



Melissa Velez-Morales

From: Masser, Michelle
Sent: Thursday, June 16, 2016 1:09 PM
To: Harris, Laura; Stachnick, Christie
Cc: Melissa Velez-Morales
Subject: FW: Resolution No. R2016-123, Supporting A-536/S-2107 to Clarify Volunteer Position Do Not Impact Retirement Benefits for Public Employees
Attachments: R2016-123; Supporting A536 & S2107.docx; R2016-123; Supporting A536 & S2107.pdf

Correspondence

Michelle Masser
Township Clerk
Mount Olive Township
PO Box 450
204 Flanders Drakestown Road
Budd Lake, NJ 07828
clerk@mtolivetwp.org
973-691-0900 X7291

From: Carol Marsh [mailto:CMarsh@Peqtwp.org]
Sent: Thursday, June 16, 2016 12:17 PM
To: Cindy Oravits <townclerk@boonton.org>; Abubakar T. Jalloh <clerk@riverdalenj.gov>; Amanda Macchia <clerk@minehill.com>; Butler <clerk@butlerborough.com>; Cynthia Eckert <boroughclerk@netcong.org>; Denville <clerk@denvillenj.org>; Dover <mverga@dover.nj.us>; Gregory LaConte <glaconte@chathamtownship.org>; Hanover Twp. <jgiorgio@hanovertownship.com>; Harding <amacchia@hardingnj.org>; townshipclerk <townshipclerk@Peqtwp.org>; Jefferson <jeffersonclerk@jeffersontownship.net>; Joseph Giorgio <info@hanovertownship.com>; Kinnelon <kinnelonclerk@yahoo.com>; Lincoln Park <cindis@bolp.org>; Long Hill <municipalclerk@longhillnj.gov>; Madison <clerk@rosenet.org>; Mendham <cjones@mendhamnj.org>; Mendham Township <kpotter@mendhamtownship.org>; Montville Twp. <tatkinson@montvillenj.org>; Morris Plains <juhrin@morrisplainsboro.org>; Morris Township <camelio@morristwp.com>; Morristown <townclerk@townofmorristown.org>; Mount Arlington <ldesantis@mtarlingtonboro.com>; Masser, Michelle <clerkmichelle@mtolivetwp.org>; Paula Massaro <paulam@easthanovertownship.com>; Robin Collins <info@chestertownship.org>; Robin Kline <clerk@chathamborough.org>; Rockaway Borough <boroughclerk@rockawayborough.org>; Rockaway Clerk <boroughclerk@rockawayborough.org>; Rockaway Township <clerk@rockawaytownship.org>; Roxbury <rheada@roxburynj.us>; Sheila Williams <info@florhamparkboro.net>; Washington Twp. <ndigregorio@wtmorris.net>; Wharton <gevangelista@whartonnj.com>
Subject: Resolution No. R2016-123, Supporting A-536/S-2107 to Clarify Volunteer Position Do Not Impact Retirement Benefits for Public Employees

Please see the attached for those with active volunteer organizations.

Here are 2 links at the League:

<http://www.njslom.org/letters/2016-0520-weekly-update.html>

<http://www.njslom.org/legislation/resolutions/A536-S2107.pdf>

Thanks!

- Carol

TOWNSHIP OF PEQUANNOCK

Resolution of the Township Council Supporting A-536/S-2107 to Clarify
Volunteer Position Do Not Impact Retirement Benefits for Public Employees.

