

File No. 12160-87

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IN RE COMPLAINT FILED BY THE
FRANKLIN TOWNSHIP BOARD OF
EDUCATION, REGARDING P.L. 2020,
CHAPTER 44.

STATE OF NEW JERSEY
COUNCIL ON LOCAL MANDATES

**ADDITIONCN INFORMATION
SUBMITTED WITH FORM
COMPLAINV**

Section 3 – Basis for the Claim

This Complaint addresses P.L. 2020, Chapter 44, legislation that required school districts in New Jersey to offer a new health care plan. Unfortunately, the legislation could cause the Franklin Township Public School District and their employees to incur over \$1,100,000.00 in overall increased health care costs. As discussed below, even just new employees enrolling in the new plan will result in financial harm. P.L. 2020, Chapter 44, dictates all financial aspects of the plan, to include contribution percentages, contribution caps, and co-pays, resulting in nothing left for the parties to negotiate to mitigate the financial impact. The mandate is unfunded.

1. Prior to the passage of P.L. 2020, Chapter 44, school district employee contribution rates toward health care benefits were based on a percentage of premium model.

2. With the passage of P.L. 2020, Chapter 44, school district employee contribution rates toward health care benefits are now based on a percentage of salary model (with caps), known as the New Jersey Educators Health Plan (NJEHP). The NJEHP has raised the overall costs of health care for the Franklin Township Public School District and their employees.

3. Notably, this change in the basis for contribution rates reduces the percentage of the employee contribution from a range of 3% to 35% to a range of 1.7% to 7.2%. Accordingly, school district employers are now forced to absorb this differential in the percentage of employee contribution rates, often increasing the net cost of health care benefits to the school district employer (and school district as a whole), under the NJEHP.

4. Despite this increase in the net cost of health care benefits to the school district employer under the NJEHP, P.L. 2020, Chapter 44, does not allow for any practical means to offset the additional expenditures required for the school district employer to implement the NJEHP, and is therefore an unfunded mandate.

5. P.L. 2020, Chapter 44 states that "the employer and the majority representative shall engage in collective negotiations over the financial impact of the [cost] difference" when the net cost to the employer under the NJEHP is higher than the net cost of health care benefits coverage available to employees through an existing collective negotiation agreement. However, the school district employer still remains bound by the contribution percentages, contribution caps, and the coverage or co-payment amounts set forth in P.L. 2020, Chapter 44. Accordingly, such collective negotiations "over the financial impact of the difference" in implementing the NJEHP are not truly possible, as there are no health care related financial aspects remaining to negotiate.

6. Pursuant to P.L. 2020, Chapter 44, all school district employees hired on or after July 1, 2020 were to be automatically enrolled in the NJEHP, unless they elected to waive coverage. The Franklin Township Board of Education did not complete that automatic enrollment due to the negative financial impact and unfunded mandate, as discussed throughout this Complaint.

7. Pursuant to P.L. 2020, Chapter 44, all school district employees hired prior to July 1, 2020, were to be provided the option to enroll in the NJEHP, unless they affirmatively elected to waive coverage, or affirmatively elected to remain enrolled in their prior coverage. The Franklin Township Board of Education did not complete that open enrollment due to the negative financial impact and unfunded mandate, as discussed throughout this complaint.

8. As detailed below, the NJEHP was created to provide cost savings, though if every employee of the Franklin Township Board of Education switched to the plan, it would result in employees and the Franklin Township Board of Education paying a combined \$1,131,967.68 more. The Franklin Township Board of Education and their employees have worked tirelessly and collaboratively to secure what is believed to be some of the lowest costs for health care in the State of New Jersey. P.L. 2020, Chapter 44, has thwarted those efforts and not provided funding or any other means to make up for the negative financial impact.

Section 4 – Additional Direct Expenditures

The negative direct expenditures required to implement P.L. 2020, Chapter 44 are clear and quantifiable in all manners of review. The below discussed data comprises the make-up of the Franklin Township Board of Education as of January 31, 2021. All the figures are annual totals.

Exhibit "A" is attached and shows the complete financial implications of P.L. 2020, Chapter 44. Exhibit "A" includes a plethora of data and requires some explanation. Column A includes the 14 separate Benefit Class Numbers ("Numbers") in which employees are currently enrolled. In general, the Numbers are broken down by bargaining unit and date of hire. Numbers 1 through 10 were employees hired prior to July 1, 2020 and as such, would not be automatically enrolled in the NJEHP plan. Numbers 11 through 14 were employees hired on or after July 1, 2020 and would have been subject to automatic enrollment in the NJEHP plan (unless they waived coverage). In general, the District has two plans. An HMO plan and an Open Access ("OA") plan. The OA plan is more costly and offers more options. Numbers 1 through 5, due to being hired before a certain date (the date varies by group but they must have at least 12 years of service) are able to retain the OA plan at no additional cost. All others Numbers, hired at a later date, are placed in the HMO plan, but may join the OA plan if they pay the increased costs.

