

Executive Directors Report

Monday January 12, 2026

- Continued current Investment Advisor Monitoring
- Investment Committee Meeting
 - Performance
 - Alternative Investments
 - Credit
- Regulatory Committee Meeting
 - Administrative Regulations v1.0
- Audit Committee Meeting
 - PFRS Audit
- Mercury PR
- IT
 - System Build continues
- Legislative Tracking
 - Priorities of Gov-Elect
 - Lame duck legislation
- Coordination with DPB
 - SLEO
 - Disabilities and 157/117
- Legal Priorities
 - Litigation management system
 - Procurements
- Coordination with DOI
 - Common Fund E
- HMFA
 - New administration
- Coordination with Treasury Admin
- Administrative Priorities
 - Updated postings
 - Executive Search
 - Training

Chief Investment Officer & Chief Financial Officer Report

January 12, 2026

I. PFRSNJ Financial Update

a. Net Assets as of December 31, 2025

i. Flash report as of month end = \$36,824,446,293.81

b. PFRSNJ performance flash for the month of December 2025

	Dec	FYTD
i. PFRSNJ Total Portfolio	0.56%	6.73%
ii. PFRSNJ Policy Index	<u>0.56%</u>	<u>6.74%</u>
iii. Excess Return	0.00%	-.01%

c. Securities Lending as of December 31, 2025

i. PFRSNJ estimated earnings \$665,000.00

ii. PFRSNJ estimated earnings \$3,913,674.00 FYTD

II. Year End June 30, 2025

a. Segal is targeting end of January to deliver:

i. Actuarial Valuation

ii. GASB 67 & 68

III. Notables

a. HMFA represents 6,728 loans with a balance of \$2,106,326,749

i. Rate resets in February

b. Pension loan rate for 2026 set at 9.25%

IV. Expenses for Approval



JAMES A. KOMPANY
Chairman

GREGORY PETZOLD
Executive Director

MEMORANDUM

TO: James A. Kompany, PFRSNJ Chairman
CC: Gregory Petzold, PFRSNJ Executive Director
FROM: Nels J. Lauritzen, PFRSNJ Legal Affairs Deputy Director
DATE: **January 12, 2026**
SUBJECT: **Legal Affairs Director's Report – January 2026**

- General Counseling
 - General Counseling to Executive Director 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 January 7th there were: 99 matters pending in the Office of Administrative Law, 29 matters in the Appellate Division, 1 matter pending in Superior Court, 0 matters pending in NJ Supreme Court and 0 matter in Federal Court
- Comptroller's Office
- Outside Counsel litigation cases
- Subpoenas

N.J.L.