Resolution No. R2016-123

WHEREAS, in 2014, the New Jersey Division of Pension and Benefits issued a notice concerning bona fide severance of employment-post retirement employment restrictions for individuals covered by any New Jersey State administered retirement system, in order to preserve Internal Revenue Service (IRS) "qualified status" of PERS, TPAF, PFRS, SPRS and JRS plans, so as to protect retirees from a 10% excise tax penalty on their monthly retirement payments; and

WHEREAS, N.J.A.C. 17:1-17.14.2(a) defines a "bona fide severance from employment" as "the complete termination of the employee's employment relationship with the employer for a period of at least 180 days;" and

WHEREAS, if an individual returns to public employment, even as a volunteer, with the former employer prior to satisfying the requirements of a bona fide severance from employment, the employee will be required to repay all retirement benefits received from the date of retirement and may be required to re-enroll in the same or different retirement system; and

WHEREAS, Division of Pensions and Benefits have advised employees that they must sever all relations with their employer, including volunteer positions, for 180 days or they risk losing their pensions; and

WHEREAS, public employees tend to volunteer in the communities they live and work in as volunteer fire fighters, First Aid responders, celebration committee members or PTA's, to name a few; and

WHEREAS, for volunteer firefighters and first aid responders they would have to reapply to the volunteer organization as a new member, and, as a new member, they would be required to take all necessary test and training including physicals and agility test; and

WHEREAS, employees affected by the Division of Pensions ruling are at least 55 years of age who in their volunteer positions tend to be mentors to the new and younger members typically providing guidance and direction; and

WHEREAS, volunteers are the backbone of communities providing services to the residents at no cost to taxpayers while freely giving of their time and expertise; and

WHEREAS, Assembly members Holly Schepisi and Anthony Bucco and Senators Paul Sarlo and Thomas Kean, Jr., have introduced legislation to correct the Division of Pensions directive, and to promote continued volunteerism; and

WHEREAS, A-536 and S-2107 would provide that the retirement of a member of the Public Employees' Retirement System (PERS) or a member of the Police and Firemen's Retirement System (PFRS) who (1) on the date of retirement has attained the service retirement age applicable to that member and is a volunteer firefighter with the same employer from whose employment the member retires; and (2) remains a volunteer firefighter after retirement, will be a bona fide severance from employment, notwithstanding that the retired employee maintains the relationship of a volunteer firefighter with the same employer from whom the member retired, provided that the qualified status of PERS and PFRS under federal law can be maintained;

NOW, THEREFORE, BE IT RESOLVED, that the **Governing Body of Pequannock Township** supports A-536 and S-2107, to permit retirees to continue to serve their fellow citizens as volunteers, without loss of their retirement, and without being forced to accept a separation from volunteer service; and

BE IT FURTHER RESOLVED, that we urge our State Legislators, Senator Kevin J. O'Toole and Assembly Members David C. Russo and Scott Rumana to support these bills, with voice and vote; and

BE IT FURTHER RESOLVED that copies of this Resolution are forwarded to our Legislators and to the Governor and Lieutenant Governor of New Jersey, the Senate President, the Assembly Speaker, the Senate Republican Leader and the Assembly Republican Leader, and to the New Jersey League of Municipalities:

Adopted: June 14, 2016

Carol J. Marsh, Township Clerk

David G. Kohle, Mayor

TOWNSHIP OF PEQUANNOCK

**Resolution of the Township Council Supporting A-536/S-2107 to Clarify
Volunteer Position Do Not Impact Retirement Benefits for Public Employees.**

Resolution No. R2016-123

WHEREAS, in 2014, the New Jersey Division of Pension and Benefits issued a notice concerning bona fide severance of employment-post retirement employment restrictions for individuals covered by any New Jersey State administered retirement system, in order to preserve Internal Revenue Service (IRS) "qualified status" of PERS, TPAF, PFRS, SPRS and JRS plans, so as to protect retirees from a 10% excise tax penalty on their monthly retirement payments; and

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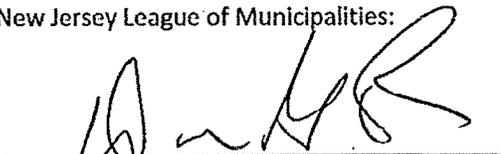
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Adopted: June 14, 2016



Carol J. Marsh, Township Clerk



David G. Kohle, Mayor