

DELAWARE RIVER BASIN COMMISSION

SPECIAL BUSINESS MEETING OF AUGUST 26, 2025

Commissioners	Stephen Williams, Delaware, Chair
Present:	Jill Whitcomb, Pennsylvania, Vice Chair
	Steve Domber, New Jersey, Second Vice Chair
	Laura D. Bittner, United States
	Karen Stainbrook, New York
DRBC Staff	Kristen Bowman Kavanagh, Executive Director
Participants:	Kenneth J. Warren, DRBC General Counsel
	Pamela Bush, Commission Secretary and Assistant General Counsel

The Special Business Meeting of August 26, 2025 was conducted remotely. It was open to the public *via* Zoom webinar and phone, and *via* livestream on the DRBC YouTube channel. Recordings were made on both Zoom and YouTube. The agenda was posted on the DRBC website ten or more days before the meeting date.

Stephen Williams called the meeting to order, introducing himself as the Director of the Division of Watershed Stewardship of the Delaware Department of Natural Resources and Environmental Control and DRBC Alternate Commissioner for Governor Matt Meyer, the fiscal year 2025-26 Commission Chair.

Mr. Williams explained that the agenda consisted entirely of Resolutions for the Minutes for effectuating the Commission's transition from participation in the New Jersey State Health Benefits Program (also herein, "SHBP") to participation in a joint health insurance fund ("HIF") authorized by New Jersey Statute 40A:10-36 and implementing regulations at Title 15, Subchapter 3 of the New Jersey Administrative Code, N.J.A.C. 11:15-3.1 et seq. The intent of the transition was to secure the Commission's participation in a more sustainable health benefits program for the future. The agenda included matters relating solely to the internal management of the Commission, for which no public hearing is required. Accordingly, Mr. Williams noted that the Special Business Meeting would not include any opportunity for public comment.

Mr. Williams turned the meeting over to the Commission Secretary and Assistant General Counsel Pamela Bush, who provided background on the four agenda items. Ms. Bush reiterated that because the resolutions dealt solely with the internal management of the Commission, none required or had undergone a public hearing. Nevertheless, she said, the meeting had been duly noticed by a posting on the Commission's website, outreach through social media, meetings with current staff, and letters and, wherever possible, emails to Commission retirees.

Ms. Bush said staff had previously advised the Commissioners that the Division of Pensions and Benefits of the New Jersey Treasury had issued a report dated May 19, 2025, finding the State

Health Benefits Program for local governments—the program in which DRBC had participated for decades—to be structurally and financially unstable and in the process of unraveling. Fortunately, the Commission had been monitoring this situation and had already identified a potential alternative—participation in a regional Joint Health Insurance Fund, organized under New Jersey law.

The agenda for this special meeting consisted entirely of resolutions for effectuating the Commission’s transition from participation in the New Jersey State Health Benefits Program (“SHBP”) to participation in a regional joint health insurance fund, specifically, the Central Jersey Fund, or “CJ Fund,” comprised of more than 38 other local government entities. Transitioning to the CJ Fund would help DRBC avoid large increases in health benefit costs, create long-term stability, and maintain the level of care that had long been available to active and retired DRBC staff and their families.

Ms. Bush explained that the four resolutions to be considered were for the purposes of (1) terminating DRBC’s participation in the New Jersey State Health Benefits Program; (2) agreeing to join the Central Jersey Fund; (3) authorizing the DRBC’s Executive Director to execute documents required for purposes of initiating and maintaining Commission membership in the Fund; and (4) amending the Commission’s rules governing management of the DRBC to replace references to the State Health Benefits Program with references instead to a Joint Health Insurance Fund organized and authorized under the laws of the State of New Jersey. Drafts of the four resolutions had been circulated to the Commissioners sufficiently in advance of the meeting to afford the members an opportunity to review them.

A Resolution for the Minutes terminating the Commission’s participation in the New Jersey State Health Benefit Program. Ms. Bush explained that the proposed resolution would terminate DRBC’s participation in the SHBP, including prescription drug and dental plan coverage. The resolution was on a form prescribed by the State Health Benefits Program and was to be submitted to the State Health Benefits Commission upon its adoption. By its terms, the resolution would take effect on the first of the month following a 60-day period beginning with receipt of the resolution by the State Health Benefits Commission. If submitted immediately, as intended, termination would be effective as of November 1, 2025. DRBC’s active employees would be notified by the State Health Benefits Commission of the date of termination of their coverage under the state program, and retired employees would be notified by the Division of Pensions and Benefits of the cancellation of their coverage under the state program. All active and retired employees would continue to receive communications from the staff in connection with the transition. Ms. Bush respectfully requested that the Commissioners adopt the draft resolution as presented.

Mr. Domber so moved, Ms. Whitcomb offered a second, and without further discussion, the Resolution for the Minutes terminating the Commission’s participation in the New Jersey State Health Benefit Program was approved by unanimous vote.

