

Quarterly Update

December, 2006

“Leadership...Yesterday and Today”

PAYROLL DEDUCTION UPDATES FOR 2007



- Maximum earnings have increased from **\$94,200** to **\$97,500** for the Social Security payroll tax of 6.2%.
- There continues to be no earnings limit on the 1.45% Medicare payroll tax to cover Part A hospitalization for retirees and the disabled.
- SUI taxable wages have increased from the first **\$25,800** to the first **\$26,600**.
- Pension contribution levels remain at :

ABP – 5%
PERS – 5%
PFRS – 8.5%
TPAF – 5%

STAYING UP-TO-DATE

Review your record!

Will your W-2 Form reach you or will it be returned to the sender because of an incorrect address? Since most people are anxious to file their tax returns early, you'll probably not

want a delay in receiving your W-2 Form. Go to Web Services and check your homes address, if it is incorrect, update immediately.

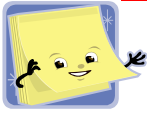
While at Web Services, take the time to review your record. Have you designated a different person to be contacted in the event of an emergency or does your emergency contact have a different telephone number?

If you are still not utilizing Web Services, call the Help Desk at ext. 3582 for assignment/activation.

EMPLOYEE INSURANCE RECORD

New medical ID cards will be issued and mailed to participants of all the HMOs and NJ Plus due to the change in co-payment amount for year 2007. Does your health carrier have your current address? Start by calling the customer service telephone number listed on your medical ID card to verify your address. If your address is incorrect, contact the Division of Pensions and Benefits at 609-292-7524 and ask them to update your record for insurance purposes.

MEDICAL COVERAGE
CHILDREN AGE 23



Medical coverage ends for dependent children age 23 on December 31, 2006. If you need to continue medical coverage for this particular dependent, you have sixty (60) days from January 1, 2007 to request a COBRA application or you can extend coverage for over age children to age 30, if they meet certain criteria. The covered parent is responsible for the full cost of this extended coverage and will be billed on a monthly basis. For more information, see Fact Sheet #74, *SHBP Coverage for Over Age Children to Age 30*, which is available at www.state.nj.us/treasury/pensions/shb_phtm.

YEAR- END BUSINESS

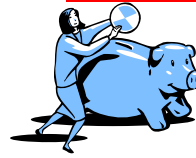
DIRECT DEPOSIT

Are you one of the few remaining employees still not on Direct Deposit? Sign up and avoid the bank crowds and help make your life easier!

ANNUAL CREDIT CHECK

It's the end of the year. Have you requested your credit report this year? Visit the website www.annualcreditreport.com today. The three (3) credit bureaus - Experian, Transunion and Equifax - are identified at this website. It's simple to use and you can usually see your reports immediately. You can also request copies by contacting them at Annual Credit Report Request Service, PO Box 105281, Atlanta, GA 30348-5281 or by calling 1-877-322-8228.

SAVINGS OPPORTUNITIES



Have you started saving your money? Are you interested in your future? Start Today!

US SAVINGS BONDS

Just think, \$5 per pay can get you started in our savings bond program. It is easy, safe and automatically deducted from your paycheck. Current rates are as follows:

- I Bond – 4.52%
- EE Bond – 3.60%

NORTH JERSEY
FEDERAL CREDIT UNION

This is a good way for an employee to begin saving money. A deduction of as little as \$10 per pay can start your saving adventure. Before you know it, money starts to grow, and should an emergency occur, you'll have a place to turn.

SUPPLEMENTAL RETIREMENT
ANNUITY (SRA)

For the more aggressive and "future minded" employee, begin saving for your retirement with before tax dollars. This gives you an opportunity to build a "nest egg" for your future and save on your federal taxes today. If you are "future minded," this is an excellent opportunity.

Interested in saving? Contact Human Resources at ext. 3493 for more information and assistance.

KNOW YOUR BENEFICIARY



Only 45 out of 620 employees have taken the time during the last few months to review and/or update their beneficiary records. Were you one of them? Or are you a person who named a beneficiary 30, 20 or 10 years ago and haven't thought about it since that time? Life and circumstances change for everyone. There are births, marriages, deaths, separations and divorces. Is your beneficiary information correct? Did your beneficiary move or did the last name change? We invite you to visit Human Resources to review your record so that you can be certain the named beneficiary is your current WISH. Play it smart and review your record today.

ARE YOU ELIGIBLE FOR SOCIAL SECURITY?

Do you know that you need a certain number of credits to be eligible for Social Security benefits? The number you need depends on your age and the type of benefit for which you are applying. You can earn a maximum of four (4) credits each year. Most people need 40 credits to qualify for a retirement benefit.

Do you know that the age you start collecting your Social Security benefit affects the amount you'll receive each month and over your lifetime? Benefits can start as early as 62 or at your full retirement age, or you could delay until age 70, when you would qualify for the maximum benefit. If you start benefits early, your monthly payment will be smaller, but you'll

receive more of them during your lifetime. Based on your year of birth, your reduction would range between 23.33% and 30% at age 62. If you delay benefits until your full retirement age, you'll receive 100% of your calculated retirement benefit, but you'll receive fewer payments. If you delay your benefit to age 70, you'll receive the largest payment, but fewer of them.

You can also work while receiving your own Social Security benefit. However, until you reach your full retirement age, your salary will cause your payment to be reduced as follows: for year 2007, if you earn \$12,960 or more, one dollar in benefits will be withheld for every \$2 in earnings above the limit. Working and receiving your benefit at full retirement age does not affect your monthly benefit.

To see if you or your spouse are eligible for benefits, go to www.socialsecurity.gov. or call 1-800-772-1213 and speak to a Social Security representative.

HEALTHY CHOICES

We congratulate our employees who have taken a health initiative by enrolling in our Weight Watchers at Work Program and dance aerobic classes. These are steps that introduce healthy eating and exercise. By taking these steps our employees understand how important it is to take care of themselves and enjoy good health. Hopefully, other employees will think about these programs and reconsider these opportunities.

CUSTOMER SERVICE



Patience...Patience...Patience!

Delivering high quality customer service is challenging for a number of reasons.

- A student/customer is a person whose feelings and expectations can change from minute to minute.
- A student/customer demands fast and better service.

A “can do attitude” means not telling a student/customer what you cannot do but what you can do. Learn to:

- Respond – Not react.
- Stay calm under pressure.

Bottom line – **PATIENCE** not **ATTITUDE** works better for everyone concerned.

FLU PREVENTION TIPS



- Get vaccinated.
- Avoid people who are sick.
- Cover your mouth when you cough or sneeze and wash your hands.
- Rest, exercise, drink fluids and eat healthy foods.

Availability of flu shots in your community together with dates and times can be found by going to <http://www.state.nj.us/health/flu/> .

IMPORTANT TIP

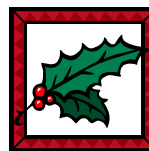
Be prepared for emergency situations. Always keep handy a list of your doctor names and phone numbers, list of past and present medical history, any medications you take on a regular basis and person to contact in case of an emergency. Don't forget to have all your medical cards and insurance information available.

SIMPLE STEPS TO PREVENT FIRES

- Keep all combustible sources for fuel (paper, clothing, bedding and carpet/rugs) at least three feet away from heat sources.
- Always make sure children have full adult supervision while cooking or are in rooms with candles. Never leave burning candles unattended.
- Keep matches and lighters out of the reach of children.

HOLIDAY CLOSING

The holiday closing will be from Friday, December 22, 2006 – Monday, January 1, 2007. We return to work on Tuesday, January 2, 2007.



A happy and safe holiday season to all!