The first sets of data in Exhibit "A" show what would occur if every employee was placed in the NJEHP plan. The Franklin Township Public School District and their employees currently pay a combined total of \$24,169,030.92 for health coverage. A switch to the NJEHP plan would cost \$25,300,998.30, or \$1,131,967.68 more for the public school district and taxpayers. Columns E through N show how the \$1,131,967.68 was calculated. The change for those employees currently in the HMO plan would result in \$2,818,765.15 more being paid by the Franklin Township Board of Education, with employees paying \$709,505.95 less. The change for those employees currently in the OA plan would result in \$473,950.37 more being paid by the Franklin Township Board of Education, with employees paying \$1,451,241.89 less. If everyone in both plans switched, the Franklin Township Board of Education would pay \$3,292,715.52 more, annually.

Exhibit "B" shows the known financial implications of what would have occurred if the 39 employees hired on or after July 1, 2020 were placed in the NJEHP plan, as required by P.L. 2020, Chapter 44. That move, required by the unfunded mandate, would have the Franklin Township Board of Education paying \$131,222.60 more, with new employees paying \$66,446.68 less, for an increased overall cost of \$64,776.12. Unlike the following calculations that involve an estimate of who would have elected to be placed in the NJEHP plan, Exhibit "B" shows 39 new employees who were required to be placed in the NJEHP plan.

Exhibits "C" through "E" show what would occur if a certain percentage of each group who could choose to opt into the NJEHP plan chose to do so (along with 100% of the 39 new employees discussed in Exhibit "B"). Exhibit "C" reveals that if 80% of employees who could choose the NJEHP plan, did so, the Franklin Township Board of Education would pay \$2,660,416.94 more, with employees paying \$1,741,887.57 less, for an increased overall cost of \$918,529.37. Exhibit "D" reveals that if 50% of employees who could choose the NJEHP plan, did so, the Franklin Township Board of Education would pay \$1,711,969.06 more, with employees paying \$1,113,597.16 less, for an increased overall cost of \$598,371.90. Exhibit "E" reveals that if 25% of employees who could choose the NJEHP plan, did so, the Franklin Township Board of Education would pay \$921,595.83 more, with employees paying \$590,021.82 less, for an increased overall cost of \$331,574.01.

The data shows that under any scenario of who switches to the NJEHP plan: just "new employees", to 100% of employees, and everything in between, that the overall cost of health care will increase. Further, the Franklin Township Board of Education will bear the brunt of the costs.

The impacts of P.L. 2020, Chapter 44 are also being felt across the state of New Jersey. A recent survey conducted by the New Jersey Association of School Business Officials “requested information on the 1/1/2021-6/30/2021 impact of [P.L. 2020, Chapter 44 and found] of the 158 responses, 85% indicated the implementation will cost their district more money.” (See Exhibit “F”). As addressed below, without injunctive relief, the unfunded cost could be forced upon the Franklin Township Board of Education and an untold number of other school districts.

Section 5 – Request for Injunctive Relief

The Franklin Township Board of Education seeks injunctive relief because its compliance with P.L. 2020, Chapter 44, constitutes a significant financial hardship, and the statute provides no alternative funding to offset the additional expenditures it will undoubtedly require the Franklin Township Board of Education to incur.

“Through its enabling statute, the Council on Local Mandates (‘Council’) is specifically authorized to issue a preliminary ruling enjoining the enforcement of a statute, rule, or regulation, pending consideration of whether any of the foregoing constitutes an unfunded mandate, whenever a complaint demonstrates to the Council’s satisfaction that (1) significant financial hardship to the claimant would result from compliance and (2) there is a substantial likelihood that the statute or the rule or regulation is, in fact, an impermissible, unfunded State mandate.” N.J.S.A. 52:13H-16; In re a Complaint filed by the Board of Education for the City of Clifton, Council on Local Mandates Decision (May 13, 1998).