A copy of the resolution, on the form prescribed by the SHBP, is incorporated as Attachment 1.

A Resolution for the Minutes providing for the Commission to join the Central Jersey Regional Employee Benefits Fund. Ms. Bush explained that unlike the previous resolution, this one was not on a form furnished by another entity, but its contents, with only minor modifications, were prescribed by the Central Jersey Fund. In approving the resolution, she said, the Commission would agree to become a member of the Fund for an initial, renewable, period; to adopt and approve the Fund's bylaws; to execute an application and accompanying certifications (which had already been done); and to commit to certain principles of the Fund, including among others, "professional management with stability and commitment."

Ms. Bush said the proposed resolution also would authorize DRBC's Executive Director to execute an Indemnity and Trust Agreement and such other documents signifying membership in the Fund, as required by the Fund's bylaws and state law, and to deliver these documents to the Fund's director. In accordance with state law, these documents would become effective upon certain events, including approval by the state's Department of Banking and Insurance and Department of Community Affairs.

On behalf of the DRBC staff, Ms. Bush recommended that the Commissioners approve the Resolution for the Minutes providing for the Commission to join the Central Jersey Fund.

Ms. Whitcomb so moved, Ms. Stainbrook offered a second, and without further discussion, the Resolution for the Minutes providing for the Commission to join the Central Jersey Regional Employee Benefits Fund was approved by unanimous vote.

The text of the resolution follows:

RESOLUTION FOR THE MINUTES

A Resolution for the Minutes providing for the Commission to join the Central Jersey Regional Employee Benefits Fund.

WHEREAS, a number of public entities in the State of New Jersey have joined together to form the CENTRAL JERSEY REGIONAL EMPLOYEE BENEFITS FUND, hereinafter referred to as the "FUND," as authorized by New Jersey statute 40A:10-36 et seq.; and

WHEREAS, the FUND was approved to become operational by the New Jersey Departments of Insurance and Community Affairs and has been operational since the date of such approval; and

WHEREAS, the statutes and implementing regulations governing the creation and operation of a joint insurance fund in the State of New Jersey contain multiple restrictions and safeguards concerning the safe and efficient administration of the public interest entrusted to such a FUND;

WHEREAS, the governing body of the Delaware River Basin Commission, hereinafter referred to as "LOCAL UNIT," has determined that membership in the FUND is in the best interest of the LOCAL UNIT.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the LOCAL UNIT hereby agrees to:

- i. Become a member of the FUND for the period outlined in the LOCAL UNIT's Indemnity and Trust Agreements.
- ii. Participate in the following type(s) of coverage(s):
 - a. Health Insurance as defined pursuant to N.J.S.A. 17B:17-4, the FUND's Bylaws, and Plan of Risk Management.
- iii. Adopt and approve the FUND's Bylaws.
- iv. Execute an application for membership and any accompanying certifications.
- v. Commit to the four principles of the FUND, which are:
 - a. A long term philosophy on rates.
 - b. A willingness to work with bargaining units to achieve plan design changes.
 - c. Professional management with stability and commitment.
 - d. Rating structure based on actuarial numbers.

BE IT FURTHER RESOLVED that the Executive Director of the LOCAL UNIT is authorized and directed to execute the Indemnity and Trust Agreement and such other documents signifying membership in the FUND as required by the FUND's Bylaws, and to deliver these documents to the FUND's Executive Director with the express reservation that these documents shall become effective only upon:

- i. Approval of the LOCAL UNIT by the FUND.
- ii. Receipt from the LOCAL UNIT of a Resolution accepting assessment.
- iii. Approval by the New Jersey Department of Banking and Insurance and Department of Community Affairs

A Resolution for the Minutes authorizing the Executive Director to execute documents required for purposes of initiating and maintaining Commission membership in the Central Jersey Health Insurance Fund. Ms. Bush explained that the third resolution in part overlapped with the preceding one. It would authorize DRBC's Executive Director to execute certain documents required for purposes of initiating and maintaining Commission membership in the Central Jersey Fund. This resolution was broader, she said, in that it would authorize the Executive Director to execute documents not merely for "signifying membership in the Fund," but also for maintaining membership in the fund to the extent the law and the Fund's bylaws allowed, so that the Commissioners would not be required to approve every step in maintaining DRBC's membership in the Fund going forward. As attachments, the proposed resolution included the form of the Indemnity and Trust Agreement the Executive Director must sign, as well as a document by which the Executive Director would appoint members of the staff to serve as the "Fund commissioner" and "alternate Fund commissioner" to represent DRBC in management of the Fund.

On behalf of the staff, Ms. Bush recommended that the Commissioners approve the draft resolution as proposed.

