A	N/A	N/A	38.00	21.00
65	15.00	40.00	40.00	40.00	25.00
66	16.00	47.00	29.00	29.00	29.00
67	16.00	47.00	29.00	29.00	29.00
68	15.00	47.00	23.00	23.00	23.00
69	15.00	43.00	26.00	26.00	26.00
70	15.00	43.00	26.00	26.00	26.00
71	15.00	43.00	23.00	23.00	23.00
72	15.00	43.00	21.00	21.00	21.00
73	15.00	43.00	21.00	21.00	21.00
74	15.00	43.00	21.00	21.00	21.00
75	100.00	100.00	100.00	100.00	100.00

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS**

Retirement rates for Local employers' Tier 5 members are as follows:

Local Employers' Tier 5 Retirement Rates					
Age	Less Than 25		26 to 29		
	Years of Service	25 Years of Service	Years of Service	30 Years of Service	31 or More Years of Service
< 49	N/A	N/A	N/A	3.00%	2.25%
49	N/A	N/A	N/A	4.00	3.00
50	N/A	N/A	N/A	4.00	3.50
51	N/A	N/A	N/A	6.00	3.75
52	N/A	N/A	N/A	6.00	3.75
53	N/A	N/A	N/A	6.00	5.00
54	N/A	N/A	N/A	6.00	6.00
55	N/A	N/A	N/A	15.00	16.00
56	N/A	N/A	N/A	17.00	13.00
57	N/A	N/A	N/A	18.00	12.00
58	N/A	N/A	N/A	18.00	12.00
59	N/A	N/A	N/A	18.00	12.00
60	N/A	N/A	N/A	18.00	14.00
61	N/A	N/A	N/A	22.00	14.00
62	N/A	N/A	N/A	30.00	25.00
63	N/A	N/A	N/A	32.00	20.00
64	N/A	N/A	N/A	32.00	20.00
65	12.00	34.00	34.00	34.00	22.00
66	15.00	37.00	24.00	24.00	24.00
67	15.00	43.00	27.00	27.00	27.00
68	14.00	37.00	22.00	22.00	22.00
69	14.00	37.00	22.00	22.00	22.00
70	14.00	37.00	22.00	22.00	22.00
71	14.00	37.00	22.00	22.00	22.00
72	14.00	37.00	22.00	22.00	22.00
73	14.00	37.00	22.00	22.00	22.00
74	14.00	37.00	22.00	22.00	22.00
75	100.00	100.00	100.00	100.00	100.00

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS**

Retirement rates for members of Prosecutors Part (Chapter 366, P.L. 2001 and Chapter 226, P.L. 2021) are as follows:

- Members with less than 25 years of service: 4.0% for all ages.
- Members with 25 years of service: 45.0% for all ages.
- Members with 26 or more years of service: 20.0% for all ages.

Rates apply upon retirement eligibility. 100% retirement is assumed at age 70.

Retirement rates for members of WCJ Part (Chapter 140, P.L. 2021) are as follows:

Age	Less than 15 Years of WCJ Part Service	15-19 Years of WCJ Part Service	20 or more Years of WCJ Part Service
<60	0.0%	0.0%	0.0%
60	2.0	2.0	20.0
61	2.0	2.0	20.0
62	2.0	2.0	20.0
63	2.0	2.0	20.0
64	2.0	2.0	20.0
65	5.0	40.0	30.0
66	2.0	40.0	20.0
67	2.0	40.0	20.0
68	2.0	40.0	20.0
69	2.0	40.0	20.0
70	100.0	100.0	100.0

**15. Family Composition Assumptions**

For members not currently in receipt, 50% of members are assumed married to spouses of the opposite sex. Males are assumed to be two years older than females.

For purposes of the optional form of payment death benefit for members currently in receipt, beneficiary status is based on the beneficiary allowance reported. If no beneficiary date of birth is provided, the beneficiary is assumed to be the member's spouse of the opposite sex with males assumed to be two years older than females.

No additional dependent children or parents are assumed.

**16. Form of Payment**

Current active members are assumed to elect the Maximum Option.

THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE

APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

**17. Non-Contributory  
Group Insurance  
Form of Payment**

All benefits are assumed to be paid as lump sums.

**18. Data**

Non-contributing members reported without a salary are included in the valuation with a liability based on the reported Accumulated Deductions with interest (Annuity Savings Fund or ASF), adjusted to include interest through the valuation date.

Per discussions with DPB, the statuses for active records in Locations 4 – 7 (General Assembly and Senate) are based on changes in service instead of the contribution code.

For current beneficiaries with incomplete information, reasonable assumptions were made based on information available in prior years.

Deferred beneficiaries were reported separately from other non-contributing members for the first time in 2021. The benefit is based on the reported Accumulated Deductions with interest (Annuity Savings Fund or ASF).

Inactive participants receiving benefits according to the 2023 data but omitted from the 2024 data are assumed to have died without a beneficiary.

For retirees who earned benefits under both a State and Local employer, their total benefit is assigned to the location with the highest salary prior to retirement.

Tier 4 and 5 members on long-term disability appeared on the active data for the first time in 2019. The number of members on long-term disability is immaterial for valuation purposes. Therefore, we valued these members as regular contributing and non-contributing members.

The projected lottery revenue proceeds used in this report are based on the New Jersey Lottery Valuation Report as of December 31, 2021, as provided by the Division of Pensions and Benefits.

THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE

APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

**19. Rationale for Assumptions**

The demographic and economic assumptions used in this report, except for the investment return assumption, reflect the results of the July 1, 2021 – June 30, 2024 Experience Study, which was approved by the Board of Trustees on September 17, 2025.

The investment return assumption was recommended by the State Treasurer. We find the investment return assumption to be reasonable based on the System's current asset allocation and the capital market outlook of the New Jersey Division of Investment.

The combined effect of the assumptions in aggregate is expected to have no significant bias.

**20. Projection Basis**

This report includes projections of future assets, benefit payments and contributions for the purpose of determining the GASB 67 discount rate.

The projections are based on the census data as of July 1, 2024 and the financial information as of June 30, 2025. The projections assume continuation of the Plan provisions and actuarial assumptions in effect as of July 1, 2025 and do not reflect the impact of any changes in benefits or actuarial assumptions that may be adopted after July 1, 2025 unless otherwise indicated. While the assumptions individually are reasonable for the underlying valuation that supports the projections, specifically for projection purposes, they are also considered reasonable in the aggregate.

**21. Changes in Assumption since Last Valuation**

The assumed rates of mortality, termination, retirement, disability, and salary increases were updated based on the July 1, 2021 – June 30, 2024 Experience Study, which was approved by the Board of Trustees on September 17, 2025.

## APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

### B. Actuarial Methods

The actuarial methods used for determining State and Local employer contributions are described below.

#### 1. Actuarial Cost Method

The actuarial cost method for funding calculations is the Projected Unit Credit Cost Method. Non-contributing members reported with a salary use the Projected Unit Credit Cost Method without any future projected salary increases.

The actuarial liability is calculated as the actuarial present value of the projected benefits linearly allocated to periods prior to the valuation year based on service (WCJ Part Service for members in the WCJ Part). Refunds are valued as the reported Accumulated Deductions with interest as of the valuation date. The unfunded actuarial liability is the actuarial liability on the valuation date less the actuarial value of assets.

