State of New Jersey

DEPARTMENT OF THE TREASURY DIVISION OF PENSIONS AND BENEFITS P. O. Box 295 TRENTON, NEW JERSEY 08625-0295 Telephone (609) 292-7524 / Facsimile (609) 777-1779 TRS 711 (609) 292-6683 www.nj.gov/treasury/pensions July 17, 2025 ELIZABETH MAHER MUOIO State Treasurer

JOHN D. MEGARIOTIS Acting Director

Sent via email to:

PHILIP D. MURPHY

Governor

TAHESHA L. WAY

Lt. Governor

Law Offices of Stephen Altamuro Stephen Altamuro, Esq.

RE: Ke

Kenneth Patrone PERS

FINAL ADMINISTRATIVE DETERMINATION

Dear Mr. Altamuro:

I am writing in reference to the decision of the Board of Trustees ("Board") of the Public Employees' Retirement System (PERS) denying the application for Deferred retirement benefits filed by your client, Kenneth Patrone. The Board originally denied Mr. Patrone's application at its meeting of July 17, 2024, finding him ineligible for Deferred retirement benefits in accordance with N.J.S.A. 43:15A-38 because he was removed for cause on charges of misconduct or delinquency directly related to his employment. By email dated August 20, 2024, Mr. Patrone requested and was granted an extension to submit his appeal. By letter dated November 19, 2024, you requested and were granted a postponement. A letter of appeal of the Board's decision on Mr. Patrone's behalf was not received.

At its meeting on June 18, 2025, after careful review, the Board affirmed its prior decision, and finding no genuine issue of material fact in dispute, denied your request for an administrative hearing. Thereafter, the Board directed the undersigned to draft this Final Administrative Determination for its review at its meeting of July 16, 2025.

Findings of Fact and Conclusions of Law as outlined below were presented to and approved by the Board at its July 16, 2025, meeting.

FINDINGS OF FACT

The Board made the following factual findings.

Mr. Patrone was enrolled in the PERS on January 1, 1993, as a result of his employment as a Laborer with Washington Township Public Works. He remained with Washington Township Public Works and held the title of Coordinator of Parks and Recreations, until his termination on June 24, 2016.

Records provided to the Division of Pensions and Benefits reveal that Mr. Patrone was charged with One Count Tampering with Public Records with the Purpose to Defraud, in the 3rd degree, and One Count Tampering with Records to Conceal a Wrongdoing, in the 4th degree. Ultimately, Mr. Patrone pled guilty to Count One-Falsifying/Tampering with Public Records, in the 4th degree. A Judgment of Conviction dated June 6, 2016, sentenced Mr. Patrone to one year of probation, during which time he was not to hold any public office, he was not eligible for expungement and he was ordered to forfeit his employment with Washington Township. The remaining Count was dismissed. By letter dated July 25, 2016, Washington Township informed Mr. Patrone that as a result of his guilty plea, he was terminated from employment effective June 24, 2016.

At the time of Mr. Patrone's removal from employment, he was 51 years of age and his membership account reflected a total of 21 years and 7 months of PERS service credit. Therefore, at that time, the only benefit for which Mr. Patrone could apply was a Deferred retirement. He filed a retirement application on August 18, 2023, requesting Deferred retirement benefits effective September 1, 2023.

At its meeting of July 17, 2024, the Board considered Mr. Patrone's application for Deferred retirement benefits. The Board found that because Mr. Patrone was removed for cause on charges of misconduct or delinquency directly related to his employment, he is ineligible for Deferred retirement benefits and thus, denied his application.

To accommodate your request to postpone the appeal, the matter was placed on the agenda of the Board's June 18, 2025 meeting.¹ After careful consideration, the Board affirmed its prior decision, finding Mr. Patrone ineligible for Deferred retirement benefits based on his dismissal for cause as detailed above. Finding no genuine issue of material fact in dispute, the Board denied your request for an administrative hearing. The Board directed the undersigned to draft detailed Findings of Fact and Conclusions of Law for review at its July 16, 2025 meeting.

CONCLUSIONS OF LAW

Tier 1 and 2 PERS members with 10 or more years of service are eligible to file for Deferred retirement benefits upon reaching 60 years of age. The eligibility criteria for Deferred retirement benefits are outlined in N.J.S.A. 43:15A-38, which states, in pertinent part:

> Should a member of the Public Employees' Retirement System, after having completed 10 years of service, be separated voluntarily or involuntarily from the service, before reaching service retirement age, and not by removal for cause on charges of misconduct or delinquency, such person may elect to receive:

- (a) The payments provided for in section 41b of this act,² if he so qualifies under said section, or;
- (b) A deferred retirement allowance, beginning at the retirement age...

[(Emphasis added)].

Based on the plain language of the statute as applied to the facts in the record, the Board determined that Mr. Patrone was removed for cause on grounds of misconduct or delinquency directly related to his employment, and he is not eligible for Deferred retirement benefits. See In re Hess, 422 N.J. Super. 27 (App. Div. 2011) (holding that ineligibility for Deferred retirement occurs when a member is terminated for misconduct or delinquency related to the employment).

¹ The Board granted a postponement at its meeting of May 21, 2025.

² N.J.S.A. 43:15A-41

The record reflects that the only benefit for which Mr. Patrone could apply was a Deferred retirement. However, it is undisputed that Mr. Patrone was removed for cause on charges of misconduct or delinquency directly related to his employment. Thus, based on the plain language of N.J.S.A. 43:15A-38 as applied to the facts presented to the Board, Mr. Patrone is not eligible for Deferred retirement benefits.

Mr. Patrone is eligible to withdraw his accumulated pension contributions remitted during active membership, and he may request an *Application for Withdrawal* by writing to Robin Willever, Supervisor, Loan/Withdrawal Section at the Division, at the address above. **Nonetheless, Mr. Patrone is cautioned against filing the withdrawal application if he intends to appeal the Board's determination. Withdrawal terminates all rights and privileges of membership.**

As noted above, the Board has considered all documentation in the record. Because this matter does not entail any disputed questions of fact, the Board was able to reach its findings of fact and conclusions of law on the basis of the retirement system's enabling statutes and without the need for an administrative hearing. Accordingly, this correspondence shall constitute the Final Administrative Determination of the Board of Trustees of the Public Employees' Retirement System.

You have the right to appeal this final administrative action to the Superior Court of New Jersey, Appellate Division, within 45 days of the date of this letter in accordance with the <u>Rules</u> <u>Governing the Courts of the State of New Jersey.</u>

All appeals should be directed to:

Superior Court of New Jersey Appellate Division Attn: Court Clerk PO Box 006 Trenton, NJ 08625

Sincerely,

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Jeff S. Ignatowitz, Secretary Board of Trustees Public Employees' Retirement System

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C: J. Ehrmann (ET); R. Willever (ET) Kenneth Patrone (via regular mail)