Ms. Bittner so moved, Mr. Domber offered a second, and without further discussion, the Resolution for the Minutes authorizing the Executive Director to execute documents required for purposes of initiating and maintaining Commission membership in the Central Jersey Health Insurance Fund was approved by unanimous vote.

The text of the resolution follows. Exhibits A and B, referenced in the resolution, are incorporated in these Minutes as Attachment 2.

RESOLUTION FOR THE MINUTES

A Resolution for the Minutes authorizing the Executive Director to execute documents required for purposes of initiating and maintaining Commission membership in the Central Jersey Health Insurance Fund.

WHEREAS, by Resolution for the Minutes on August 26, 2025, the Delaware River Basin Commission (“DRBC” or “Commission”) agreed to become a member of the Central Jersey Regional Employee Benefits Fund (also known as the “Central Jersey Health Insurance Fund” and, hereinafter, the “Fund”) for purposes of providing health insurance benefits to eligible DRBC employees and retirees; and

WHEREAS, the Fund’s bylaws require each participating entity to execute an Indemnity and Trust Agreement signifying membership in the Fund; and

WHEREAS, the Fund also requires DRBC to execute additional documents, including, in relevant part, a document appointing a Fund Commissioner and an Alternate Fund Commissioner to represent DRBC in the Fund.

NOW, THEREFORE, BE IT RESOLVED by the Delaware River Basin Commission that:

1. The Executive Director is hereby authorized to execute on the Commission’s behalf the Indemnity and Trust Agreement attached hereto as Exhibit A (adapted as necessary) for the period commencing November 1, 2025 and ending at 12:01 a.m. on December 31, 2028.
2. The Executive Director is hereby authorized to appoint a Fund Commissioner and Alternate Fund Commissioner to represent DRBC in the Fund, as provided in N.J.S.A. 40A:10-36 et seq., utilizing a form substantially like that attached as Exhibit B.
3. The Commission authorizes the Executive Director to execute such additional documents as may be required to maintain DRBC’s membership in the Fund in good standing unless and until such time as the Commission separates from the Fund, either by withdrawal or by termination in accordance with the Fund’s bylaws.

A Resolution for the Minutes amending the *Administrative Manual – By-Laws, Management and Personnel*. DRBC’s *Administrative Manual – By-Laws, Management and Personnel* (the “Bylaws”) consists of the rules for the Commission’s organization and internal administration. Ms. Bush said the proposed amendments all would affect Section 5 of the Bylaws—Personnel Policies—and in particular, subsection Section 5.7, concerning fringe benefits for employees. The changes would effectively replace references to the State Health Benefits Program with references instead to a Joint Health Insurance Fund established in accordance with the authorizing New Jersey statute and implementing regulations. The amendments also instate in DRBC’s regulations the requirement imposed by New Jersey law in 2011, requiring all active and retired employees, with few exceptions, to pay a percentage of the cost of their health insurance premiums. Effectively, this would preserve the status quo as DRBC transitioned from the State Health Benefits Program to the Central Jersey Fund for health insurance coverage. Ms. Bush respectfully requested that the Commissioners approve the draft resolution as proposed.

Ms. Stainbrook so moved, Ms. Whitcomb offered a second, and without further discussion, the Resolution for the Minutes amending the *Administrative Manual – By-Laws, Management and Personnel* was approved by unanimous vote.

The text of the resolution follows. Attachment A of the resolution is incorporated in these Minutes as Attachment 3.

RESOLUTION FOR THE MINUTES

A Resolution for the Minutes amending the *Administrative Manual – By-Laws, Management and Personnel*.

WHEREAS, the Commission periodically amends its *Administrative Manual – By-Laws, Management and Personnel (Bylaws)* to streamline procedures and update personnel policies;

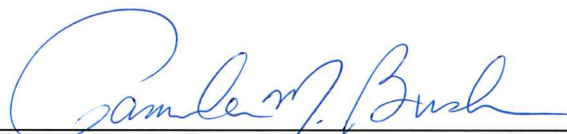
WHEREAS, the Executive Director and staff have recommended amendments to the current *Bylaws* at Sections 5.7 A. through 5.7 F. and the addition of an Appendix to amend the Commission’s policies regarding health insurance benefits.

WHEREAS, the Commission has determined that its best interests are served by the revisions to the *Bylaws* described above; now therefore,

BE IT RESOLVED by the Delaware River Basin Commission that:

1. The *Administrative Manual – Bylaws, Management and Personnel* is hereby amended to incorporate the revisions shown in Attachment A.
2. The revised *Administrative Manual – Bylaws, Management and Personnel* shall be effective upon the date of adoption.

Adjournment. There being no other business before the Commission, Mr. Domber moved for adjournment. Ms. Whitcomb seconded his motion, and the meeting was adjourned by unanimous vote at approximately 3:20 p.m.