In accordance with Chapter 78, P.L. 2011:

- Beginning with the July 1, 2010 actuarial valuation, the accrued liability contribution shall be computed so that if the contribution is paid annually in level dollars, it will amortize the unfunded accrued liability over an open 30-year period.
- Beginning with the July 1, 2019 actuarial valuation, the accrued liability contribution shall be computed so that if the contribution is paid annually in level dollars, it will amortize the unfunded accrued liability over a closed 30-year period (i.e., for each subsequent actuarial valuation the amortization period shall decrease by one year).
- Beginning with the July 1, 2029 actuarial valuation, when the remaining amortization period reaches 20 years, any increase or decrease in the unfunded accrued liability as a result of actuarial losses or gains for subsequent valuation years shall serve to increase or decrease, respectively, the amortization period for the unfunded accrued liability, unless an increase in the amortization period will cause it to exceed 20 years. If an increase in the amortization period as a result of actuarial losses for a valuation year would exceed 20 years, the accrued liability contribution shall be computed for the valuation year using a 20-year amortization period.

Certain portions of the normal cost and unfunded actuarial liabilities attributable to Local employers are payable by the State and/or over different periods in accordance with the NJ State Statutes.

To the extent that the amortization period remains an open period in future years and depending upon the specific circumstances, it should be noted that in the absence of emerging actuarial gains or contributions made in excess of the actuarially determined contribution, any existing unfunded accrued liability may not be fully amortized in the future.

The non-contributory group life insurance benefit is funded separately through a term cost.

## APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS

### 2. Asset Valuation Method

For the purposes of determining contribution rates, an actuarial value of assets is used that dampens the volatility in the market value of assets, resulting in a smoother pattern of contributions.

The actuarial value of assets is adjusted to reflect actual contributions, benefit payments and administrative expenses, and an assumed rate of return on the previous year's assets and current year's cash flow at the prior year's actuarial valuation interest rate, with a further adjustment to reflect 20% of the difference between the resulting value and the actual market value of Plan assets.

### 3. Contributions

Chapter 83, P.L. 2016 requires the State to make pension contributions on a quarterly basis: at least 25% by September 30, at least 50% by December 31, at least 75% by March 31, and at least 100% by June 30. As such, contributions are assumed to be made on a quarterly basis with the first contribution 15 months after the associated valuation date.

Local employers' contributions are expected to be paid on April 1st, 21 months after the associated valuation date.

Chapter 98, P.L. 2017, the Lottery Enterprise Contribution Act, allows the PERS to receive 21.02% of the proceeds of the Lottery Enterprise, based upon their members' past or present employment in schools and institutions in the State for a term of 30 years. Revenues from Chapter 98, P.L. 2017, the Lottery Enterprise Contribution Act, are assumed to be contributed to the trust on a monthly basis. The State's pension contribution is reduced by the product of the allocable percentage for the PERS, the adjustment percentage, and the special asset value.

Contributions payable in the fiscal year starting on the valuation date are included in the actuarial value of assets as receivable contributions, discounted by the applicable valuation interest rate.

Legislation has provided for additional benefits and/or funding requirements which are included in this valuation and are described as follows.

#### Early Retirement Incentive Programs

Local employers which elected to participate in various early retirement incentive programs authorized by NJ Statute make contributions to cover the cost of these programs over amortization periods elected by the employer to the extent permitted by NJ Statute.

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS**

Chapter 133, P.L. 2001

Chapter 133, P.L. 2001 increased the accrual rate from 1/60 to 1/55. In addition, it lowered the age required for a veteran benefit equal to 1/55 of highest 12-month Compensation for each Year of Service from 60 to 55.

Chapter 133, P.L. 2001 also established the Benefit Enhancement Fund (BEF) to fund the additional annual employer normal contribution due to the Statute's increased benefits. (Chapter 353, P.L. 2001 extended this coverage to this Statute's additional annual employer normal contribution.) If the assets in the BEF are insufficient to cover the normal contribution for the increased benefits for a valuation period, the State will pay such amount for both the State and Local employers.

Chapter 259, P.L. 2001

Chapter 259, P.L. 2001 established the Workers' Compensation Judges Part of the System with special retirement benefits for Workers' Compensation Judges. See Appendix C for details.

In accordance with the provisions of Chapter 259, P.L. 2001, the additional contributions for these special retirement benefits will be funded by transfers from the Second Injury Fund.

Chapter 366, P.L. 2001

Chapter 366, P.L. 2001 established the Prosecutors Part of the System with special retirement benefits for Prosecutors. See Appendix C for details.

Chapter 366, P.L. 2001 also requires the State be liable for any increase in pension costs to a County that results from the enrollment of Prosecutors in the Prosecutors Part. Any increase in the unfunded actuarial liability arising from the benefits established for the Prosecutors Part are to be amortized over a closed 30-year period.

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**APPENDIX B – ACTUARIAL ASSUMPTIONS AND METHODS**

Chapter 19, P.L. 2009

Chapter 19, P.L. 2009 provided that the State Treasurer will reduce for Local employers the normal and accrued liability contributions to 50 percent of the amount certified for fiscal year 2009. The remaining 50% of the contribution (unfunded liability) will be paid by the Local employers in level annual payments over a period of 15 years with the first payment due in the fiscal year ending June 30, 2012. The unfunded liability will be adjusted by the rate of return on the actuarial value of assets. The legislation also provided that a Local employer may pay 100 percent of the contribution for the fiscal year 2009. Such an employer will be credited with the full payment and any such amounts will not be included in their unfunded liability. In addition, certain Local employers who were eligible to defer 50% of their fiscal year 2009 pension contributions but instead paid 100% of the fiscal year 2009 pension contributions were permitted to defer 50% of their 2010 fiscal year pension contributions. The unfunded liability will be paid by these Local employers over a period of 15 years with the first payment due in the fiscal year ending June 30, 2012. The unfunded liability will be adjusted by the rate of return on the actuarial value of assets.

Chapter 140, P.L. 2021

Chapter 140, P.L. 2021 reopened the Worker's Compensation Judges (WCJ) Part of PERS and transferred WCJs from the Defined Contribution Retirement Program (DCRP) and the regular part of PERS into the WCJ Part of PERS.

The corresponding increase in the unfunded actuarial liability is amortized over a closed 20-year period. The additional unfunded actuarial liability contribution and the increased normal cost will be paid by transfers from the Second Injury Fund (SIF).

**4. Valuation Software**

Cheiron utilizes ProVal, an actuarial valuation software leased from Winklevoss Technologies (WinTech) to calculate liabilities, normal costs, and project benefit payments. We have relied on WinTech as the developer of ProVal. We have reviewed ProVal and have used ProVal in accordance with its original intended purpose. We have not identified any material inconsistencies in assumptions or output of ProVal that would affect this actuarial valuation.

**5. Changes in Methods since Last Valuation**

None.

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**APPENDIX C – SUMMARY OF PLAN PROVISIONS**

This summary of Plan provisions provides an overview of the major provisions of the PERS used in the actuarial valuation. It is not intended to replace the more precise language of the NJ State Statutes, Title 43, Chapter 15A, and if there is any difference between the description of the Plan herein and the actual language in the NJ State Statutes, the NJ State Statutes will govern.

**1. Eligibility for Membership**

Employees of the State or any county, municipality, school district, or public agency employed on a regular basis in a position covered by Social Security and not required to be a member of any other State or local government retirement system. Certain exceptions apply.

- a) Class B (or Tier 1) Member: Any member hired prior to July 1, 2007.
- b) Class D (or Tier 2) Member: Any member hired on or after July 1, 2007 and before November 2, 2008.
- c) Class E (or Tier 3) Member: Any member hired after November 1, 2008 and before May 22, 2010.
- d) Class F (or Tier 4) Member: Any member hired after May 21, 2010 and before June 28, 2011.
- e) Class G (or Tier 5) Member: Any member hired on or after June 28, 2011.

**2. Plan Year**

The 12-month period beginning on July 1 and ending on June 30.

**3. Years of Service**

A year of service for each year an employee is a Member of the Retirement System plus service, if any, covered by a prior service liability. Tier 4 and Tier 5 Members must be scheduled to work at least 35 hours per week for the State or 32 hours per week for a Local employer. Tier 3, 4 and 5 Members must have an annual salary of \$7,500 (indexed for inflation) and other members must have an annual salary of \$1,500.

