

RESOLUTION SUPPORTING S-3522

WHEREAS, county, municipal, and other local governments have met their pension obligations as employers for more than a decade while the State of New Jersey has underfunded the pension systems in varying degrees since 1996 and thus created one of the worst publicly funded retirement systems in the entire nation; and,

WHEREAS, despite fulfilling their fiduciary duties in meeting their pension obligations, local governments across the State will experience double digit percentage increases in total employer pension contributions in 2021 as determined in figures recently published by the Division of Pension and Benefits in the State Department of Treasury; and,

WHEREAS, even more alarming for local government employers is the fact that the unfunded accrued liability once again increased in 2021 to a staggering \$26.6 billion for PERS alone, causing in part, a decrease in the funded ratio for the Local Part of PERS to 65.4%, the State Part to 31.2%, and the combined rate to a disconcerting 52.2% far below the target funded ratio of 75.0%; and,

WHEREAS, this legislation would preclude the State of New Jersey from further directing property taxpayer dollars to subsidize its long mismanagement and underfunding of the pension systems as it would separate the assets and management of the Local Part of PERS from the State Part and establish a new board of trustees charged with protecting the long-term health and viability of the Local Part; and,

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Council of the Borough of Wharton does in fact hereby support S-3522, which would separate assets and management of the Local Part of the Public Employees Retirement System (PERS) from the State Part to provide direct property tax relief and to preserve the structure and integrity of the more solvent Local Part; and,

BE IT FURTHER RESOLVED that certified copies of this Resolution are forwarded to Governor Phil Murphy, Senate President Stephen M. Sweeney, and Speaker of the General Assembly Craig Coughlin.

Adopted: March 22, 2021

ATTEST:

BOROUGH OF WHARTON

**WILLIAM J. CHEGWIDDEN,
MAYOR**

**Gabrielle Evangelista,
Borough Clerk**