As outlined in the Complaint, the data shows that, under any scenario of who switches to the NJEHP plan – from just “new employees” (as P.L. 2020, Chapter 44 requires) to 100% of employees, and everything in between – the overall cost of health care will increase, with the Franklin Township Board of Education bearing the brunt of those costs. If injunctive relief is not granted while the Council considers this matter, then it will be forced to incur exorbitant costs in order to comply with P.L. 2020, Chapter 44 and, as detailed in the Complaint, the Franklin Township Board of Education is unable to mitigate any of those costs because the statute does not authorize additional resources for it to utilize. The Franklin Township Board of Education’s budget and operations will be severely hampered by these additional expenditures associated with the NJEHP plan, and could escalate to the point where the Franklin Township Board of Education is paying \$3,292,715.52 more, annually. Under every possible calculation the cost of health care rises.

Further, the determination made by the Council in this matter will directly affect the outcome of pending litigations instituted by the Franklin Township Education Association and the Franklin Township School Support Association in the Office of Administrative Law (“OAL”) (OAL Docket Nos. EDU 01448-2021; EDU 01442-2021) and the Public Employment Relations Commission (“PERC”) (PERC Docket No. CO-2021-139)¹. More specifically, the above-referenced litigations seek to force the Franklin Township Board of Education to immediately provide an NJEHP plan for all eligible employees, in compliance with P.L. 2020, Chapter 44. If

¹ Counsel for Petitioners in those three matters, Richard A. Friedman, Esquire (rfriedman@zazzali-law.com), is being contemporaneously provided with copy of the Complaint.

P.L. 2020, Chapter 44 is ultimately determined to be an unfunded mandate and is nullified by the Council, then the pending litigations in the OAL and PERC will be rendered moot. The Council's granting of injunctive relief would effectively stay a decision in the pending matters in the OAL and PERC until an ultimate determination regarding P.L. 2020, Chapter 44 is made, and would allow the Franklin Township Board of Education to avoid engaging in protracted and potentially unnecessary litigation in those forums while the Council reviews this matter. If a Court requires the Franklin Township Board of Education to offer the NJEHP plan, they will have to forcibly switch "newer" employees out of their current plan as well as open enrollment for over 1,000 employees. Should the Council rule in favor of the Franklin Township Board of Education, all of those employees would then have to be moved back to their old plan, with no ability for the Franklin Township Board of Education to recoup the increased costs of the NJEHP plan.

For the foregoing reasons, the Franklin Township Board of Education requests that the Council enjoin the enforcement of P.L. 2020, Chapter 44, while the instant matter is pending before it.

Section 6 – Resolution

Attached as Exhibit "G" please find a Certified Resolution of the Franklin Township Board of Education, authorizing suit.

Respectfully submitted,

PARKER MCCAY, P.A.
Attorneys for Claimant,
Franklin Township Board of Education

BY: /s/William C. Morlok
WILLIAM C. MORLOK

Date: February 18, 2021

4814-1938-9148, v. 1

Law Offices

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IN RE COMPLAINT FILED BY THE
FRANKLIN TOWNSHIP BOARD OF
EDUCATION, REGARDING P.L. 2020,
CHATER 44.

STATE OF NEW JERSEY
COUNCIL ON LOCAL MANDATES

CERTIFICATION OF SERVICE

I, Liah Agouras, of full age, hereby certify as follows:

I am employed by the law firm of Parker McCay P.A., attorneys for Franklin Township Board of Education, and on February 18, 2021, the original and two copies of Complaint in the above captioned matter was sent via email and private overnight mail service to:

State of New Jersey
Council on Local Mandates
140 East Front Street, 8th Floor
Trenton, NJ 08625
filings-clmand@treas.state.nj.us

A copy of the within was also sent to Richard A. Friedman, Esquire, counsel for the Franklin Township Education Association and the Franklin Township School Support Association via email.