Pamela M. Bush, Commission Secretary and
Assistant General Counsel

ATTACHMENT 1
TO THE MINUTES OF THE SPECIAL BUSINESS MEETING
OF AUGUST 26, 2025

A Resolution for the Minutes
Terminating the Commission's Participation in the
New Jersey State Health Benefit Program
(on form required by the SHBP)



State Health Benefits Program (SHBP)
School Employees' Health Benefits Program (SEHBP)

RESOLUTION

To be completed by the employing agency's Certifying Officer.

A resolution to terminate all participation under the SHBP and SEHBP (including prescription drug plan and/or dental plan coverage).

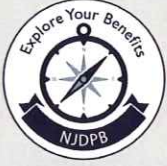
BE IT RESOLVED:

1. The Delaware River Basin Commission 800600
Corporate Name of Employer SHBP/SEHBP Employer Location Number
hereby resolves to terminate its participation in the Program (Medical Plan, Prescription Drug Plan, and/or Dental Plan coverage) thereby canceling coverage provided by the SHBP and/or SEHBP (N.J.S.A. 52:14-17.25 et seq.) for all its active and retired employees.
2. We shall notify all active employees of the date of their termination of coverage under the Program.
3. We understand that the New Jersey Division of Pensions & Benefits (NJDPB) will notify retired employees of the cancellation of their coverage.
4. We understand that all COBRA participants will be notified by the NJDPB and advised to contact our office concerning a possible alternative health, prescription drug, and dental insurance plan.
5. We understand that this resolution shall take effect the first of the month following a 60-day period beginning with the receipt of the resolution by the State Health Benefits Commission or School Employees' Health Benefits Commission.

I hereby certify that the foregoing is a true and correct copy of a resolution duly adopted by the:

<u>Delaware River Basin Commission</u>			<u>609-883-9500</u>
<small>Corporate Name of Employer</small>			<small>Phone Number</small>
<u>25 Cosey Road</u>	<u>West Trenton</u>	<u>NJ</u>	<u>08626</u>
<small>Street Address</small>	<small>City</small>	<small>State</small>	<small>Zip Code</small>
<u>Elba Deck</u>	<u>Director of Finance & Administration</u>	<u>elba.deck@drbc.gov</u>	
<small>Print Name</small>	<small>Official Title</small>	<small>Email Address</small>	
<u></u>			<u>8 / 26 / 2025</u>
<small>Signature</small>			<small>Date</small>
<u>26</u>	<u>23-1605892</u>		
<small>Number of Employees</small>	<small>Employer's State Employer Identification Number (EIN)</small>		

Please complete page 2 of this form.



State Health Benefits Program (SHBP)
 School Employees' Health Benefits Program (SEHBP)
RESOLUTION

Please complete and comply with the following:

Type of funding method with the new contract:

☐ Conventionally insured _____

☐ Minimum premium _____

☐ Administrative Services Only (ASO) _____

☒ Other (please list) self-insured consortium

☒ New Health Carrier Central NJ Regional Health Insurance Fund

☒ New Prescription Drug Carrier Central NJ Regional Health Insurance Fund

☒ New Dental Plan Carrier Central NJ Regional Health Insurance Fund

☒ Reason for termination from the SHBP/SEHBP _____

Competitive pricing & long term stability for the Delaware River Basin Commission

In accordance with N.J.S.A. 18A:16-21 and 40A:10-25, you must file a copy of your new contract with the State Health Benefits Commission or School Employees' Health Benefits Commission. Please submit a copy of the new contract with this completed resolution.

Mail Completed Resolution to:

**New Jersey Division of Pensions & Benefits
 Health Benefits Bureau
 P.O. Box 299
 Trenton, NJ 08625-0299**

ATTACHMENT 2

TO THE MINUTES OF THE SPECIAL BUSINESS MEETING OF AUGUST 26, 2025

Exhibits A and B to the Resolution for the Minutes
Authorizing the Executive Director to Execute Documents Required for
Purposes of Initiating and Maintaining Commission Membership
in the Central Jersey Health Insurance Fund

*(consisting of, respectively,
the Indemnity and Trust Agreement
and a form for appointment of a Fund Commissioner
and Alternate Fund Commissioner)*

**CENTRAL JERSEY HEALTH INSURANCE FUND INDEMNITY
AND TRUST AGREEMENT**

THIS AGREEMENT made this _____ day of _____, 20__, in the County of _____, State of New Jersey, By and Between the **Central Jersey Health Insurance Fund** referred to as "FUND" and the governing body of the _____ a duly constituted LOCAL UNIT OF GOVERNMENT, hereinafter referred to as "LOCAL UNIT".