**4. Compensation**

Base salary upon which contributions by a Member to the Annuity Savings Fund were based. Chapter 113, P.L. 1997 provides that Compensation cannot exceed the compensation limitation of Section 401(a)(17) of the Internal Revenue Code. Chapter 103, P.L. 2007 provides that for a Tier 2, 3, 4 or 5 Member, Compensation cannot exceed the annual maximum wage contribution base for Social Security, pursuant to the Federal Insurance Contribution Act.

APPENDIX C – SUMMARY OF PLAN PROVISIONS

**5. Final Compensation**

The average annual compensation upon which contributions by a Member are made for the three consecutive years of service immediately preceding retirement, or the highest three fiscal years of service, if greater. Chapter 1, P. L. 2010 provides that for a Tier 4 or Tier 5 Member, Final Compensation is the average annual compensation upon which contributions by a Member are made for the five consecutive years of service immediately preceding retirement, or the highest five fiscal years of service, if greater.

**6. Final Year Compensation**

The compensation upon which contributions by a Member to the Annuity Savings Fund are based in the last year of service.

**7. Accumulated Deductions**

The sum of all amounts deducted from the compensation of a Member or contributed by the Member or on the Member's behalf without interest.

**8. Interest Credits on Accumulated Deductions**

Members receive interest credits while contributing and for the first two years of inactivity. The rate depends on the type of benefit. Prior to July 1, 2018, members received interest credits for the entire period of inactivity until retirement or death.

**9. Member Contributions**

Each Member contributes a percentage of Compensation. Effective October 1, 2011, Chapter 78, P.L. 2011 set the member contribution rate at 6.5% and increased it by 1/7<sup>th</sup> of 1% each July thereafter until it attained an ultimate rate of 7.5% on July 1, 2018.

For members who are eligible to retire under the Prosecutors Part as provided by Chapter 366, P.L. 2001, Chapter 78, P.L. 2011 set the member contribution rate at 10.0%, effective October 1, 2011.

**10. Benefits**

- a) **Service Retirement:** For a Tier 1 or Tier 2 Member, age 60. For a Tier 3 or Tier 4 Member, age 62. For a Tier 5 Member, age 65.

Benefit is an annual retirement allowance comprised of a member annuity plus an employer pension which together will provide a total retirement allowance of:

- (1) For a Tier 1, 2 or 3 Member, 1/55 of Final Compensation for each Year of Service.
- (2) For a Tier 4 or 5 Member, 1/60 of Final Compensation for each Year of Service.

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**APPENDIX C – SUMMARY OF PLAN PROVISIONS**

- b) **Early Retirement:** Prior to eligibility for Service Retirement. For a Tier 1, 2, 3 or 4 Member, 25 Years of Service. For a Tier 5 Member, 30 Years of Service.

Benefit is an annual retirement allowance comprised of a member annuity plus an employer pension which together will provide a total retirement allowance of:

- (1) For a Tier 1 Member, the Service Retirement benefit reduced by  $\frac{1}{4}$  of one percent for each month the retirement date precedes age 55.
- (2) For a Tier 2 Member, the Service Retirement benefit reduced by  $\frac{1}{12}$  of one percent for each month the retirement date precedes age 60 through age 55 and by  $\frac{1}{4}$  of one percent for each month the retirement date precedes age 55.
- (3) For a Tier 3 or 4 Member, the Service Retirement benefit reduced by  $\frac{1}{12}$  of one percent for each month the retirement date precedes age 62 through age 55 and by  $\frac{1}{4}$  of one percent for each month the retirement date precedes age 55.
- (4) For a Tier 5 Member, the Service Retirement benefit reduced by  $\frac{1}{4}$  of one percent for each month the retirement date precedes age 65.

- c) **Veteran Retirement:** Age 55 with 25 Years of Service or Age 60 with 20 Years of Service for a qualified military veteran who retires directly from active service.

Benefit is an annual retirement allowance comprised of a member annuity plus an employer pension which together will provide a total retirement allowance of the greater of:

- (1) 54.5% of highest 12-month Compensation, or
- (2) For a member who is at least age 55 with 35 Years of Service,  $\frac{1}{55}$  of highest 12-month Compensation for each Year of Service.

Veterans may receive a Service Retirement benefit if greater.

- d) **Deferred Retirement:** Termination of service prior to eligibility for Service Retirement with 10 Years of Service.

Benefit is either:

- (1) A refund of Accumulated Deductions plus, if the member has completed three years of service, interest accumulated at 2.0% per annum; or
- (2) A deferred life annuity, commencing at age 60 for a Tier 1 or Tier 2 Member, age 62 for a Tier 3 or Tier 4 Member or age 65 for a Tier 5 Member, comprised of a member annuity plus an employer pension which together will provide a total retirement allowance of the Service Retirement benefit based on Final Compensation and Years of Service at date of termination.

For Members who die during the deferral period, the benefit is a return of Accumulated Deductions with credited interest.

THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE

APPENDIX C – SUMMARY OF PLAN PROVISIONS

- e) **Non-Vested Termination:** Termination of service prior to eligibility for Service Retirement and less than 10 Years of Service.

Benefit is a refund of Accumulated Deductions plus, if the member has completed three years of service, interest accumulated at 2.0% per annum.

- f) **Death Benefits**

- (1) **Ordinary Death Before Retirement:** Death of an active contributing Member. Benefit is equal to:

- a. Lump sum payment equal to 150% of Final Year Compensation, also known as the non-contributory group life insurance benefit, plus
- b. Accumulated Deductions with credited interest.

- (2) **Accidental Death Before Retirement:** Death of an active Member resulting from injuries received from an accident during performance of duty and not a result of willful negligence. Benefit is equal to:

- a. Lump sum payment equal to 150% of Final Year Compensation, also known as the non-contributory group life insurance benefit, plus
- b. Spouse life annuity of 50% of Final Year Compensation payable until spouse's death or remarriage. If there is no surviving spouse or upon death or remarriage, a total of 20% (35%, 50%) of Final Year Compensation payable to one (two, three or more) dependent child(ren). If there is no surviving spouse or dependent child(ren), 25% (40%) of Final Year Compensation to one (two) dependent parent(s). If there is no surviving spouse, dependent child(ren) or parent(s), the benefit is a refund of Accumulated Deductions with credited interest.

- (3) **Death After Retirement:** Death of a retired Member. Benefit is equal to:

- a. Lump sum payment equal to 3/16 of Final Year Compensation for a Member retired under Service, Early, Veteran or Deferred Retirement with 10 Years of Service. For a Member receiving a Disability benefit, lump sum payment of 150% of Final Year Compensation if death occurs prior to age 60 and 3/16 of Final Compensation if death occurs after age 60. This benefit is also known as the non-contributory group life insurance benefit, plus
- b. Any survivor benefit due under the Member's optional form of payment election. Previously granted COLAs also apply to life annuities.

Members are also eligible for a voluntary, employee-paid life insurance policy, known as the contributory group life insurance policy. This benefit is not paid through the System and is not considered for valuation purposes.

APPENDIX C – SUMMARY OF PLAN PROVISIONS

g) **Disability Retirement**

- (1) **Ordinary Disability Retirement**: 10 years of service and totally and permanently incapacitated from the performance of normal or assigned duties. Only available to Tier 1, 2 and 3 Members.

Benefit is an annual retirement allowance comprised of a member annuity plus an employer pension which together will provide a total retirement allowance of:

- a. 1.64% of Final Compensation for each Year of Service; or
- b. 43.6% of Final Compensation.

