



State of New Jersey
DEPARTMENT OF THE TREASURY
DIVISION OF PENSIONS AND BENEFITS
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R. DAVID ROUSSEAU
State Treasurer

FREDERICK J. BEAVER
Director

August 15, 2008

David J. Rosen
Secretary and Legislative Budget and Finance Officer
Legislative Budget and Finance Office
Senate House – Room 301-14
PO Box 068
Trenton, New Jersey 08625

RE: Chapter 21, P.L 2008 ERI Report

Dear Mr. Rosen:

Pursuant to Chapter 21, P.L. 2008, the Division of Pensions and Benefits hereby submits the 2008 State Early Retirement Incentive (ERI) program report to the Joint Budget Oversight Committee. As required by this law, the Division of Pensions and Benefits is required to submit this annual report to the Committee through the year 2014.

Chapter 21 was enacted on June 24, 2008 and provided retirement incentives to approximately 3,452 Executive Branch and 376 Judicial Branch eligible employees. The incentive was offered to employees enrolled in the Public Employees' Retirement System (PERS) and the Teachers' Pension and Annuity Fund (TPAF). Three categories of incentives were offered under the program:

Category 1 was offered to employees age 58 or older with 25 years of pension service credit.

Category 2 was offered to employees age 60 or older with at least 20 but less than 25 years of pension service credit.

Category 3 was offered to employees age 60 or older with at least 10 but less than 20 years of pension service credit.

Category 2 and **3** incentives were offered to Executive Branch employees only. Each category was offered a different incentive. A summary of the ERI categories and their incentives is attached for reference.

The following chart breaks down the numbers of Executive and Judicial Branch employees who retired under the program by retirement system (PERS and TPAF) and by ERI Category.

TOTALS					
EXECUTIVE BRANCH					
	Total # of Eligible Members	# of ERI Applicants	# of Retroactive Applicants	Total # of Applicants	Total # of Approved Extensions
<i>Category 1</i>	1869	841	29	870	86
<i>Category 2</i>	798	329	3	332	19
<i>Category 3</i>	785	86	2	88	1
Total	3452	1256	34	1290	106
JUDICIAL BRANCH					
	Total # of Eligible Members	# of ERI Applicants	# of Retroactive Applicants	Total # of Applicants	Total # of Approved Extensions
<i>Category 1</i>	376	186	12	198	22
<i>Category 2</i>	0	0	0	0	0
<i>Category 3</i>	0	0	0	0	0
Total	376	186	12	198	22
PERS					
EXECUTIVE BRANCH					
	Total # of Eligible Members	# of ERI Applicants	# of Retroactive Applicants	Total # of Applicants	Total # of Approved Extensions
<i>Category 1</i>	1829	818	29	847	76
<i>Category 2</i>	792	329	3	332	19
<i>Category 3</i>	773	83	2	85	1
Total	3394	1230	34	1264	96
JUDICIAL BRANCH					
	Total # of Eligible Members	# of ERI Applicants	# of Retroactive Applicants	Total # of Applicants	Total # of Approved Extensions
<i>Category 1</i>	376	186	12	198	22
<i>Category 2</i>	0	0	0	0	0
<i>Category 3</i>	0	0	0	0	0
Total	376	186	12	198	22
TPAF					
EXECUTIVE BRANCH					
	Total # of Eligible Members	# of ERI Applicants	# of Retroactive Applicants	Total # of Applicants	Total # of Approved Extensions
<i>Category 1</i>	40	23	0	23	10
<i>Category 2</i>	6	0	0	0	0
<i>Category 3</i>	12	3	0	3	0
Total	58	26	0	26	10
JUDICIAL BRANCH					
	Total # of Eligible Members	# of ERI Applicants	# of Retroactive Applicants	Total # of Applicants	Total # of Approved Extensions
<i>Category 1</i>	0	0	0	0	0
<i>Category 2</i>	0	0	0	0	0
<i>Category 3</i>	0	0	0	0	0
Total	0	0	0	0	0

David J. Rosen
Chapter 21, P.L. 2008 ERI Report
August 15, 2008
Page 3

Since the ERI window just ended on August 1, additional data regarding savings and costs from the program is not yet available. However, we anticipate it will be available within a month and we will provide an update on September 15.

Also, attached are summary and detailed reports indicating the individuals who participated in the ERI program by department.

If you have any questions regarding this information, please feel free to contact me at 609-292-3678.

Sincerely,

A handwritten signature in black ink that reads "Frederick J. Beaver". The signature is written in a cursive style with a large, prominent "F" and "B".

Frederick J. Beaver
Director

Attachments