WITNESSETH:

WHEREAS, the governing bodies of various local units of government, as defined in N.J.A.C. 11:15-3.2, have collectively formed a Joint Insurance Fund as such an entity is authorized and described in N.J.S.A. 40A:10-36 et. seq. and the administrative regulations promulgated pursuant thereto; and

WHEREAS, the LOCAL UNIT has agreed to become a member of the FUND in accordance with and to the extent provided for in the Bylaws of the FUND and in consideration of such obligations and benefits to be shared by the membership of the FUND;

NOW THEREFORE, it is agreed as follows:

1. The LOCAL UNIT accepts the FUND's Bylaws as approved and adopted and agrees to be bound by and to comply with each and every provision of said Bylaws and the pertinent statutes and administrative regulations pertaining to same.
2. The LOCAL UNIT agrees to participate in the FUND with respect to health insurance, as defined in N.J.S.A. 17B:17-4, and as authorized in the LOCAL UNIT's resolution to join.
3. The LOCAL UNIT agrees to become a member of the FUND and to participate in the health insurance coverages offered for an initial period, (subject to early release or termination pursuant to the Bylaws), such membership to commence on _____ and ending on _____ at 12:01 AM provided, however, that the LOCAL UNIT may withdraw at any time upon written notice to the FUND.
4. The LOCAL UNIT certifies that it has never defaulted on payment of any claims if self-insured and has not been cancelled for non-payment of insurance premiums for a period of at least two (2) years prior to the date of this Agreement.
5. In consideration of membership in the FUND, the LOCAL UNIT agrees that it shall jointly and severally assume and discharge the liability of each and every member of the FUND, for

the periods during which the member is receiving coverage, all of whom as a condition of membership in the FUND shall execute an Indemnity and Trust Agreement similar to this Agreement and by execution hereto, the full faith and credit of the LOCAL UNIT is pledged to the punctual payments of any sums which shall become due to the FUND in accordance with the Bylaws thereof, this Agreement or any applicable Statute. However, nothing herein shall be construed as an obligation of the LOCAL UNIT for claims and expenses that are not covered by the FUND, or for that portion of any claim or liability within the LOCAL UNIT retained limit or in an amount which exceeds the FUND's limit of coverage.

6. If the FUND in the enforcement of any part of this Agreement shall incur necessary expenses or become obligated to pay attorney's fees and/or court costs, the LOCAL UNIT agrees to reimburse the FUND for all such reasonable expenses, fees, and costs on demand.

7. The LOCAL UNIT and the FUND agree that the FUND shall hold all moneys in excess of the LOCAL UNIT's retained loss fund paid by the LOCAL UNIT to the FUND as fiduciaries for the benefit of FUND claimants all in accordance with N.J.A.C. 11:15-3 et. seq.

8. The FUND shall establish and maintain Claims Trust Accounts for the payment of health insurance claims in accordance with N.J.S.A. 40A:10-36 et. seq., N.J.S.A. 40A:5-1 and such other statutes and regulations as may be applicable. More specifically, the aforementioned Trust Accounts shall be utilized solely for the payment of claims, allocated claim expense and stop loss insurance or reinsurance premiums for each risk or liability as follows:

- Employer contributions to group health insurance
- Employee contributions to contributory group health insurance
- Employer contributions to contingency account
- Employee contributions to contingency account
- Other trust accounts as required by the Commissioner of Insurance

9. Notwithstanding 8 above, to the contrary, the FUND shall not be required to establish separate trust accounts for employee contributions provided the FUND provides a plan in its Bylaws for the recording and accounting of employee contributions of each member.

10. Each LOCAL UNIT of government who shall become a member of the FUND shall be obligated to execute an Indemnity and Trust Agreement similar to this Agreement.

CENTRAL JERSEY HEALTH INSURANCE FUND

ADOPTED: _____

BY: _____

MAYOR

ATTEST:

CLERK

CENTRAL JERSEY HEALTH INSURANCE FUND

BE IT RESOLVED by the _____ that

Name of Municipality or School Board

_____ be and is hereby appointed as Fund

Name of Fund Commissioner

Commissioner to the Central Jersey Health Insurance Fund, effective

_____, 20____, to represent the _____

Name of Municipality or School Board

and

BE IT FURTHER RESOLVED that _____ be and is

Name of Alternate Fund Commissioner (if applicable)

appointed as Alternate Fund Commissioner to the Central Jersey Health Insurance Fund
effective _____, 20__.

Motion _____ **Second** _____

Vote:

CERTIFICATION

I, _____, do hereby certify that the foregoing is a

Name of Chairman of the Board

true copy of a resolution duly passed and adopted by the Board of Commissioners at its
meeting held on the _____ day of _____, 20__.