- (2) **Accidental Disability Retirement**: Total and permanent incapacitation as a direct result of a traumatic event occurring during and as a result of the performance of regular or assigned duties. Under certain conditions for law enforcement officers or emergency medical technicians, regular or assigned duties may include the World Trade Center (WTC) rescue, recovery, or cleanup operations between September 11, 2001 and October 11, 2001. For such members who participated in the WTC rescue, recovery, or cleanup operations, the total and permanent disability may occur after retirement on a service retirement or an ordinary disability retirement. Only available to Tier 1, 2 and 3 Members.

Benefit is an annual retirement allowance comprised of a member annuity plus an employer pension which together will provide a total retirement allowance of 72.7% of Compensation at the date of injury.

The pension portion of the benefit will be offset for any periodic Workers' Compensation benefits.

Tier 4 and Tier 5 Members are eligible for long-term disability coverage. This benefit is not paid through the System and is not considered for valuation purposes. Both Member and employer contributions to the System continue while on long-term disability, with the policy covering the Member portion. The long-term disability benefit equals 60% of Final Year Compensation and may be offset for other periodic benefits, such as Workers' Compensation, short-term disability or Social Security. The long-term disability benefit may continue through the earlier of age 70 or commencement of a retirement benefit under the System.

APPENDIX C – SUMMARY OF PLAN PROVISIONS

11. **Benefits for Special Employee Groups**

Certain members qualify for enrollment into special employee groups. Such members receive the greater of the special benefits described below or the regular PERS benefit described above. For benefit types not explicitly mentioned, the regular PERS benefit applies.

a) **Law Enforcement Officers (LEOs):**

Members employed in eligible job titles as well as individuals who do not meet the age or medical requirements for entry into the Police and Firemen's Retirement System (PFRS).

(1) **Service and Special Retirement**

Mandatory retirement at age 65. Veterans with less than 20 Years of Service at age 65 must retire upon attainment of 20 Years of Service or age 70, whichever is earlier. Voluntary retirement prior to those ages.

a. **Service Retirement:** Age 55 after 20 Years of LEO Service.

Benefit is an annual retirement allowance comprised of a member annuity plus an employer pension which together will provide a total retirement allowance of 2% of Final Compensation for each Year of LEO Service up to 25 years plus 1% of Final Compensation for each Year of LEO Service over 25 years.

The Member is also eligible for a regular PERS benefit based on any non-LEO service.

b. **Special Retirement:** 25 Years of LEO Service.

Benefit is the Service Retirement benefit plus 5% of Final Compensation with a maximum of 70% of Final Compensation.

(2) **Ordinary Disability Retirement:** 5 Years of LEO Service.

Benefit is the regular PERS Ordinary Disability benefit.

APPENDIX C – SUMMARY OF PLAN PROVISIONS

(3) Death Benefits:

Benefit is the regular PERS Death benefit except, upon Accidental Disability Retirement, the minimum lump sum payment is \$5,000.

b) Legislative Retirement System (LRS):

Members of the State Legislature. Chapter 92, P.L. 2007 closed LRS to new members enrolled on or after July 1, 2007.

(1) Special Legislative Retirement: Age 60.

Benefit is an annual retirement allowance comprised of a member annuity plus an employer pension which together will provide a total retirement allowance of 3% of Final Compensation for each Year of Legislative Service with a maximum of two-thirds of Final Compensation.

The Member is also eligible for a regular PERS benefit based on any non-legislative service.

(2) Deferred Retirement: Termination of service prior to eligibility for Service or Special Legislative Retirement with 8 Years of Legislative Service.

Benefit is either:

- a. A refund of Accumulated Deductions plus, if the Member has completed three years of service, interest accumulated at 2.0% per annum; or
- b. A deferred life annuity, commencing at age 60, comprised of a member annuity plus an employer pension which together will provide a total retirement allowance of the Service or Special Legislative Retirement benefit based on Final Compensation and Years of Service at date of termination.

c) Prosecutors Part (Chapter 366, P.L. 2001 and Chapter 226, P.L. 2021):

Covers prosecutors as well as members employed in certain other related job titles. Chapter 1. P.L. 2010 closed the Prosecutors Part to new members enrolled on or after May 22, 2010.

Chapter 226, P.L. 2021 reopened the Prosecutors Part of PERS and made membership in the Prosecutors Part of PERS mandatory for prosecutors.

(1) Service and Special Retirement

Mandatory retirement at age 70. Voluntary retirement prior to that age.

THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE

APPENDIX C – SUMMARY OF PLAN PROVISIONS

In addition to the benefits described below, the member is eligible for a regular PERS benefit based on any non-Prosecutors Part service.

- a. Service Retirement: For a Prosecutors Part Member enrolled as of January 7, 2002, age 55 or 20 Years of Prosecutors Part Service. For a Prosecutors Part Member enrolled after January 7, 2002, age 55.

Benefit is an annual retirement allowance comprised of a member annuity plus an employer pension which together will provide a total retirement allowance of the greater of:

- i. 2% of Final Year Compensation for each Year of Prosecutors Part Service up to 30 years plus 1% of Final Year Compensation for each Year of Prosecutors Part Service over 30 years.
- ii. 50% of Final Year Compensation for Prosecutors Part Members with 20 or more Years of Prosecutors Part Service.
- iii. 1/60 of Final Year Compensation for each Year of Prosecutors Part Service.

- b. Special Retirement: 25 Years of Prosecutors Part Service.

Benefit is an annual retirement allowance comprised of a member annuity plus an employer pension which together will provide a total retirement allowance of 65% of Final Year Compensation plus 1% of Final Year Compensation for each Year of Prosecutors Part Service in excess of 25 years with a maximum of 70% of Final Compensation.

- (2) Deferred Retirement: Termination of service prior to eligibility for Service or Special Retirement with 10 Years of Prosecutors Part Service.

Benefit is either:

- a. A refund of Accumulated Deductions plus, if the Member has completed three years of service, interest accumulated at 2.0% per annum; or
- b. A deferred life annuity, commencing at age 55, comprised of a member annuity plus an employer pension which together will provide a total retirement allowance of 2% of Final Year Compensation for each Year of Prosecutors Part Service.

- (3) Death Benefits:

Benefit is the regular PERS Death benefit except, upon Service, Special or Deferred Prosecutors Part Retirement with 10 Years of Prosecutors Part Service, the lump sum payment equals 50% of Final Year Compensation.

APPENDIX C – SUMMARY OF PLAN PROVISIONS

d) **Workers Compensation Judges Part (WCJ) (Chapter 259, P.L. 2001 and Chapter 140, P.L. 2021):**

Members employed in an eligible job title by the Division of Workers' Compensation. Chapter 92, P.L. 2007 closed the Workers Compensation Judges Part to new members enrolled on or after July 1, 2007.

Chapter 140, P.L. 2021 reopened the Worker's Compensation Judges (WCJ) Part of PERS and transferred WCJs from the Defined Contribution Retirement Program (DCRP) and the regular part of PERS into the WCJ Part of PERS.

(1) **Service Retirement:**

Mandatory retirement age 70. Voluntary retirement prior to that age.

- a. Age 70 and 10 Years of WCJ Service; or  
Age 65 and 15 Years of WCJ Service; or  
Age 60 and 20 Years of WCJ Service.

Benefit is an annual retirement allowance comprised of a member annuity plus an employer pension which together will provide a total retirement allowance of 75% of contractual Compensation at the date of retirement.

- b. Age 65, 5 consecutive Years of WCJ Service and 15 Years of Aggregate PERS Service; or  
Age 60, 5 consecutive Years of WCJ Service and 20 Years of Aggregate PERS Service.

Benefit is an annual retirement allowance comprised of a member annuity plus an employer pension which together will provide a total retirement allowance of 50% of contractual Compensation at the date of retirement.

- c. Age 60, 5 consecutive Years of WCJ Service and 15 Years of Aggregate PERS Service.

