



**From:** NJLM - Municipal Clerks [mailto:njlm-clerks@cityconnections.com]  
**Sent:** Thursday, May 28, 2009 3:41 PM  
**To:** Lashway, Lisa  
**Subject:** From NJLM - Three Issues

## LEAGUE ALERT

Municipal Clerk: Please forward to Mayor and Governing Body.

May 28, 2009

**Re: Three Issues**  
**I. School Funding Formula Upheld**  
**II. Health Insurance Costs to Rise**  
**III. Member Plaque**

Dear Mayor:

**I. New School Funding Formula Upheld**

Today, the State Supreme Court upheld the constitutionality of the new school funding formula implemented by the Corzine Administration last year.

In its unanimous decision, the Court ruled in favor of the Corzine Administration, but also ordered that the Administration continue special aid to the "Abbott Districts" for three years and that the additional aid could be maintained if reviews of the new funding formula demonstrate that the new formula is not benefiting students in these districts.

The Court's decision is online at: <http://www.judiciary.state.nj.us/opinions/supreme/M-969-07%20Abbott%20v%20Burke.pdf>

The Governor's statement on the decision is online at:  
<http://www.nj.gov/governor/news/news/2009/approved/20090528a.html>

**II. State's School Employees Health Benefits Plan Forecasts 20% Premium Hikes For Participating Employers. Municipal Employers Participating in the State Health Benefits Plan Will See Similar Increases.**

School Districts participating in the State's School Employees Health Benefits Program will see their premium costs jump by about 20%, according to Division of Pension and Benefits Director Fred Beaver.

Municipalities participating in the State Health Benefits Program should anticipate somewhat lower

double-digit increases, as well.

**We advise all municipalities to review their employee health insurance programs and to consider all options, including those available under Chapter 103, Public Laws of 2007. That law gave management more flexibility in negotiating premium co-pays and benefit choices with public employees.**

**Please bring these matters to the attention of your manager or administrator, your finance officer and your labor relations team.**

You can access the law at [http://www.njleg.state.nj.us/2006/Bills/PL07/103\\_.PDF](http://www.njleg.state.nj.us/2006/Bills/PL07/103_.PDF). Or, you can contact us for a copy.

Governor Jon S. Corzine has directed the School Employees Health Benefit Commission and the State Health Benefits Commission to review a series of broad-based reforms in anticipation of a substantial, double-digit increase in program premiums expected to hit the State as early as January 2010.

For more details on the Governor's recommendations, see his Press Release at <http://www.state.nj.us/governor/news/news/2009/approved/20090522.html>.

The commissions, part of the Division of Pensions and Benefits in the New Jersey Department of the Treasury, oversee the State's health insurance plans for state and other government workers, the State Health Benefits Program (SHBP) and School Employees' Health Benefits Program (SEHBP).

### **Re: III. Member Plaque**

Each member municipality receives an attractive blue and white member plaque for display in your municipal building. Over the years, it may have been misplaced or broken.

If this is the case, we want to replace it.

The blue logo and lettering proudly states that you are a member of the oldest and largest organization dedicated to serving the interests of New Jersey's municipal governing bodies. Let your fellow officials and municipal employees know that your municipality is not alone in the fight for good government.

If your plaque is missing, just send us a note and we will rush a replacement to your municipal building. Let everyone know your municipality is a member of the New Jersey State League of Municipalities. Any questions email Donna Baltz at [dbaltz@njslom.com](mailto:dbaltz@njslom.com).

Very truly yours,

William G. Dressel, Jr.  
Executive Director  
NJLM

222 West State Street  
Trenton, NJ 08608