Richard A. Friedman, Esquire
rfriedman@zazzali-law.com

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

/s/ Liah Agouras
Liah Agouras

Date: February 18, 2021

EXHIBIT A

HMO w/Rx = Aetna HMO with prescription plan included

OA w/Rx = Aetna Open Access with prescription plan included

Benefit class #	Benefit Class Name	# EE in Class	Description	HMO w/Rx	Employee Difference (Monthly)	BOE Difference (Monthly)	Employee Difference (Annually)	BOE Difference (Annually)	OA w/Rx	Employee Difference (Monthly)	BOE Difference (Monthly)	Employee Difference (Annually)	BOE Difference (Annually)
1	FTEA	297	Teachers or Secretaries employed prior to 7/1/2008 Base plan = Open Access	35	(\$5,238.32)	\$14,970.71	(\$62,859.89)	\$179,648.57	262	(\$69,797.24)	\$20,437.63	(\$837,566.83)	\$245,251.51
2	FTSAA	2	Association Administrators employed prior to 7/1/1996 Base plan = Open Access	1	(\$100.57)	(\$172.70)	(\$1,206.84)	(\$2,072.40)	1	(\$36.59)	(\$59.60)	(\$439.08)	(\$715.20)
3	NA-Admins	2	Non-Affiliated Administrators employed prior to 7/1/1996 Base plan = Open Access	0	\$0.00	\$0.00	\$0.00	\$0.00	2	(\$451.31)	\$98.81	(\$5,415.69)	\$1,185.69
4	NA-Clerical	1	Non-Affiliated Secretaries employed prior to 7/1/2008 Base plan = Open Access	0	\$0.00	\$0.00	\$0.00	\$0.00	1	(\$149.75)	(\$26.50)	(\$1,796.97)	(\$318.03)
5	Cabinet	3	District leadership team Base Plan = Open Access	1	(\$62.74)	\$508.55	(\$752.88)	\$6,102.60	2	(\$609.68)	\$117.88	(\$7,316.16)	\$1,414.56
6	FTEA08	419	Teachers or Secretaries employed on or after 7/1/2008 Base plan =HMO	328	(\$38,331.61)	\$132,485.29	(\$459,979.34)	\$1,589,823.50	91	(\$29,312.59)	\$14,248.18	(\$351,751.10)	\$170,978.18
7	FTSSA	109	Support Staff Association members Base Plan = HMO	92	(\$6,220.24)	\$28,545.71	(\$74,642.89)	\$342,548.53	17	(\$3,407.39)	\$891.50	(\$40,888.65)	\$10,697.97
8	FTSAA96	32	Association Administrators employed on or after 7/1/1996 Base plan = Open Access w/additional contribution	12	(\$1,237.67)	\$5,157.05	(\$14,852.02)	\$61,884.58	20	(\$6,301.13)	\$2,260.57	(\$75,613.52)	\$27,126.80
9	NA-Clerical 08	30	Non-Affiliated Secretaries employed on or after 7/1/2008 Base plan = HMO	13	(\$2,018.36)	\$6,897.05	(\$24,220.30)	\$82,764.58	17	(\$4,828.16)	\$1,974.43	(\$57,937.92)	\$23,693.16
10	Paraprofessional	136	Paraprofessionals Base Plan = HMO	108	(\$2,823.75)	\$36,439.35	(\$33,885.02)	\$437,272.22	28	(\$3,598.02)	(\$1,316.16)	(\$43,176.26)	(\$15,793.90)
11	FTEA21	32	Teachers or Secretaries employed on or after 7/1/2020 Current Base plan = HMO	25	(\$2,882.94)	\$8,955.30	(\$34,595.24)	\$107,463.56	7	(\$2,258.39)	\$1,035.05	(\$27,100.64)	\$12,420.56
12	FTSSA21	5	Support Staff Association members employed on or after 7/1/2020 Base Plan = HMO	4	(\$196.30)	\$904.82	(\$2,355.61)	\$10,857.85	1	(\$148.18)	(\$28.07)	(\$1,778.13)	(\$336.87)
13	NA-Clerical 21	1	Non-Affiliated Secretaries employed on or after 7/1/2020 Base plan = HMO	1	(\$12.99)	\$205.96	(\$155.92)	\$2,471.56	0	\$0.00	\$0.00	\$0.00	\$0.00
14	Paraprofessional 21	1	Paraprofessionals employed on or after 7/1/2020 Base plan = HMO	0	\$0.00	\$0.00	\$0.00	\$0.00	1	(\$38.41)	(\$137.84)	(\$460.94)	(\$1,654.06)
		1070		620			(\$709,505.95)	\$2,818,765.15	450			(\$1,451,241.89)	\$473,950.37

Blue = Hired on or after 7/1/2020
Must be placed in new plan.