ATTACHMENT 3
TO THE MINUTES OF THE SPECIAL BUSINESS MEETING
OF AUGUST 26, 2025

Attachment A to the Resolution for the Minutes Amending
the *Administrative Manual – Bylaws, Management and Personnel*

*(consisting of the text of the approved
amendments to the AM-BMP)*

Administrative Manual BY-LAWS, MANAGEMENT AND PERSONNEL

**Adopted and Effective December 13, 1961
Revised through ~~December 5, 2024~~ August 26, 2025**



Delaware River Basin Commission

DELAWARE • NEW JERSEY
PENNSYLVANIA • NEW YORK
UNITED STATES OF AMERICA

Delaware River Basin Commission

25 Cosey Road
P.O. Box 7360
West Trenton, NJ 08628-0360

(609) 883-9500

www.drbc.gov

**Administrative Manual
BY-LAWS, MANAGEMENT AND PERSONNEL
Adopted and Effective December 13, 1961
Revised through ~~December 6, 2023~~ August 26, 2025**

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CHAPTER 5

PERSONNEL POLICIES

* * * * *

5.7 Fringe Benefits for Employees. Each type of Commission employee is entitled to the fringe benefits outlined herein:

5.7 A. Full-Time Probationary and Full-Time Permanent Employees:

- Social Security
- Unemployment Compensation
- Pension/Life Insurance
- Health Benefits ~~– employee and dependents as provided under the State of New Jersey Health Benefits Program~~
- Dental Program—employee and dependents
- Vacation
- Sick Leave
- Personal Leave
- Franchise Leave
- Approved Holidays
- Special Leave with Pay
- Special Leave without Pay
- Long-Term Disability
- IRC Section 125 health benefits plan options
- State of New Jersey Temporary Disability

5.7 B. Full-Time Temporary Employees:

- Social Security
- Unemployment Compensation
- Pension/Life Insurance
- Health Benefits ~~– employee and dependents as provided under the State of New Jersey Health Benefits Program~~
- Dental Program—employee only
- Vacation
- Sick Leave
- Personal Leave
- Franchise Leave
- Approved Holidays
- Long-Term Disability
- IRC Section 125 health benefits plan options
- State of New Jersey Temporary Disability

5.7 C. Part-Time Temporary Employees:

- Social Security
- Unemployment Compensation
- Pension/Life Insurance (subject to plan requirements)

~~Health Benefits as provided under the State of New Jersey Health Benefits Program
Dental Program—employee only (subject to plan requirements)~~

Vacation

~~IRC Section 125 health benefits plan options (subject to plan requirements)~~

State of New Jersey Temporary Disability

State of New Jersey Mandated Sick Leave as required based on length of service

State of New Jersey Mandated Defined Contribution Retirement Plan if not eligible for
PERS and earns over the state-mandated amount

5.7 D. *Part-Time Probationary and Part-Time Permanent Employees:*

Social Security

Unemployment Compensation

Pension/Life Insurance (subject to plan requirements)

~~Health Benefits as provided under the State of New Jersey Health Benefits Program
(subject to plan requirements)~~

~~Dental Program—employee only (subject to plan requirements)~~

Vacation

Sick Leave—prorated

Approved Holidays—pro-rated based on scheduled weekly work schedule.

Long-Term Disability

~~IRC Section 125 health benefits plan options (subject to plan requirements)~~

State of New Jersey Temporary Disability

State of New Jersey Mandated Defined Contribution Retirement Plan if not eligible for
PERS and earn over the state-mandated amount

5.7 E. *Seasonal:*

Social Security

Unemployment Compensation—depending on status of employee

State of New Jersey Mandated Sick Leave as required based on length of service

State of New Jersey Temporary Disability

~~State of New Jersey Mandated Defined Contribution Retirement Plan if not eligible for
PERS and earn over the state-mandated amount~~

5.7 F. *Description of Benefits.*

1. *Social Security* – as provided by Federal law.
2. *Unemployment Compensation* – as provided by State of New Jersey law.
3. *Pension/Life Insurance* – Membership in the New Jersey Public Employees Retirement System, rules and regulations as promulgated by the State of New Jersey. The Commission will pay the employee the amount of an annual premium on a term life insurance policy equal to one and one-half times the employee's base compensation.
4. *Dental Insurance* – ~~commencing November 1, 2025~~, shall be provided annually from options available through ~~the a health insurance fund established in accordance with N.J.S.A. 40A:10-36 and implementing regulations, rather than through the~~ State of New Jersey Health Benefits Program, in which the Commission participated prior to November 1, 2025. The Executive Director shall establish on an annual basis the level of the Commission's contribution to the dental insurance premiums of active employees and their dependents.

5. *Health Insurance* – ~~shall be as provided by the State of New Jersey Health Benefits Program. Minimum employee contributions are mandated by state law and are based upon the full-time equivalent salary of any employee receiving the benefit. The State of New Jersey Health Benefits Program establishes on an annual basis the level of employee contributions toward the health insurance premiums for active employees and their dependents, commencing November 1, 2025, shall be as provided by the Commission through a health insurance fund established in accordance with N.J.S.A. 40A:10-36 and implementing regulations, rather than through the New Jersey State Health Benefits Program (SHBP), in which the Commission participated prior to November 1, 2025.~~

Employee Contribution: Unless and until the Commission adopts further changes, minimum contributions by active and retired employees shall be those in effect for SHBP members as of August 26, 2025, as set forth in Appendix A hereof. These are the contributions established by a New Jersey statute enacted in 2011, known as “Chapter 78,” by which, with limited exceptions, the State imposed a requirement that all public employees who retire after June 28, 2011 and receive employer-paid health benefits must make a minimum standard contribution to the cost of their health insurance premiums. The contributions, expressed as percentages of the applicable premium, are based upon the full-time salary or state pension of the active or retired employee receiving the benefit.