Benefit is an annual retirement allowance comprised of a member annuity plus an employer pension which together will provide a total retirement allowance of 2% of contractual Compensation at the date of retirement for each Year of Aggregate PERS Service up to 25 years plus 1% of contractual Compensation at the date of retirement for each Year of Aggregate PERS Service over 25 years.

APPENDIX C – SUMMARY OF PLAN PROVISIONS

d. Age 60.

Benefit is an annual retirement allowance comprised of a member annuity plus an employer pension which together will provide a total retirement allowance of 2% of contractual Compensation at the date of retirement for each Year of WCJ Service up to 25 years plus 1% of contractual Compensation at the date of retirement for each Year of Aggregate PERS Service over 25 years.

- (2) Early Retirement: Prior to eligibility for Service Retirement and 5 consecutive Years of WCJ Service and 25 Years of Aggregate PERS Service.

Benefit is an annual retirement allowance comprised of a member annuity plus an employer pension which together will provide a total retirement allowance of 2% of contractual Compensation at the date of retirement for each Year of Aggregate PERS Service up to 25 years plus 1% of contractual Compensation at the date of retirement for each Year of Aggregate PERS Service over 25 years, actuarially reduced for commencement prior to age 60.

- (3) Deferred Retirement: Termination of service prior to eligibility for Service Retirement with 5 consecutive Years of WCJ Service and 10 Years of Aggregate PERS Service.

Benefit is either:

- a. A refund of Accumulated Deductions plus, if the Member has completed three years of service, interest accumulated at 2.0% per annum; or
- b. A deferred life annuity, commencing at age 60, comprised of a member annuity plus an employer pension which together will provide a total retirement allowance of 2% of contractual Compensation at the date of retirement for each Year of Aggregate PERS Service up to 25 years plus 1% of contractual Compensation at the date of retirement for each Year of Aggregate PERS Service over 25 years.

- (4) Death Benefits

- a. Before Retirement: Death of an active WCJ Member. Benefit is equal to:

- i. Lump sum equal to 150% of contractual Compensation at the date of death, plus

**APPENDIX C – SUMMARY OF PLAN PROVISIONS**

- ii. Spousal life annuity of 25% of contractual Compensation at the date of death payable until spouse's remarriage plus 10% (15%) to one (two or more) dependent child(ren). If there is no surviving spouse, or upon death or remarriage, a total of 15% (20%, 30%) of contractual Compensation at the date of death payable to one (two, three or more) dependent child(ren). If there is no surviving spouse or dependent child(ren), 20% (30%) of contractual Compensation at the date of death to one (two) dependent parent(s). If there is no surviving spouse, dependent child(ren) or parent(s), the benefit is a refund of Accumulated Deductions with interest.
- b. After Retirement: Death of a retired WCJ Member. Benefit is equal to:
- i. Lump sum equal to 25% of contractual Compensation at the date of death for a Member retired under Service or Early WCJ Retirement with 10 Years of Aggregate PERS Service. For a Member receiving a Disability benefit, lump sum payment of 150% of contractual Compensation at the date of death if death occurs prior to age 60 and 25% of contractual Compensation at the date of death if death occurs after age 60, plus
  - ii. Any survivor benefit due under the Member's optional form of payment election. Previously granted COLAs also apply to life annuities.

**12. Optional Forms of Payment**

The member may elect the following forms of payment.

- a) Maximum Option: Single life annuity with a return of the balance of the Accumulated Deductions with credited interest.
- b) Option 1: Single life annuity with a return of the balance of the initial reserve.
- c) Option 2: 100% joint and survivor annuity.
- d) Option 3: 50% joint and survivor annuity.
- e) Option 4: Other percentage joint and survivor annuity.
- f) Option A: 100% pop-up joint and survivor annuity.
- g) Option B: 75% pop-up joint and survivor annuity.
- h) Option C: 50% pop-up joint and survivor annuity.
- i) Option D: 25% pop-up joint and survivor annuity.

**APPENDIX C – SUMMARY OF PLAN PROVISIONS**

**13. Cost-of-Living Adjustments**

Also known as Pension Adjustments. Provided annually to retirees and survivors after 24 months of retirement prior to July 1, 2011. Chapter 78, P.L. 2011 eliminated future adjustments effective July 1, 2011. Adjustments may be reinstated in the future subject to certain conditions outlined in Chapter 78, P.L. 2011.

**14. Changes in Plan Provisions since Last Valuation**

This report reflects two changes to the Plan provisions. Chapter 97, P.L. 2024 establishes eligibility for enrollment in PERS and subsequent retirement benefits for county fire instructors who were employed and enrolled before November 1, 2008. Chapter 56, P.L. 2024 permits county prosecutors to purchase and receive credit in the Prosecutors Part of PERS for judicial law clerk service in a State court. Additionally, Chapter 56, P.L. 2024 permits a retired member of the Judicial Retirement System (JRS) to be appointed as a county prosecutor but such member cannot be enrolled in any other State-administered retirement system based on that service.

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**APPENDIX D – DETERMINATION OF DISCOUNT RATE**

**Table 1 - Projection of the Pension Plan's Fiduciary Net Position**  
(In Thousands)  
Projections Commence June 30, 2025