Annual Premium for Data Set in Current Plan \$24,169,030.92
Annual Premium for Data Set in Chapter 44 Plan \$25,300,998.60
Total Addition Premium \$1,131,967.68

Addition Premium for Claimant Franklin Township Board of Education \$3,292,715.52

EXHIBIT B

HMO w/Rx = Aetna HMO with prescription plan included
 OA w/Rx = Aetna Open Access with prescription plan included

Benefit class #	Benefit Class Name	# EE in Class	Description	HMO w/Rx	Employee Difference (Monthly)	BOE Difference (Monthly)	Employee Difference (Annually)	BOE Difference (Annually)	OA w/Rx	Employee Difference (Monthly)	BOE Difference (Monthly)	Employee Difference (Annually)	BOE Difference (Annually)
11	FTEA21	32	Teachers or Secretaries employed on or after 7/1/2020 Current Base plan = HMO	25	(\$2,882.94)	\$8,955.30	(\$34,595.24)	\$107,463.56	7	(\$2,258.39)	\$1,035.05	(\$27,100.64)	\$12,420.56
12	FTSSA21	5	Support Staff Association members employed on or after 7/1/2020 Base Plan = HMO	4	(\$196.30)	\$904.82	(\$2,355.61)	\$10,857.85	1	(\$148.18)	(\$28.07)	(\$1,778.13)	(\$336.87)
13	NA-Clerical 21	1	Non-Affiliated Secretaries employed on or after 7/1/2020 Base plan = HMO	1	(\$12.99)	\$205.96	(\$155.92)	\$2,471.56	0	\$0.00	\$0.00	\$0.00	\$0.00
14	Paraprofessional 21	1	Paraprofessionals employed on or after 7/1/2020 Base plan = HMO	0	\$0.00	\$0.00	\$0.00	\$0.00	1	(\$38.41)	(\$137.84)	(\$460.94)	(\$1,654.06)
		39					(\$37,106.77)	\$120,792.97	9			(\$29,339.71)	\$10,429.63

Blue = Hired on or after 7/1/2020
 Must be placed in new plan.

TOTAL ADDITIONAL PREMIUM IF ALL 39 "NEW HIRES" ARE PLACED IN THE NEW PLAN \$64,676.12
TOTAL ADDITIONAL PREMIUM TO CLAIMANT FRANKLIN TOWNSHIP BOARD OF EDUCATION \$131,222.60

EXHIBIT C

HMO w/Rx = Aetna HMO with prescription plan included
 OA w/Rx = Aetna Open Access with prescription plan included

Exhibit C - Percentage of Eligible = 80%

Benefit class #	Benefit Class Name	# EE in Class	Description	EE Difference			BOE Difference		
				% Change	HMO w/Rx	OA w/Rx	% Change	HMO w/Rx	OA w/Rx
1	FTEA	297	Teachers or Secretaries employed prior to 7/1/2008 Base plan = Open Access	80%	(\$50,287.91)	(\$670,053.47)	80%	\$143,718.86	\$196,201.21
2	FTSAA	2	Association Administrators employed prior to 7/1/1996 Base plan = Open Access	80%	(\$965.47)	(\$351.26)	80%	(\$1,657.92)	(\$572.16)
3	NA-Admins	2	Non-Affiliated Administrators employed prior to 7/1/1996 Base plan = Open Access	80%	\$0.00	(\$4,332.55)	80%	\$0.00	\$948.55
4	NA-Clerical	1	Non-Affiliated Secretaries employed prior to 7/1/2008 Base plan = Open Access	80%	\$0.00	(\$1,437.57)	80%	\$0.00	(\$254.43)
5	Cabinet	3	District leadership team Base Plan = Open Access	80%	(\$602.30)	(\$5,852.93)	80%	\$4,882.08	\$1,131.65
6	FTEA08	419	Teachers or Secretaries employed on or after 7/1/2008 Base plan =HMO	80%	(\$367,983.47)	(\$281,400.88)	80%	\$1,271,858.80	\$136,782.54
7	FTSSA	109	Support Staff Association members Base Plan = HMO	80%	(\$59,714.31)	(\$32,710.92)	80%	\$274,038.82	\$8,558.38
8	FTSAA96	32	Association Administrators employed on or after 7/1/1996 Base plan = Open Access w/additional contribution	80%	(\$11,881.61)	(\$60,490.81)	80%	\$49,507.66	\$21,701.44
9	NA-Clerical 08	30	Non-Affiliated Secretaries employed on or after 7/1/2008 Base plan = HMO	80%	(\$19,376.24)	(\$46,350.34)	80%	\$66,211.67	\$18,954.53
10	Paraprofessional	136	Paraprofessionals Base Plan = HMO	80%	(\$27,108.01)	(\$34,541.01)	80%	\$349,817.77	(\$12,635.12)
11	FTEA21	32	Teachers or Secretaries employed on or after 7/1/2020 Current Base plan = HMO	100%	(\$34,595.24)	(\$27,100.64)	100%	\$107,463.56	\$12,420.56
12	FTSSA21	5	Support Staff Association members employed on or after 7/1/2020 Base Plan = HMO	100%	(\$2,355.61)	(\$1,778.13)	100%	\$10,857.85	(\$336.87)
13	NA-Clerical 21	1	Non-Affiliated Secretaries employed on or after 7/1/2020 Base plan = HMO	100%	(\$155.92)	\$0.00	100%	\$2,471.56	\$0.00
14	Paraprofessional 21	1	Paraprofessionals employed on or after 7/1/2020 Base plan = HMO	100%	\$0.00	(\$460.94)	100%	\$0.00	(\$1,654.06)
		1070			(\$575,026.11)	(\$1,166,861.45)		\$2,279,170.71	\$381,246.22
						(\$1,741,887.57)			\$2,660,416.94

