

NEW JERSEY ASSOCIATION OF COUNTIES

RESOLUTION – PENSION REFORM

Adopted: June 15, 2011

A RESOLUTION urging the State of New Jersey to separate the local government Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) from the State PERS and PFRS.

WHEREAS, the total unfunded liability for New Jersey's pension system is \$54.0 billion and is expected to grow to \$183.0 billion or \$13.0 billion annually without structural reform and necessary employer contributions;

WHEREAS, the total unfunded liability for the State portion of PERS is \$37.0 billion and \$14.0 billion for local governments;

WHEREAS, the State PERS is currently funded at 54% while the local government portion of PERS is funded at 70%;

WHEREAS, the State has mismanaged the pension system for over two decades through a variety of schemes that ranged from skipping payments to reducing payments to increasing projected rates of return on investments;

WHEREAS, the above numbers illustrate that local governments have made a good faith effort to meet their pension obligations even when presented with the opportunity to defer such payments;

WHEREAS, it is in the best interest of county governments and taxpayers for the State to separate the State and local government pension system, so that local governments may manage their affairs more responsibly.

NOW, THEREFORE, BE IT RESOLVED that the New Jersey Association of Counties does in fact hereby urge the State of New Jersey to separate the local government PERS and PFRS from the State PERS and PFRS.

BE IT FURTHER RESOLVED that certified copies of this Resolution are forwarded to the Governor of the State of New Jersey, the President of the New Jersey State Senate, the Speaker of the General Assembly, the Attorney General of the State of New Jersey, the clerks of the boards of chosen freeholders of all twenty-one counties, and the twenty-one county prosecutors.

Signed:



Beth E. Timberman, NJAC President
Salem County Freeholder

Dated: June 15, 2011