r	Projected Beginning Fiduciary Net Position	Projected Member Contributions	Projected State Contributions	Projected State- paid Local Contributions	Projected Local Employer Contributions	Projected Lottery Contributions	Projected Benefit Payments	Projected Administrative Expenses	Projected Investment Earnings	Projected Ending Fiduciary Net Position
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j) = (a) + (b) + (c) + (d) + (e) + (f) - (g) - (h) + (i)
1	\$ 39,612,741	\$ 918,688	\$ 1,722,696	\$ 58,399	\$ 1,377,427	\$ 238,615	\$ 5,433,373	\$ 33,622	\$ 2,694,488	\$ 41,156,060
2	41,156,060	881,534	1,757,948	56,008	1,363,598	241,005	5,580,439	34,550	2,796,852	42,638,015
3	42,638,015	846,385	1,756,170	53,529	1,342,292	243,109	5,721,000	35,441	2,894,117	44,017,177
4	44,017,177	812,567	1,753,658	50,959	1,323,838	245,498	5,854,012	36,281	2,984,531	45,297,935
5	45,297,935	779,391	1,750,010	48,379	1,307,982	250,163	5,979,280	37,069	3,068,440	46,485,953
6	46,485,953	746,857	1,745,019	45,813	1,294,411	252,668	6,099,191	37,817	3,145,996	47,579,709
7	47,579,709	714,858	1,740,552	43,240	1,288,777	255,197	6,209,045	38,503	3,217,468	48,592,255
8	48,592,255	683,319	1,735,628	40,666	1,282,725	257,752	6,309,805	39,130	3,283,569	49,526,979
9	49,526,979	652,493	1,730,458	38,093	1,275,064	260,332	6,398,286	39,676	3,344,639	50,390,096
10	50,390,096	622,592	1,721,573	19,325	1,268,273	262,938	6,479,641	40,175	3,400,475	51,165,455
11	51,165,455	593,839	1,715,727	16,967	1,262,778	265,570	6,546,813	40,582	3,451,225	51,884,166
12	51,884,166	566,320	1,709,940	14,837	1,258,058	268,229	6,597,228	40,881	3,498,653	52,562,094
13	52,562,094	540,193	1,704,504	12,978	1,254,105	270,914	6,630,668	41,071	3,543,892	53,216,941
14	53,216,941	515,246	1,699,607	11,338	1,251,113	273,626	6,648,322	41,163	3,588,139	53,866,524
15	53,866,524	491,686	1,695,367	9,874	1,248,768	276,365	6,648,140	41,146	3,632,716	54,532,013
16	54,532,013	469,326	1,692,164	8,573	1,247,132	279,131	6,631,956	41,030	3,679,045	55,234,400
17	55,234,400	447,760	1,689,908	7,412	1,246,130	281,925	6,602,843	40,833	3,728,471	55,992,331
18	55,992,331	425,743	1,687,672	6,388	1,245,524	284,747	6,568,713	40,602	3,781,955	56,815,045
19	56,815,045	403,023	1,685,580	5,483	1,244,634	287,598	6,532,097	40,354	3,840,038	57,708,949
20	57,708,949	379,477	1,682,982	4,689	1,243,196	290,476	6,494,119	40,098	3,903,103	58,678,656
21	58,678,656	355,241	1,679,824	3,994	1,240,857	293,384	6,455,107	39,836	3,971,460	59,728,472
22	59,728,472	330,375	1,676,125	3,389	1,237,503	296,320	6,415,548	39,568	4,045,394	60,862,462
23	60,862,462	303,781	1,801,721	2,875	1,233,316	0	6,386,498	39,373	4,117,832	61,896,117
24	61,896,117	275,925	1,796,044	2,380	1,226,940	0	6,362,484	39,214	4,189,791	62,985,498
25	62,985,498	248,938	292,223	1,912	1,218,415	0	6,328,966	38,989	4,227,200	62,606,230
26	62,606,230	223,578	150,663	1,544	1,209,646	0	6,284,854	38,700	4,197,480	62,065,588
27	62,065,588	198,811	137,213	1,247	1,203,529	0	6,236,553	38,391	4,146,686	60,698,129
28	60,698,129	173,088	129,363	1,008	1,201,763	0	6,194,139	38,121	4,047,892	59,038,982
29	59,038,982	146,439	120,567	809	200,353	0	6,157,737	37,892	3,931,492	57,243,012
30	57,243,012	121,337	110,319	642	186,518	0	6,113,841	37,618	3,805,919	55,316,289
31	55,316,289	100,109	99,849	502	172,763	0	6,045,030	37,190	3,672,185	53,279,477
32	53,279,477	82,104	90,738	391	160,487	0	5,844,769	35,921	3,535,469	51,267,977
33	51,267,977	66,774	82,860	303	149,250	0	5,736,582	35,255	3,397,478	49,192,806
34	49,192,806	53,864	75,742	233	138,310	0	5,611,276	34,486	3,255,732	47,070,924
35	47,070,924	43,030	69,688	178	128,835	0	5,470,813	33,624	3,111,365	44,919,584
36	44,919,584	34,006	64,432	136	120,184	0	5,317,614	32,683	2,965,474	42,753,518
37	42,753,518	26,554	59,892	102	112,271	0	5,153,690	31,678	2,819,009	40,585,979
38	40,585,979	20,514	55,995	76	105,042	0	4,979,650	30,609	2,672,869	38,430,216
39	38,430,216	15,671	52,664	57	98,535	0	4,797,536	29,491	2,527,901	36,298,016
40	36,298,016	11,822	49,830	43	92,678	0	4,608,382	28,330	2,384,885	34,200,562
41	34,200,562	8,845	47,418	32	87,408	0	4,413,105	27,130	2,244,564	32,148,594
42	32,148,594	6,545	45,361	24	82,711	0	4,213,395	25,902	2,107,623	30,151,561
43	30,151,561	4,767	43,579	18	78,478	0	4,010,758	24,655	1,974,662	28,217,651
44	28,217,651	3,430	41,989	13	74,643	0	3,806,835	23,400	1,846,191	26,353,682
45	26,353,682	2,441	40,550	10	71,164	0	3,602,613	22,143	1,722,648	24,565,739
46	24,565,739	1,704	39,204	7	68,001	0	3,399,158	20,890	1,604,416	22,859,025
47	22,859,025	1,160	37,905	5	65,083	0	3,197,410	19,647	1,491,824	21,237,945
48	21,237,945	767	36,622	4	62,360	0	2,998,183	18,419	1,385,147	19,706,241
49	19,706,241	482	35,343	3	59,791	0	2,802,234	17,213	1,284,618	18,267,032
50	18,267,032	288	34,049	2	57,338	0	2,610,009	16,028	1,190,440	16,923,111
51	16,923,111	158	32,732	1	54,984	0	2,422,132	14,871	1,102,784	15,676,769
52	15,676,769	81	31,382	1	52,705	0	2,239,097	13,742	1,021,793	14,529,891
53	14,529,891	41	30,006	0	50,477	0	2,061,432	12,647	947,579	13,483,916
54	13,483,916	18	28,598	0	48,285	0	1,889,845	11,588	880,218	12,539,602
55	12,539,602	5	27,157	0	46,101	0	1,724,759	10,570	819,748	11,697,283
56	11,697,283	0	25,688	0	43,915	0	1,566,523	9,594	766,179	10,956,949
57	10,956,949	0	24,196	0	41,718	0	1,415,519	8,662	719,498	10,318,179
58	10,318,179	0	22,686	0	39,504	0	1,272,114	7,777	679,662	9,780,141
59	9,780,141	0	21,165	0	37,265	0	1,136,585	6,941	646,603	9,341,648
60	9,341,648	0	19,641	0	35,001	0	1,009,180	6,156	620,231	9,001,185

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**APPENDIX D – DETERMINATION OF DISCOUNT RATE**

**Table 1 - Projection of the Pension Plan's Fiduciary Net Position**  
(In Thousands)  
Projections Commence June 30, 2025