TOTAL ADDITIONAL PREMIUM \$918,529.37
TOTAL ADDITIONAL PREMIUM TO CLAIMANT FRANKLIN TOWNSHIP BOARD OF EDUCATION \$2,660,416.94

EXHIBIT D

HMO w/Rx = Aetna HMO with prescription plan included
 OA w/Rx = Aetna Open Access with prescription plan included

				Exhibit D - Percentage of Eligible = 50%					
				EE Difference		BOE Difference			
Benefit class #	Benefit Class Name	# EE in Class	Description	% Change	HMO w/Rx	OA w/Rx	% Change	HMO w/Rx	OA w/Rx
1	FTEA	297	Teachers or Secretaries employed prior to 7/1/2008 Base plan = Open Access	50%	(\$31,429.95)	(\$418,783.42)	50%	\$89,824.29	\$122,625.76
2	FTSAA	2	Association Administrators employed prior to 7/1/1996 Base plan = Open Access	50%	(\$603.42)	(\$219.54)	50%	(\$1,036.20)	(\$357.60)
3	NA-Admins	2	Non-Affiliated Administrators employed prior to 7/1/1996 Base plan = Open Access	50%	\$0.00	(\$2,707.85)	50%	\$0.00	\$592.84
4	NA-Clerical	1	Non-Affiliated Secretaries employed prior to 7/1/2008 Base plan = Open Access	50%	\$0.00	(\$898.48)	50%	\$0.00	(\$159.02)
5	Cabinet	3	District leadership team Base Plan = Open Access	50%	(\$376.44)	(\$3,658.08)	50%	\$3,051.30	\$707.28
6	FTEA08	419	Teachers or Secretaries employed on or after 7/1/2008 Base plan =HMO	50%	(\$229,989.67)	(\$175,875.55)	50%	\$794,911.75	\$85,489.09
7	FTSSA	109	Support Staff Association members Base Plan = HMO	50%	(\$37,321.44)	(\$20,444.33)	50%	\$171,274.26	\$5,348.98
8	FTSAA96	32	Association Administrators employed on or after 7/1/1996 Base plan = Open Access w/additional contribution	50%	(\$7,426.01)	(\$37,806.76)	50%	\$30,942.29	\$13,563.40
9	NA-Clerical 08	30	Non-Affiliated Secretaries employed on or after 7/1/2008 Base plan = HMO	50%	(\$12,110.15)	(\$28,968.96)	50%	\$41,382.29	\$11,846.58
10	Paraprofessional	136	Paraprofessionals Base Plan = HMO	50%	(\$16,942.51)	(\$21,588.13)	50%	\$218,636.11	(\$7,896.95)
11	FTEA21	32	Teachers or Secretaries employed on or after 7/1/2020 Current Base plan = HMO	100%	(\$34,595.24)	(\$27,100.64)	100%	\$107,463.56	\$12,420.56
12	FTSSA21	5	Support Staff Association members employed on or after 7/1/2020 Base Plan = HMO	100%	(\$2,355.61)	(\$1,778.13)	100%	\$10,857.85	(\$336.87)
13	NA-Clerical 21	1	Non-Affiliated Secretaries employed on or after 7/1/2020 Base plan = HMO	100%	(\$155.92)	\$0.00	100%	\$2,471.56	\$0.00
14	Paraprofessional 21	1	Paraprofessionals employed on or after 7/1/2020 Base plan = HMO	100%	\$0.00	(\$460.94)	100%	\$0.00	(\$1,654.06)
		1070			(\$373,306.36)	(\$740,290.80)		\$1,469,779.06	\$242,190.00
						(\$1,113,597.16)			\$1,711,969.06
TOTAL ADDITIONAL PREMIUM									\$598,371.16
TOTAL ADDITIONAL PREMIUM TO CLAIMANT FRANKLIN TOWNSHIP BOARD OF EDUCATION									\$1,711,969.06

