

President's Report September 2010

Respectfully Submitted – Dominick Marino, President

Please remember in your pray's the family of David Halbruner who passed away in July. David was the President of Local 3495 – Cape May Fire Department. I along with IAFF 1st District Vice President Kevin Gallagher attend.

I would like to acknowledge the following Departments for their assistance in coordinating services for Captain Pam Butler from Local 5 Colorado Springs who passed away from occupational cancer. Captain Butler was originally from New Jersey. Philadelphia Local 22 received Captain Butler's body with full honors at the Philadelphia Airport. Local 5 asked if NJ could help in giving Captain Butler a traditional fire department ceremony.

Thank you to Cherry Hill Fire Department, Pennsauken Fire Department, Camden Fire Department, Camden County, Camden County Pipes and Drums, Local 22 and PFANJ 1st Vice President George Borek.

I would also like to thank Keith Kemery, IAFF First District Field Service Representative who while at the IAFF Convention in San Diego, coordinated all this efforts.

Today we have a number of individuals who will be addressing the members present:

- **Bill Holder will give us an update on our corporate partners program and what it means to our members.**
- **Larry Hopkins and Tim Eosso will give us an overview of the new program we have entered with Viridian Energy.**
- **Jim Mets and David Becket will give us an update on the lawsuit we filed in April against the State of New Jersey for imposing the 1.5% health benefit fee.**
- **Ray Heineman will give us an update as to the PERC issues he has filed on behalf of some of our locals on the 1.5% violating collective bargaining agreements. Ray will also speak about P.L. 46.**
- **Pete Guzzo will give us an update as to legislation that has been introduced and an overview with respect to the General Assembly and the Senate**
- **Kevin Gallagher, IAFF 1st District Vice President will give his report**

PFERS PENSION ELECTION:

We were not successful in getting our candidate elected! We missed an opportunity to get a PFANJ member on the pension board when it really counted. Included in this month's packet is the brake down as to how all departments voted. The state association had mailed out a letter to every member asking them to vote for George Borek, we also had a full page ad in the All Hands edition that was delivered to every member prior to the election. But we still were not able to get our members to vote. I cannot

stress the importance of having a member of the PFANJ on the PFRS board, especially at this juncture.

Included in this packet is a copy of Fact Sheet #19 – Applying for Retirement

ACKNOWLEDGEMENT OF TERMS AND CONDITIONS OF RETIREMENT

You must agree to and accept the terms and conditions when applying for retirement. The agreement is included in this packet and is on the PFANJ Website.

*****Make note of the 4th item on that form**** it states the following:**

- I understand that changing or canceling my retirement date DOES NOT guarantee continued employment with my employer.

Pension Litigation:

We are still proceeding with our appeal. Our brief was filed in June and the state was given a 30 day extension to file their reply briefs. On August 26th we received the briefs from the State of New Jersey and the Legislature. They also made a motion for summary disposition of our case. They rely mostly on the Teachers case decision and also on the old Spina case. Their basic contention is that under New Jersey law there is no contractual right for funding the plan and no one has been deprived of a benefit, so therefore our suit should be dismissed. They claim that the whole detailed funding mechanism set forth in the statute is merely policy guidance that the legislature does not have to follow. We have 30 days to file our response and of course present our case as strongly as possible.

The Actuarial Report for PFRS of New Jersey as of July 1, 2009 provided the following information on the funding status for the six (6) most recent years. Provided below is a brief summary of the funding status from FY04 to FY09.

- As of 2004, the pension plan funded ratio was 84.79%. This means that actuarial accrued liability exceeded the actuarial value of assets.
- As of 2005, the pension plan funded ratio was 81.22%. This means that actuarial accrued liability exceeded the actuarial value of assets.
- As of 2006, the pension plan funded ratio was 79.80%. This means that actuarial accrued liability exceeded the actuarial value of assets.
- As of 2007, the pension plan funded ratio was 79.39%. This means that actuarial accrued liability exceeded the actuarial value of assets.
- As of 2008, the pension plan funded ratio was 76.06%. This means that actuarial accrued liability exceeded the actuarial value of assets.
- As of 2009, the pension plan funded ratio was 72.85%. This means that actuarial accrued liability exceeded the actuarial value of assets.

THE DEPARTMENT OF HOMELAND SECURITY (DHS) HAS BEGAN ACCEPTING APPLICATIONS for STAFFING for Adequate Fire and Emergency Response (SAFER) grants. The application period will close September 17, 2010.

LEGISLATION:

Over the last two months Vice-President's Borek and Maguire and myself have been meeting with key Democratic legislators in the Assembly and Senate to discuss the various bills that have been introduced and how it will affect you as firefighters. We have been presenting as much data and information with the objective to show how adverse and unjust the legislation is towards firefighters. Getting the legislators to understand and agree with us has been difficult, and finding any of them willing to do something about it is our main objective.

Meeting our objective is an uphill climb! There are many obstacles in our way. The general public and our state legislators have joined in the notion that what you and those before you have negotiated for over the last 40+ years, now must be cut through legislation and not negotiations. That is just plain wrong. Your ability to negotiate is a fundamental right and should not be legislated away. Your local political leaders whom you have negotiated with over the years are now getting behind the Governor and his bully pulpit to undo 40+ years of labor agreements. You can help by calling your local Assemblyperson and State Senator and ask them to vote against any legislation that reduces your pension and benefits. If they ask you for more information, let them know they can call the state office or get a number and name of someone they would like us to call and talk to about the issues.

