

From: Liebowitz, Sharon [mailto:LiebowitzS@parsippany.net]

Sent: Friday, February 27, 2009 3:22 PM

To: Boonton Clerk ; Boonton Twp. Clerk; Butler Boro Clerk ; Chatham Boro Clerk; Chatham Twp. Clerk ; Chester Boro Clerk; Chester Township Clerk; Denville Township Clerk; Dover Clerk; East Hanover Twp. Clerk; Florham Park Boro Clerk; Hanover Twp. Clerk; Harding Twp. Clerk; Jefferson Twp. Clerk; Kinnelon Boro Clerk; Lincoln Park Boro Clerk; Long Hill Twp. Clerk; Madison Boro Clerk; Mendham Boro Clerk; Mendham Twp. Clerk; Mine Hill Twp. Clerk; Montville Twp. Clerk; Morris Plains Boro Clerk; Morris Twp. Clerk; Morristown Clerk; Mount Arlington Boro Clerk; Lashway, Lisa; Mountain Lakes Boro Clerk; Netcong Boro Clerk; Pequannock Twp. Clerk; Randolph Twp. Clerk; Riverdale Boro Clerk; Rockaway Boro Clerk; Rockaway Twp. Clerk; Roxbury Twp. Clerk; Washington Twp. Clerk; Wharton Boro Clerk

Subject: Resolution Opposing Proposed Legislation Requiring Deferral of Pension Payments

Dear Municipal Clerks:

Please share the attached with your Mayor and Governing Body.

Thank you.

Judith I. Silver, Township Clerk
Township of Parsippany - Troy Hills
1001 Parsippany Blvd.
Parsippany, NJ 07054
Phone: 973-263-4358
Fax: 973-299-7985

TOWNSHIP OF PARSIPPANY-TROY HILLS
1001 PARSIPPANY BLVD., PARSIPPANY, NJ 07054

MEMORANDUM

To: The Honorable Jon S. Corzine, Governor of the State of New Jersey
The Honorable Richard J. Codey, President of the Senate
The Honorable Joseph J. Roberts, Jr., Speaker of the General Assembly

From: Judith I. Silver, Township Clerk

Date: February 25, 2009

Re: **Resolution of the Township Council of the Township of
Parsippany-Troy Hills Opposing Legislation that Would Require
Deferral of Half a Billion Dollars in Pension Payments**

Enclosed please find a certified copy of the above captioned resolution adopted by the Township Council of the Township of Parsippany-Troy Hills at its meeting of February 24, 2009. The Governing Body strongly opposes this proposed legislation, which would require deferral of half a billion dollars in pension payments, unless there is a provision to permit local entities the flexibility to make their entire pension contribution without incurring future interest penalties.

Your consideration of this resolution is appreciated.

Enclosure

cc: Mayor and Township Council, Township of Parsippany-Troy Hills
J. Lim, Business Administrator, Township of Parsippany-Troy Hills
Members of the 26th Legislative District (w/copy of resolution)
New Jersey League of Municipalities (w/copy of resolution)
Morris County Board of Chosen Freeholders (w/copy of resolution)
All Morris County Municipalities (via email or fax w/copy of resolution)

February 24, 2009

**RESOLUTION OF THE TOWNSHIP COUNCIL
OF THE TOWNSHIP OF PARSIPPANY-TROY HILLS
OPPOSING 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 the Township of Parsippany-Troy Hills is in excess of \$1.6 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 larger unfunded liability's total added cost is projected to approach \$500 million; and

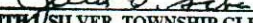
WHEREAS, the added costs would increase the burden on counties, towns and school districts in the long run including requiring those local governments that chose to pay their obligation fully to put those funds into a separate account and become part of the other unfunded liabilities in the pension system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

NOW, THEREFORE, BE IT RESOLVED by the Township Council of the Township of Parsippany-Troy Hills as follows:

(1) That the Township 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 Jon Corzine, Governor of the State of New Jersey; Richard J. Codey, President of the New Jersey State Senate; Joseph J. Roberts, Jr., Speaker of the New Jersey State Assembly; the Members of the 26th Legislative District; the New Jersey League of Municipalities; the Morris County Board of Chosen Freeholders; and all Morris County Municipalities urging them to adopt similar resolutions of opposition to this legislation.

THIS IS TO CERTIFY THAT THE ABOVE IS A TRUE AND
LAWFUL COPY OF A RESOLUTION ADOPTED BY THE
TOWNSHIP COUNCIL OF THE TOWNSHIP OF PARSIPPANY,
TROY HILLS, COUNTY OF MORRIS, STATE OF NEW JERSEY
AT ITS MEETING OF 2/24/09



JUDITH SILVER, TOWNSHIP CLERK