EXHIBIT E

HMO w/Rx = Aetna HMO with prescription plan included
 OA w/Rx = Aetna Open Access with prescription plan included

				Exhibit E - Percentage of Eligible = 25%					
				EE Difference			BOE Difference		
Benefit class #	Benefit Class Name	# EE in Class	Description	% Change	HMO w/Rx	OA w/Rx	% Change	HMO w/Rx	OA w/Rx
1	FTEA	297	Teachers or Secretaries employed prior to 7/1/2008 Base plan = Open Access	25%	(\$15,714.97)	(\$209,391.71)	25%	\$44,912.14	\$61,312.88
2	FTSAA	2	Association Administrators employed prior to 7/1/1996 Base plan = Open Access	25%	(\$301.71)	(\$109.77)	25%	(\$518.10)	(\$178.80)
3	NA-Admins	2	Non-Affiliated Administrators employed prior to 7/1/1996 Base plan = Open Access	25%	\$0.00	(\$1,353.92)	25%	\$0.00	\$296.42
4	NA-Clerical	1	Non-Affiliated Secretaries employed prior to 7/1/2008 Base plan = Open Access	25%	\$0.00	(\$449.24)	25%	\$0.00	(\$79.51)
5	Cabinet	3	District leadership team Base Plan = Open Access	25%	(\$188.22)	(\$1,829.04)	25%	\$1,525.65	\$353.64
6	FTEA08	419	Teachers or Secretaries employed on or after 7/1/2008 Base plan =HMO	25%	(\$114,994.84)	(\$87,937.77)	25%	\$397,455.88	\$42,744.54
7	FTSSA	109	Support Staff Association members Base Plan = HMO	25%	(\$18,660.72)	(\$10,222.16)	25%	\$85,637.13	\$2,674.49
8	FTSAA96	32	Association Administrators employed on or after 7/1/1996 Base plan = Open Access w/additional contribution	25%	(\$3,713.00)	(\$18,903.38)	25%	\$15,471.14	\$6,781.70
9	NA-Clerical 08	30	Non-Affiliated Secretaries employed on or after 7/1/2008 Base plan = HMO	25%	(\$6,055.08)	(\$14,484.48)	25%	\$20,691.15	\$5,923.29
10	Paraprofessional	136	Paraprofessionals Base Plan = HMO	25%	(\$8,471.25)	(\$10,794.07)	25%	\$109,318.05	(\$3,948.47)
11	FTEA21	32	Teachers or Secretaries employed on or after 7/1/2020 Current Base plan = HMO	100%	(\$34,595.24)	(\$27,100.64)	100%	\$107,463.56	\$12,420.56
12	FTSSA21	5	Support Staff Association members employed on or after 7/1/2020 Base Plan = HMO	100%	(\$2,355.61)	(\$1,778.13)	100%	\$10,857.85	(\$336.87)
13	NA-Clerical 21	1	Non-Affiliated Secretaries employed on or after 7/1/2020 Base plan = HMO	100%	(\$155.92)	\$0.00	100%	\$2,471.56	\$0.00
14	Paraprofessional 21	1	Paraprofessionals employed on or after 7/1/2020 Base plan = HMO	100%	\$0.00	(\$460.94)	100%	\$0.00	(\$1,654.06)
		1070			(\$205,206.56)	(\$384,815.26)		\$795,286.01	\$126,309.82
						(\$590,021.82)			\$921,595.83

TOTAL ADDITIONAL PREMIUM \$331,574.01
TOTAL ADDITIONAL PREMIUM TO CLAIMANT FRANKLIN TOWNSHIP BOARD OF EDUCATION \$921,595.83

EXHIBIT F

From: noreply@njasbo.com <noreply@njasbo.com>
Sent: Tuesday, January 26, 2021 1:30 PM
To: Davenport, Vanessa J. <Vanessa.Davenport@doe.nj.gov>
Subject: [EXTERNAL] NJASBO - Trustee Meeting Briefs

***** CAUTION *****

This message came from an **EXTERNAL** address (010001773ff53624-1db7b703-d6e8-40b7-8475-a7a58b874a64-000000@amazonses.com). **DO NOT** click on links or attachments unless you know the sender and the content is safe. **Suspicious?** Forward the message to spamreport@cyber.nj.gov.