Retirees: Since January 1, 2006, the eligibility of current DRBC employees for a health benefit in retirement has been defined by Resolution No. 2005-14, adopted pursuant to N.J.S.A. 52:14-17.38 (also known as “Chapter 48”) for seven classes of eligible retirees. However, the amount of the benefit, expressed in terms of the percentage of health insurance premiums to be covered by the Commission for the retiree, surviving spouse, and dependents, is no longer determined solely by that resolution.

Pursuant to a New Jersey statute enacted in 2011, known as “P.L. 2011, Chapter 78” (also simply “Chapter 78”), with limited exceptions, the State of New Jersey imposed a requirement that all public employees who retire after June 28, 2011 and receive employer-paid health benefits must make a minimum standard contribution to the cost of their health insurance premiums.

DRBC’s transition as of November 1, 2025 from the State Health Benefits Plan to membership in a health insurance fund does not alter the eligibility of DRBC employees for a health benefit in retirement. Eligibility remains as defined by Resolution No. 2005-14, adopted pursuant to the New Jersey law known as “Chapter 48.” The scope of the benefit remains as modified by New Jersey Chapter 78, enacted in 2011, by which minimum contributions were imposed on almost all active and retired employees. When the Commission transitioned from the SHBP to a health insurance fund in 2025, it adopted the minimum employee (active and retiree) contributions in effect at the time, which are set forth in Appendix A. These percentage contributions will remain in effect unless and until the Commission by a duly adopted resolution elects to modify them.

The amount of an individual’s health benefit upon retirement is ~~now~~ thus determined by reference to ~~three key documents~~:

- a. Resolution No. 2005-14, ~~which~~ identifies the seven (7) classes of Commission retirees who are eligible to receive a health care insurance benefit in retirement, and the corresponding Chapter 48 benefit for each.
- b. The Health Benefit Contribution Tables ~~comprising Appendix A hereof, established by Chapter 78~~ establishing the minimum percentage contribution by retirees (as well as by active employees) for their health care benefits.¹ ~~See: <https://www.state.nj.us/treasury/pensions/documents/hb/oe2021/ha0886.pdf>. Where the minimum retiree contribution established by Chapter 78, (and now set forth in Appendix A) exceeds the retiree contribution defined by Resolution No. 2005-14, the Chapter 78 minimum Appendix A controls.~~
- c. The health insurance plan choices and corresponding premiums for any given plan year. ~~establish the benefit amounts from which the employees' percentage contributions are deducted. See: <https://www.state.nj.us/treasury/pensions/hb-retired-shbp.shtml>.~~

The seven classes of DRBC employees eligible for health benefits upon retirement as defined by Resolution No. 2005-14, and the benefits originally assigned them by that resolution (“Chapter 48 benefits”) are described below.²¹ With the exception of employees in Class 2 however, as of 2025~~4~~ all active DRBC employees who attain eligibility for a health benefit upon retirement ~~will be~~ are subject to the minimum retiree contributions ~~established by Chapter 78, P.L. 2011 of New Jersey set forth in Appendix A.~~

- Class 1: For employees retiring on ordinary disability or accidental disability having met the service requirement established by the Public Employees’ Retirement System (“PERS”) regulations, the Chapter 48 benefit included 100 percent of the health care premium for the retiree, retiree’s surviving spouse, and dependents. ~~However, Chapter 78 (Appendix A) minimum retiree contributions now apply to these benefits.~~
- Class 2: For employees who attained more than 20 years of service credit in PERS prior to January 1, 2006 and who retire with 25 years or more of service credit in PERS, the Chapter 48 benefits consist of 100 percent of health care premiums and Medicare Part B reimbursements for the retiree, retiree’s surviving spouse, and dependents. These benefits, “grandfathered” by Chapter 78, are not subject to the minimum retiree contribution requirement.
- Class 3: For employees hired prior to January 1, 2006 who had attained fewer than 20 years of service credit in PERS by that date and who retire with 25 years or more of service credit in the PERS system, including at least 10 years of service with the

~~¹To use the linked worksheet and tables, it is necessary to understand: (a) that under New Jersey law concerning pensions and benefits, the Commission is considered a “Local Government Employer” and the Commission’s employees, “Local Government Employees”; and (b) that a retiree’s “annual retirement allowance” is the amount of the employee’s annual pension.~~

²¹In the event of any discrepancy between the narrative furnished here, on the one hand, and the provisions of DRBC Resolution No. 2005-14 and ~~applicable New Jersey’s law~~ Chapter 48, on the other, the resolution and state law are controlling.

