




Lashway, Lisa

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**From:** NJLM - Municipal Clerks [njlm-clerks@cityconnections.com]  
**Sent:** Wednesday, September 10, 2008 3:46 PM  
**To:** Lashway, Lisa  
**Subject:** Municipal Clerks from NJLM

		
<b>LEAGUE ALERT</b>		
Municipal Clerk: Please forward to Mayor and Governing Body.		
September 10, 2008		
<b>Re: I Appellate Division Rules that Municipality Need Only Provide Curbside Trash Collection for Apartment Complex</b>		
<b>Re: II 2009 Pension Cost Budget Shock</b>		
<b>Re: I Appellate Division Rules that Municipality Need Only Provide Curbside Trash Collection for Apartment Complex</b>		
Dear Mayor:		
An important decision was issued by the Appellate Division yesterday in the case of <i>Berk-Cohen Associates at Rustic Village, LLC v Town of Clayton</i> on the limits of the obligation of a municipality to pick up (or pay for) the collection of trash in an apartment complex.		
In this case the town offered the apartment complex the same service as offered to other residents, i.e., curbside collection in standard containers (fixed by ordinance) on a weekly basis. The apartments rejected that option as inconvenient and unsanitary and sued to collect reimbursement for its contract for dumpster collection.		
The Appellate Division ruled in favor of the Town and held that offering the apartments the same form and frequency of trash collection provided to other residential properties was all that was required of the municipality. Therefore,		

Clayton did not have to make payments to the apartments that rejected that service.

If you have any questions or concerns about this communication, please contact Deborah M. Kole, staff attorney, at the League, ex. 137, or at [dkole@njslom.com](mailto:dkole@njslom.com)

The weblink for the decision is:

<http://www.judiciary.state.nj.us/opinions/a4988-05.pdf>

Very truly yours,

William G. Dressel, Jr.  
Executive Director

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**Re: II 2009 Pension Cost Budget Shock**

Dear Mayor:

The New Jersey Division of Pensions, based upon the actuarial analysis and approval by the various Boards of Trustees, has posted on their web site the pension billing for 2009 (<http://www.state.nj.us/treasury/pensions/2009-employer-billing.htm> ). Payment will be due April 1, 2009.

The Police and Fire Retirement System (PFRS) which, based upon the phased in legislation, went to 100% by municipalities in 2008 and will see a total increase of \$56,734,552 for property tax payers. The total 2009 contribution required from Local Governments is \$696,476,702 compared to the 2008 levy of \$639,742,150. This represents an 8.87% increase which will be subject to the Property Tax Levy Cap and the Expenditure Cap. The legislation which exempted pension increases from Cap Levy was only during the phase in period. Because in 2008 the PFRS went to 100% the increase for 2009 must be absorbed as part of the levy increase.

The Public Employees Retirement System (PERS) will go to 100% funding for Local Governments in 2009. The State was to be at 100% funding in 2008 as they were ahead of municipalities. The change from 80% to 100% funding will result in an overall increase of \$146,510,667 across all Local Governments. This represents an increase of 35.25%. This year, however, this increase will be an exception to the expenditure cap and an add-on for the levy cap.

We recognize the shock this type of increase will cause to your budget and the Property Tax Levy. We will work with you to help find offsetting revenues and new sources of funding. In the meantime have your Finance Officer obtain information from the Division of Pensions website so you can begin to prepare

for the pension shock which will confront your budget making process during 2009.

Very truly yours,

William G. Dressel, Jr.  
Executive Director

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