

Executive Directors Report

Monday January 13, 2025

- Cost of Living working group
- Continued Investment Advisor Monitoring
- Investment Committee Meeting
 - Performance
 - Private Markets Updates
- Mercury PR
- IT
- Legislative Tracking
 - Budget 2025
- Coordination with DPB
 - SLEO implementation Continued
- Legal Priorities
 - Policies
 - Procedures
 - Litigation
- Coordination with DOI
 - Common Fund E Updates
- HMFA
 - Reform 1.0 and 2.0
- Ethics
 - 2025 Forms
- Coordination with Treasury Admin
- Personnel Priorities
 - Board Staff

Chief Investment Officer & Chief Financial Officer Report

January 13, 2025

I. PFRSNJ Financial Update

a. Net Assets as of December 31, 2024

i. Flash report as of month end - \$33,134,731,686.14

b. PFRSNJ performance flash for the month of December, 2024

	Dec.	FYTD
i. PFRSNJ Total Portfolio	-1.48%	3.55%
ii. PFRSNJ Policy Index	<u>-1.60%</u>	<u>3.66%</u>
iii. Excess Return	.11%	- .11%

c. No compliance warnings to report

d. Securities Lending program continues to perform well

e. Regular conversations with the DOI continue

II. Investment Update

a. Ares Capital Europe VI (D) Levered L.P., Ares US Real Estate Fund XI and Brookfield Super-Core Infrastructure Partners are all closed

b. RFP for Emerging Market Small Cap was posted

III. Year End Financials / Audit Update

a. Finalizing audit on PFRSNJ year-end financials

i. New process/information for KPMG

ii. Consolidating information challenges

b. The Auditor RFP for the FY2025 cycle was published

i. DPB, DOI and PFRSNJ are on evaluation committee

ii. Q&A for the RFP respondents has been completed

IV. HMFA Update

a. 6483 loans outstanding

b. Represents 6.06% of the fund

V. Expenses for Approval



JAMES A. KOMPANY
Chairman

GREGORY PETZOLD
Executive Director

MEMORANDUM

TO: James A. Kompany, PFRSNJ Chair

CC: Gregory Petzold, PFRSNJ Executive Director

FROM: Nels J. Lauritzen, Legal Affairs Deputy Director

DATE: **January 13, 2025**

SUBJECT: **Legal Affairs Director's Report – January 2025**

- General Counseling
 - General Counseling to Executive Director, Chief Legal Officer and Director of Board Operations
- Benefit Administration/Board Counseling
 - Review of Ordinary Disability and Accidental Disability Retirements
 - Designated new Office of Administrative Law matters for assignment
 - Case count: as of December 10th there were: 111 matters pending in the Office of Administrative Law, 23 matters in the Appellate Division, 1 matter pending in Superior Court, 3 matters pending in NJ Supreme Court and 1 matter in Federal Court
- Outside Counsel litigation cases
- Subpoenas

N.J.L.