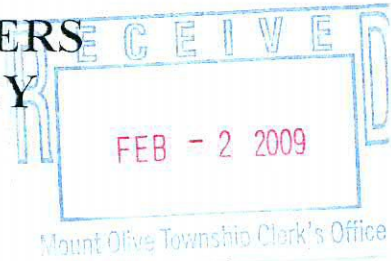


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cc: Adm - CFC

**BOARD OF CHOSEN FREEHOLDERS**  
**MORRIS COUNTY, NEW JERSEY**



Resolution No. 40

Adopted: January 28, 2009

A resolution strenuously opposing proposed legislation that would require deferral of half a billion dollars in pension payments.

WHEREAS, the Assembly Budget Committee has voted to advance a bill that would require counties, towns and school districts defer \$584 million from their payments due to the pension system in 2009, by paying 50% of their pension obligation which in the case of Morris County is in excess of \$5 million; and

WHEREAS, the plan would allow counties, towns and school districts to pay 60% of their pension obligation in 2010, 80% in 2011 and 100% in 2012 which would result in a short term deferral of \$1.35 billion; and

WHEREAS, pension payments would then be higher through 2041 because the unfunded liability would be larger which the State Division of Pensions and Benefits projects the total added cost would approach \$500 million; and

WHEREAS, the added costs would increase the burden on counties, towns and school districts in the long run including requiring those local governments that chose to pay their obligation fully to put those funds into a separate account and become part of the other unfunded liabilities in the pension system and incur interest at the rate of 8.25%;

NOW THEREFORE, BE IT RESOLVED, by the Board of Chosen Freeholders of the County of Morris in the State of New Jersey as follows:

1. That this Board is on record as opposing the aforesaid proposed legislation unless there is a provision to permit local entities the flexibility to make their entire pension contribution without incurring future interest penalties.
2. That a copy of this resolution be sent to the Honorable Governor of the State of New Jersey, Jon Corzine, to the President of the New Jersey State Senate, to the Speaker of the New Jersey State Assembly, to the New Jersey League of Municipalities, to the New Jersey Association of Counties, to the Assembly Budget Committee, to all of our local state representatives, and to all other Board of Chosen Freeholders in the State of New Jersey, urging them to adopt similar resolutions of opposition to this legislation.

I hereby certify the above to be a true copy of a resolution adopted by the Board of Chosen Freeholders of the County of Morris at a regular meeting held on **January 28, 2009**.

A handwritten signature in black ink that reads "Diane M. Ketchum".

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Diane M. Ketchum, Clerk of the Board  
of Chosen Freeholders