Dear Vanessa

NJASBO

State Meeting Briefs

January 22, 2021

1. **Special Guests-** DOE Commissioner Angelica Allen-McMillan and Assistant Commissioner Kevin Dehmer joined the meeting and discussed a number of topics such as state aid (no update), C. 44 data collection, ESSER II, Security Aid grants (subject to legislative approval and timeline) and CRF audits.
2. **Action Items-** The Trustees approved all agenda items as presented.
3. **Discussion Items:**
 - **Technology Survey regarding Professional Development-** The detailed results were shared however in general 90+% indicated they attend PD for credits and relevant topics with 68% indicating they would attend both in person and virtually, post pandemic. The detailed results of the survey can be found under the Members Only section (Documents) of the website.
 - **Health Benefit Survey-** NJASBO shared consolidated results of the survey which requested information on the 1/1/2021-6/30/2021 impact of C. 44. Of the 158 responses, 85% indicated the implementation will cost their district more money
 - **Equity, Diversity and Inclusion Initiative-** NJASBO commenced an initial meeting with NJASBO members regarding this topic.
 - **NJASBO 2nd VP Candidates-** Katie Atwood (Hamilton Township) and Steve Brennan (Barnegat Township) have submitted their names for consideration as the Central Region 2nd VP for 2021-2022. The Central Region Presidents will vote on February 19th.
 - **Distinguished Service Awards** – Nominee packets for each region were distributed to County Presidents. Voting will take place on February 19th.
 - **Conferences-** ASBO International has cancelled their February 2021 Leadership conference. NJASBO has cancelled its in person June conference and will hold a virtual conference.

- **Committees & Appointments-** Conference, Technology, Purchasing and Legislative committee minutes and the NJSIAA report are posted on the website.

Feel free to [contact us](#) if you have any questions or concerns.

Sue

Sue Young, Executive Director
4 AAA Drive, Suite 101
Robbinsville, NJ 08691
sue@njasbo.com
609-689-3870 - phone

<http://www.njasbo.com/members/EmailOptPreferences.aspx?id=54949254&e=vanessa.davenport@doe.nj.gov&h=7278faa4ddf191230ab2ac407d7095c3ba05129d>



NJASBO is a professional association that promotes the highest standards of ethics and efficiency, provides its membership with professional development and support, and collaborates with entities that affect public education.

4836-9646-1533, v. 1

EXHIBIT G

**EXTRACT FROM THE MINUTES OF A MEETING
THE BOARD OF EDUCATION OF THE TOWNSHIP OF FRANKLIN, NEW JERSEY
AS RECORDED IN THE OFFICIAL MINUTE BOOK**

The Board of Education of the Township of Franklin in the County of Somerset, New Jersey convened in Public Session on Thursday, January 28th at 7:30 pm.

The following members of the board were present Ms. Desai ,Ms. Grippo, Mr. Jackson, Ms. Merris, Mr. Potosnak, , Ms. Singh, Dr. Smith, Ms. Stanley, and Ms. Lacorte.

The following resolution was offered by Ms. Singh seconded by Dr. Smith and adopted by the Board of Education:

P-01 Authorization to File a Complaint with the Council on Local Mandates

Moved: Ms. Singh Seconded: Dr. Smith

BE IT RESOLVED, upon the recommendation of counsel and the Chief School Administrator, that the Franklin Township Board of Education (“Board”), authorizes counsel, Chief School Administrator, Board President, Board Secretary and/or their designees, consistent with the requirements of P.L. 1996, Chapter 24, Section 12, to take any and all steps necessary to file a Complaint with the Council on Local Mandates, to challenge the unfunded mandate created by P.L. 2020, Chapter 44; and

BE IT FURTHER RESOLVED, the Board has fully considered and determined that the aforementioned litigation is in the best interests of the school district and public.

ROLL CALL: **AYES: 9**
 NOES: 0
 ABST: 0

STATE OF NEW JERSEY } }
 } **ss**
COUNTY OF SOMERSET }

I, Jonathan Toth, Secretary of the Board of Education of Franklin Township Public Schools, in the County of Somerset, State of New Jersey, hereby certify that the foregoing extract from the minutes of the meeting of the Board of said district, fully called and held on, January 28th at 7:30 pm. has been compared by me with the original minutes as officially recorded in my office in the minute book of said Franklin Township Board of Education, original minutes so far as the same related to the subject matter referred to in said extract, in witness I have hereunto set my hand and affixed the corporate seal of said Board of Education this 17th day of February 17, 2021.

Jonathan Toth, Board Secretary