We have been trying to keep all members updated as things develop. The problem is that things are changing daily and although your state executive board is working daily to stay on top of everything, daily updates are just not possible. If you have a question, direct it towards your District Vice President and they will get you the answers. You can always email or call the State Association with your questions. All members are asked to stay vigilant and in these most difficult times, look out for each other as we perform our duty to ensure that everyone goes home after their tour of duty.

Legislative bills related to the "tool kit"

SCR-104 (Kyrillos) & ACR-131 (O'Scanlon): Proposes constitutional amendment to impose strict 2.5% cap on tax levy increases by local units of government. (Tool Kit #1)

SCR-103 (Oroho) & ACR-130 (O'Scanlon): Proposes constitutional amendment to establish a 2.5% cap on annual appropriations increases for certain State government spending. (Tool Kit # 2)

S-2027 (T. Kean) & A-2962 (Munoz): Concerns collective negotiations for public institutions of higher education. (Tool Kit #28)

S-2024 (Kyrillos) & A-2953 (Peterson): Permits layoff plan as substitute for employment reconciliation plans for joint meetings or shared service agreements under certain circumstances. (Tool Kit # 8 and/or #9)

S-2026 (T. Kean) & A-2963 (Webber): Amends state college law to remove certain employees from civil service system and allow boards of trustees to conduct collective bargaining. (Tool Kit # 30)

S-2011 (Oroho) & A-2956 (Chiusano): Eliminates seniority in Civil Service and other jurisdictions for reductions in force in certain circumstances and expands the authority of the Chair of the Civil Service Commission. (Tool Kit #16 & #17)

S-2025 (Kyrillos) & A-2961 (Handlin): Authorizes executive county superintendent of schools to require implementation of shared services arrangements and to approve school district collective negotiations agreements prior to execution of agreement. (Tool Kit #25)

S-2043 (Kyrillos) & A-2960 (DiMaio): Concerns collective negotiations for school employees; repeals law prohibiting school boards from imposing terms and conditions of employment. (Tool Kit #23)

S-2067 (T. Kean) & A-2965 (DiMaio): Authorizes formation of State College risk management groups & joint liability funds. (Possibly Tool Kit #32: bill text not released yet)

A-2951 (DiCicco): Bars certain employees of certain public agencies from participating in PERS; repeals law permitting PERS and TPAF members on leave who work for labor organizations to purchase pension credit. (Tool Kit #6)

A-2952 (Casagrande): Limits unused sick leave pay and vacation leave carry-forward for school and local government employees; permits local unit to pay certain benefits over 10 years; limits sick leave use by public employees before retirement. (Tool Kit #7)

S-2039 (Bucco) & A-2954 (Bucco): Makes various changes to civil service law concerning seasonal appointments, temporary layoffs, and rescinding adoption of civil service. (Tool Kit #19)

A-2955 (Munoz): Limits right of appeal of disciplinary action taken by employer against certain public employees. (Tool Kit #12 – 15)

A-2957 (Chiusano): Replaces references to Civil Service Commission with Chairperson of Commission to clarify duties and responsibilities of Chairperson. (Tool Kit #17)

A-2964 (Webber): Authorizes establishment of probationary periods for non-tenured faculty members at State Colleges. (Tool Kit # 30)

Important dates and events:

10/12/10 – PFANJ State meeting

11/16 through 11/19 – League of Municipalities Conference in Atlantic City

Included in September's packet:

- PFANJ Balance Sheet as of 8/31/10
- Copy of report from Pete Guzzo
- Press release – National Fallen FF's Memorial Service
- Copy on how the House of Representatives voted on the 9/11 Health care bill
- Copy of Legislative Calendar
- Copy of letter for assistance from President of IAFF 3676 -
- Copy of A2732/S2236 – Extends hiring preference for certain civilian federal firefighters
- Copy of S1804/A3073 – P.L. 46
- Copy of S2220 – Limits certain unused sick leave pay and vacation leave carry-forward for school and local employees; permits local unit to pay certain benefits over 10 years; limits sick leave use by new public employees before retirement.
- Copy of Fund raiser letter and tickets
- Copy of 2009 SAFER Grant awards
- Fact Sheet on current SAFER Grant Program
- Copy of PFRS Election results
- Copy of NJ Civil Service Commission Status report August/September 2010
- Copy of itinerary of LA to NY 2010 Tour of Duty – Remembering 9/11
- Copy of letter from State of NJ advising the decision not to require sprinklers in one and two-family dwellings at this time.
- Copy of 45-day rule N.J.A.C 40A:14.1
- EPI Briefing paper
- Article 8-17-10 – NJ bill cap, restrictions on retirement payouts for current public employees
- Local Finance Notice from Department of Community Affairs reference P.L. 2
- Article Christie winning popularity contest
- Article Schundler tells all, with e-mails
- Asbury Park Press cartoon – Christie, Schundler
- Article – civil service law changes urged
- Article – why American's economic recovery has been lagging
- Asbury Park Press cartoon – Christie and race to the top fiasco
- Article – NJ releases checklist for municipalities
- Article – Federal pay outpaces private salaries
- Article – New Jersey settles SEC fraud charges
- Article – Workers' medical coverage costs up
- Asbury Park Press opinion – Give Christie his "tool kit"
- Asbury Park Press Investigation – Some who get disability are earning 2nd pension
- Asbury Park Press opinion – Trenton's focus must be job creation
- Copy of PFRS Fact Sheet #19
- Acknowledgement of Terms and conditions of Retirement form from PFRS
- Letter – Let's negotiate, not arbitrate, by Ron Bakley, National trustee for NJ FOP