Year	Projected Beginning Fiduciary Net Position	Projected Member Contributions	Projected State Contributions	Projected State-paid Local Contributions	Projected Local Employer Contributions	Projected Lottery Contributions	Projected Benefit Payments	Projected Administrative Expenses	Projected Investment Earnings	Projected Ending Fiduciary Net Position
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j) = (a) + (b) + (c) + (d) + (e) + (f) - (g) - (h) + (i)
61	\$ 9,001,185	\$ 0	\$ 18,123	\$ 0	\$ 32,718	\$ 0	\$ 890,096	\$ 5,422	\$ 600,433	\$ 8,756,940
62	8,756,940	0	16,618	0	30,420	0	779,477	4,741	587,076	8,606,836
63	8,606,836	0	15,136	0	28,117	0	677,412	4,113	580,014	8,548,578
64	8,548,578	0	13,685	0	25,822	0	583,929	3,539	579,085	8,579,703
65	8,579,703	0	12,275	0	23,549	0	498,986	3,018	584,119	8,697,641
66	8,697,641	0	10,914	0	21,311	0	422,463	2,550	594,941	8,899,795
67	8,899,795	0	9,613	0	19,127	0	354,164	2,132	611,375	9,183,615
68	9,183,615	0	8,381	0	17,015	0	293,818	1,764	633,255	9,546,683
69	9,546,683	0	7,226	0	14,992	0	241,073	1,443	660,422	9,986,807
70	9,986,807	0	6,158	0	13,076	0	195,498	1,167	692,740	10,502,117
71	10,502,117	0	5,182	0	11,281	0	156,595	932	730,095	11,091,147
72	11,091,147	0	4,303	0	9,619	0	123,814	734	772,404	11,752,926
73	11,752,926	0	3,523	0	8,103	0	96,563	570	819,620	12,487,039
74	12,487,039	0	2,841	0	6,738	0	74,228	436	871,735	13,293,689
75	13,293,689	0	2,255	0	5,528	0	56,195	329	928,784	14,173,732
76	14,173,732	0	1,759	0	4,470	0	41,862	244	990,848	15,128,703
77	15,128,703	0	1,347	0	3,559	0	30,662	178	1,058,054	16,160,824
78	16,160,824	0	1,012	0	2,789	0	22,065	127	1,130,576	17,273,008
79	17,273,008	0	744	0	2,148	0	15,589	89	1,208,633	18,468,855
80	18,468,855	0	536	0	1,624	0	10,805	62	1,292,492	19,752,640
81	19,752,640	0	377	0	1,205	0	7,345	42	1,382,464	21,129,299
82	21,129,299	0	259	0	876	0	4,895	28	1,478,905	22,604,417
83	22,604,417	0	173	0	624	0	3,199	18	1,582,215	24,184,213
84	24,184,213	0	113	0	435	0	2,051	11	1,692,835	25,875,534
85	25,875,534	0	72	0	296	0	1,291	7	1,811,250	27,685,854
86	27,685,854	0	45	0	197	0	800	4	1,937,987	29,623,279
87	29,623,279	0	27	0	128	0	488	3	2,073,616	31,696,559
88	31,696,559	0	16	0	81	0	295	2	2,218,751	33,915,110
89	33,915,110	0	9	0	50	0	177	1	2,374,053	36,289,044
90	36,289,044	0	5	0	30	0	106	1	2,540,230	38,829,203
91	38,829,203	0	3	0	18	0	64	0	2,718,042	41,547,202
92	41,547,202	0	2	0	10	0	39	0	2,908,303	44,455,478
93	44,455,478	0	1	0	6	0	23	0	3,111,883	47,567,344
94	47,567,344	0	0	0	3	0	14	0	3,329,714	50,897,047
95	50,897,047	0	0	0	2	0	9	0	3,562,793	54,459,833
96	54,459,833	0	0	0	1	0	5	0	3,812,188	58,272,017
97	58,272,017	0	0	0	0	0	3	0	4,079,041	62,351,055
98	62,351,055	0	0	0	0	0	2	0	4,364,574	66,715,627
99	66,715,627	0	0	0	0	0	1	0	4,670,094	71,385,720
100	71,385,720	0	0	0	0	0	1	0	4,997,000	76,382,720
101	76,382,720	0	0	0	0	0	0	0	5,346,790	81,729,510
102	81,729,510	0	0	0	0	0	0	0	5,721,066	87,450,575
103	87,450,575	0	0	0	0	0	0	0	6,121,540	93,572,115
104	93,572,115	0	0	0	0	0	0	0	6,550,048	100,122,163
105	100,122,163	0	0	0	0	0	0	0	7,008,551	107,130,714
106	107,130,714	0	0	0	0	0	0	0	7,499,150	114,629,864
107	114,629,864	0	0	0	0	0	0	0	8,024,091	122,653,955
108	122,653,955	0	0	0	0	0	0	0	8,585,777	131,239,732
109	131,239,732	0	0	0	0	0	0	0	9,186,781	140,426,513
110	140,426,513	0	0	0	0	0	0	0	9,829,856	150,256,369
111	150,256,369	0	0	0	0	0	0	0	10,517,946	160,774,315
112	160,774,315	0	0	0	0	0	0	0	11,254,202	172,028,517
113	172,028,517	0	0	0	0	0	0	0	12,041,996	184,070,513
114	184,070,513	0	0	0	0	0	0	0	12,884,936	196,955,449
115	196,955,449	0	0	0	0	0	0	0	13,786,881	210,742,330

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**APPENDIX D – DETERMINATION OF DISCOUNT RATE**

**Table 2 - Actuarial Present Values of Projected Benefit Payments**  
(In Thousands)

Projections Commence June 30, 2025

\* From Table 1 - Projection of the Pension Plan's Fiduciary Net Position, column (a)

\*\* From Table 1 - Projection of the Pension Plan's Fiduciary Net Position, column (g)

Year	Projected Beginning Fiduciary Net Position*	Projected Benefit Payments for current Plan participants**	"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments	Present Value of "Funded" Benefit Payments	Present Value of "Unfunded" Benefit Payments	Present Value of Benefit Payments Using the Single Discount Rate
(a)	(b)	(c)	(d) = (c) if (b) >= (c)	(e) = (c) - (d)	(f) = (d) / (1+7.00%)^(a) - .5]	(g) = (e) / (1+5.20%)^(a) - .5]	(h) = (c) / (1+7.00%)^(a) - .5]
1	\$ 39,612,741	\$ 5,433,373	\$ 5,433,373	\$ 0	\$ 5,252,640	\$ 0	\$ 5,252,640
2	41,156,060	5,580,439	5,580,439	0	5,041,883	0	5,041,883
3	42,638,015	5,721,000	5,721,000	0	4,830,727	0	4,830,727
4	44,017,177	5,854,012	5,854,012	0	4,619,664	0	4,619,664
5	45,297,935	5,979,280	5,979,280	0	4,409,831	0	4,409,831
6	46,485,953	6,099,191	6,099,191	0	4,203,988	0	4,203,988
7	47,579,709	6,209,045	6,209,045	0	3,999,726	0	3,999,726
8	48,592,255	6,309,805	6,309,805	0	3,798,723	0	3,798,723
9	49,526,979	6,398,286	6,398,286	0	3,599,992	0	3,599,992
10	50,390,096	6,479,641	6,479,641	0	3,407,258	0	3,407,258
11	51,165,455	6,546,813	6,546,813	0	3,217,365	0	3,217,365
12	51,884,166	6,597,228	6,597,228	0	3,030,038	0	3,030,038
13	52,562,094	6,630,668	6,630,668	0	2,846,165	0	2,846,165
14	53,216,941	6,648,322	6,648,322	0	2,667,049	0	2,667,049
15	53,866,524	6,648,140	6,648,140	0	2,492,501	0	2,492,501
16	54,532,013	6,631,956	6,631,956	0	2,323,770	0	2,323,770
17	55,234,400	6,602,843	6,602,843	0	2,162,214	0	2,162,214
18	55,992,331	6,568,713	6,568,713	0	2,010,315	0	2,010,315
19	56,815,045	6,532,097	6,532,097	0	1,868,326	0	1,868,326
20	57,708,949	6,494,119	6,494,119	0	1,735,948	0	1,735,948
21	58,678,656	6,455,107	6,455,107	0	1,612,635	0	1,612,635
22	59,728,472	6,415,548	6,415,548	0	1,497,899	0	1,497,899
23	60,862,462	6,386,498	6,386,498	0	1,393,567	0	1,393,567
24	61,896,117	6,362,484	6,362,484	0	1,297,502	0	1,297,502
25	62,985,498	6,328,966	6,328,966	0	1,206,230	0	1,206,230
26	62,606,230	6,284,854	6,284,854	0	1,119,461	0	1,119,461
27	62,065,588	6,236,553	6,236,553	0	1,038,184	0	1,038,184
28	60,698,129	6,194,139	6,194,139	0	963,667	0	963,667
29	59,038,982	6,157,737	6,157,737	0	895,331	0	895,331
30	57,243,012	6,113,841	6,113,841	0	830,793	0	830,793
31	55,316,289	6,045,030	6,045,030	0	767,703	0	767,703
32	53,279,477	5,844,769	5,844,769	0	693,711	0	693,711
33	51,267,977	5,736,582	5,736,582	0	636,327	0	636,327
34	49,192,806	5,611,276	5,611,276	0	581,708	0	581,708
35	47,070,924	5,470,813	5,470,813	0	530,043	0	530,043
36	44,919,584	5,317,614	5,317,614	0	481,496	0	481,496
37	42,753,518	5,153,690	5,153,690	0	436,124	0	436,124
38	40,585,979	4,979,650	4,979,650	0	393,829	0	393,829
39	38,430,216	4,797,536	4,797,536	0	354,603	0	354,603
40	36,298,016	4,608,382	4,608,382	0	318,339	0	318,339
41	34,200,562	4,413,105	4,413,105	0	284,906	0	284,906
42	32,148,594	4,213,395	4,213,395	0	254,217	0	254,217
43	30,151,561	4,010,758	4,010,758	0	226,160	0	226,160
44	28,217,651	3,806,835	3,806,835	0	200,618	0	200,618
45	26,353,682	3,602,613	3,602,613	0	177,435	0	177,435
46	24,565,739	3,399,158	3,399,158	0	156,462	0	156,462
47	22,859,025	3,197,410	3,197,410	0	137,547	0	137,547
48	21,237,945	2,998,183	2,998,183	0	120,539	0	120,539
49	19,706,241	2,802,234	2,802,234	0	105,291	0	105,291
50	18,267,032	2,610,009	2,610,009	0	91,653	0	91,653
51	16,923,111	2,422,132	2,422,132	0	79,491	0	79,491
52	15,676,769	2,239,097	2,239,097	0	68,677	0	68,677
53	14,529,891	2,061,432	2,061,432	0	59,091	0	59,091
54	13,483,916	1,889,845	1,889,845	0	50,628	0	50,628
55	12,539,602	1,724,759	1,724,759	0	43,183	0	43,183
56	11,697,283	1,566,523	1,566,523	0	36,655	0	36,655
57	10,956,949	1,415,519	1,415,519	0	30,955	0	30,955
58	10,318,179	1,272,114	1,272,114	0	25,999	0	25,999
59	9,780,141	1,136,585	1,136,585	0	21,710	0	21,710
60	9,341,648	1,009,180	1,009,180	0	18,015	0	18,015

**THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
GASB 68 REPORTING FOR JUNE 30, 2025 MEASUREMENT DATE**

**APPENDIX D – DETERMINATION OF DISCOUNT RATE**

**Table 2 - Actuarial Present Values of Projected Benefit Payments**  
(In Thousands)

Projections Commence June 30, 2025

\* From Table 1 - Projection of the Pension Plan's Fiduciary Net Position, column (a)

\*\* From Table 1 - Projection of the Pension Plan's Fiduciary Net Position, column (g)

Year	Projected Beginning Fiduciary Net Position*	Projected Benefit Payments for current Plan participants**	"Funded" Portion of Benefit Payments	"Unfunded" Portion of Benefit Payments	Present Value of "Funded" Benefit Payments	Present Value of "Unfunded" Benefit Payments	Present Value of Benefit Payments Using the Single Discount Rate
(a)	(b)	(c)	(d) = (c) if (b) >= (c)	(e) = (c) - (d)	(f) = (d) / (1+7.00%)^(a) - .5]	(g) = (e) / (1+5.20%)^(a) - .5]	(h) = (c) / (1+7.00%)^(a) - .5]
61	\$ 9,001,185	\$ 890,096	\$ 890,096	\$ 0	\$ 14,850	\$ 0	\$ 14,850
62	8,756,940	779,477	779,477	0	12,153	0	12,153
63	8,606,836	677,412	677,412	0	9,871	0	9,871
64	8,548,578	583,929	583,929	0	7,952	0	7,952
65	8,579,703	498,986	498,986	0	6,351	0	6,351
66	8,697,641	422,463	422,463	0	5,025	0	5,025
67	8,899,795	354,164	354,164	0	3,937	0	3,937
68	9,183,615	293,818	293,818	0	3,053	0	3,053
69	9,546,683	241,073	241,073	0	2,341	0	2,341
70	9,986,807	195,498	195,498	0	1,774	0	1,774
71	10,502,117	156,595	156,595	0	1,328	0	1,328
72	11,091,147	123,814	123,814	0	981	0	981
73	11,752,926	96,563	96,563	0	715	0	715
74	12,487,039	74,228	74,228	0	514	0	514
75	13,293,689	56,195	56,195	0	364	0	364
76	14,173,732	41,862	41,862	0	253	0	253
77	15,128,703	30,662	30,662	0	173	0	173
78	16,160,824	22,065	22,065	0	117	0	117
79	17,273,008	15,589	15,589	0	77	0	77
80	18,468,855	10,805	10,805	0	50	0	50
81	19,752,640	7,345	7,345	0	32	0	32
82	21,129,299	4,895	4,895	0	20	0	20
83	22,604,417	3,199	3,199	0	12	0	12
84	24,184,213	2,051	2,051	0	7	0	7
85	25,875,534	1,291	1,291	0	4	0	4
86	27,685,854	800	800	0	2	0	2
87	29,623,279	488	488	0	1	0	1
88	31,696,559	295	295	0	1	0	1
89	33,915,110	177	177	0	0	0	0
90	36,289,044	106	106	0	0	0	0
91	38,829,203	64	64	0	0	0	0
92	41,547,202	39	39	0	0	0	0
93	44,455,478	23	23	0	0	0	0
94	47,567,344	14	14	0	0	0	0
95	50,897,047	9	9	0	0	0	0
96	54,459,833	5	5	0	0	0	0
97	58,272,017	3	3	0	0	0	0
98	62,351,055	2	2	0	0	0	0
99	66,715,627	1	1	0	0	0	0
100	71,385,720	1	1	0	0	0	0
101	76,382,720	0	0	0	0	0	0
102	81,729,510	0	0	0	0	0	0
103	87,450,575	0	0	0	0	0	0
104	93,572,115	0	0	0	0	0	0
105	100,122,163	0	0	0	0	0	0
106	107,130,714	0	0	0	0	0	0
107	114,629,864	0	0	0	0	0	0
108	122,653,955	0	0	0	0	0	0
109	131,239,732	0	0	0	0	0	0
110	140,426,513	0	0	0	0	0	0
111	150,256,369	0	0	0	0	0	0
112	160,774,315	0	0	0	0	0	0
113	172,028,517	0	0	0	0	0	0
114	184,070,513	0	0	0	0	0	0
115	196,955,449	0	0	0	0	0	0
					\$ 86,828,466	\$ 0	\$ 86,828,466

**APPENDIX E – GLOSSARY OF TERMS**

**1. Actuarially Determined Contribution**

A target or recommended contribution for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted.

**2. Actuarial Valuation Date**

The date as of which an actuarial valuation is performed. This date may be up to 24 months prior to the measurement date and up to 30 months prior to the employer's reporting date.

**3. Deferred Inflow of Resources**

An acquisition of net assets by a government employer that is applicable to a future reporting period. In the context of GASB 68, these are experience gains on the Total Pension Liability, assumption changes reducing the Total Pension Liability, or investment gains that are recognized in future reporting periods.

**4. Deferred Outflow of Resources**

A consumption of net assets by a government employer that is applicable to a future reporting period. In the context of GASB 68, these are experience losses on the Total Pension Liability, assumption changes increasing the Total Pension Liability, or investment losses that are recognized in future reporting periods.

**5. Entry Age Actuarial Cost Method**

The actuarial cost method required for GASB 68 calculations. Under this method, the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit ages. The portion of this actuarial present value allocated to a valuation year is called the Service Cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future service costs is called the Total Pension Liability.

**6. Measurement Date**

The date as of which the Total Pension Liability and Plan Fiduciary Net Position are measured. The Total Pension Liability may be projected from the Actuarial Valuation Date to the Measurement Date. The Measurement Date must be the same as the Reporting Date for the Plan.

**APPENDIX E – GLOSSARY OF TERMS**

**7. Net Pension Liability**

The liability of employers and nonemployer contributing entities for employees for benefits provided through a defined benefit pension plan. It is calculated as the Total Pension Liability less the Plan Fiduciary Net Position.

**8. Plan Fiduciary Net Position**

The fair or market value of assets.

**9. Reporting Date**

The last day of the Plan or employer's fiscal year.

**10. Service Cost**

The portion of the actuarial present value of projected benefit payments that is attributed to the current period of employee service in conformity with the requirements of GASB 68. The Service Cost is the normal cost calculated under the entry age actuarial cost method.

**11. Total Pension Liability**

The portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service in conformity with the requirements of GASB 68. The Total Pension Liability is the actuarial liability calculated under the entry age actuarial cost method. This measurement generally is not appropriate for estimating the cost to settle the Plan's liabilities.