Commission, the Chapter 48 benefit consisted of 100 percent of the health care premium for the retiree, retiree's surviving spouse, and dependents. **However**, Chapter 78 (**Appendix A**) minimum retiree contributions now apply to these benefits.

- Class 4: For employees hired on or after January 1, 2006 who retire with 25 years or more of service credited in the PERS system, including at least 10 years of service with the Commission, the Chapter 48 benefit consisted of 100 percent of the health care premium for the retiree and 50 percent of the premium for the retiree's surviving spouse and dependents. **However**, Chapter 78 (**Appendix A**) minimum retiree contributions now apply to these benefits.
- Class 5: For employees hired prior to January 1, 2006 who retire at age 62 or older after 15 or more years of service with the Commission, the Chapter 48 benefit consisted of 100 percent of the health care premium for the retiree and 75 percent of the premiums for the retiree's surviving spouse and dependents. **However**, Chapter 78 (**Appendix A**) minimum retiree contributions now apply to these benefits.
- Class 6: For employees hired after January 1, 2006 who retire at age 62 or older with 15 or more years of service with the Commission, the Chapter 48 benefit consisted of 100 percent of the premium for the retiree and 50 percent³ of the premiums for the retiree's surviving spouse and dependents. **However**, Chapter 78 (**Appendix A**) minimum retiree contributions now apply to these benefits.
- Class 7: For employees in the positions of Executive Director and Deputy Executive Director who retire after 15 years or more of service with the Commission at age 62 or older *or* who retire with 25 years of credit in the PERS system and at least 10 years or more of service with the Commission, the Chapter 48 benefit consisted of 100 percent of the premium cost for the retiree, spouse and dependents. **However**, Chapter 78 (**Appendix A**) minimum retiree contributions now apply to these benefits.

Not all those eligible for a pension under PERS will necessarily receive a health benefit in retirement. Retirees who do not meet the criteria for any of the seven classes defined in Resolution No. 2005-14 are not eligible for DRBC health benefits upon retirement.

6. *IRC Section 125 Health Benefits Plan Options* – Section 125 of the Federal Internal Revenue Code allows an employee the opportunity to set aside before-tax dollars to pay for qualified medical, dental and dependent care expenses. The Executive Director is authorized to establish Section 125 health benefits plan options as the Executive Director deems appropriate. ~~The available options are outlined in the Employee Handbook.~~

* * * * *

³~~The version of the amended *Bylaws, Management and Personnel* (“*Bylaws*”) furnished to the Commissioners prior to their adoption of the amended rules in December 2021 described the Chapter 48 health care benefit for a surviving spouse and dependents of retired Class 6 employees as “75 percent” of the premium cost. As set forth in the “Resolution Addendum – Chapter 48, P.L. 1999” attached to Resolution No. 2005-14, Chapter 48 actually defined this benefit as 50 percent of premium cost. The clerical error in the approved *Bylaws* has been corrected.~~

APPENDIX A

HA-0886-0922



State Health Benefits Program

PERCENTAGE OF PREMIUM CALCULATION CHARTS

For Health Benefit Contributions under P.L. 2011, c. 78

LOCAL GOVERNMENT EMPLOYEES

Annual Salary or Pension	Single	Member/Spouse/Partner or Parent/Child	Family
Less than \$20,000	4.5%		
Less than \$25,000		3.5%	3%
\$20,000 - \$24,999.99	5.5%		
\$25,000 - \$29,999.99	7.5%	4.5%	4%
\$30,000 - \$34,999.99	10%	6%	5%
\$35,000 - \$39,999.99	11%	7%	6%
\$40,000 - \$44,999.99	12%	8%	7%
\$45,000 - \$49,999.99	14%	10%	9%
\$50,000 - \$54,999.99	20%	15%	12%
\$55,000 - \$59,999.99	23%	17%	14%
\$60,000 - \$64,999.99	27%	21%	17%
\$65,000 - \$69,999.99	29%	23%	19%
\$70,000 - \$74,999.99	32%	26%	22%
\$75,000 - \$79,999.99	33%	27%	23%
\$80,000 - \$84,999.99		28%	24%
\$80,000 - \$94,999.99	34%		
\$85,000 - \$89,999.99			26%
\$85,000 - \$99,999.99		30%	
\$90,000 - \$94,999.99			28%
\$95,000 and over	35%		
\$95,000 - \$99,999.99			29%
\$100,000 and over		35%	
\$100,000 - \$109,999.99			32%
\$110,000 and over			35%

Note: Member contribution is a minimum of 1.5% of base salary towards Health Benefits.