RESOLUTION NO. 2026-70

RESOLUTION OF THE LITTLE EGG HARBOR MUNICIPAL UTILITIES AUTHORITY, COUNTY OF OCEAN, STATE OF NEW JERSEY RECOGNIZING KEY MANAGEMENT PERSONNEL EMPLOYMENT CLASSIFICATIONS AND ESTABLISHING RETIREMENT HEALTH BENEFIT AND MEDICARE REIMBURSEMENT PROVISIONS

WHEREAS, the Little Egg Harbor Municipal Utilities Authority (the "Authority") is a public body corporate and politic of the State of New Jersey, duly organized and operating pursuant to the Municipal and County Utilities Authorities Law, N.J.S.A. 40:14B-1 *et seq.*; and

WHEREAS, the Authority relies heavily upon the specialized administrative, technical, and executive leadership of key management personnel to direct critical public infrastructure, maintain regulatory compliance, and ensure the ongoing operational and financial integrity of the utility system; and

WHEREAS, to attract, retain, and fairly compensate executive leadership occupying unique, high-level administrative positions, the Authority enters into formal, individualized employment contracts executed and signed by both the employee and the Authority; and

WHEREAS, the Authority previously adopted Resolution 46-95, establishing retiree health benefits and Medicare Part B reimbursements for eligible long-serving employees as well as Resolution 2026-56 which "Grandfathers" current permanent contracted employees; and

WHEREAS, subsequent statutory reforms to the New Jersey Public Employees' Retirement System (NJ PERS) have created different tiers of retirement eligibility, necessitating an updated and harmonized framework that preserves existing rights for Tier 1 executive personnel while establishing clear, equitable standards for Tier 5 executive personnel; and

WHEREAS, the Board of Commissioners has determined that it is in the best operational and financial interest of the Authority to codify these distinctions clearly, avoiding any penalty or disruption to legacy rights while establishing transparent criteria for newer contracted executive leadership;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Little Egg Harbor Municipal Utilities Authority as follows:

Section 1. Classification of Recognized Contracted Personnel

To prevent any claim of discrimination and to establish a distinct, justifiable classification of employment, the post-retirement benefits authorized by this Resolution shall apply **strictly and exclusively** to employees who maintain a formal, legal employment contract executed and signed by both the employee and the Authority within the following designated job titles:

1. **Executive Director / Chief Financial Officer**
2. **Superintendent**

3. **Deputy Superintendent**
4. **Executive Secretary**
5. **Chief Operations and Technology Coordinator**

No other job titles, classifications, or uncontracted personnel shall be recognized under or eligible for the provisions of this Resolution.

Section 2. Tier-Specific Eligibility and Benefit Structures

Recognized contract personnel shall qualify for Authority-paid retiree health benefits (including prescription plans for the retiree and surviving spouse) and Medicare Part B premium reimbursements based upon their respective NJ PERS Tier status and governing statutory parameters:

Track A: Tier 1 PERS Personnel

- **Applicable Current Titles:** Superintendent, Executive Secretary, Chief Operations and Technology Coordinator.
- **Status & Rationale:** These current recognized contracted personnel are enrolled in Tier 1 of NJ PERS and are already recognized under previously adopted Authority **Resolution 46-95 and "Grandfathered" under Resolution 2026-56**.
- **Eligibility Criteria:** Eligible for retiree health benefits upon retiring at age 55 or older, and eligible for reimbursement of Medicare Part B upon reaching age 65, pursuant to their existing contractual rights and prior Authority resolutions. Nothing in this resolution shall diminish, alter, or penalize the grandfathered rights of these Tier 1 recognized contract personnel.

Track B: Tier 5 PERS Personnel

- **Applicable Current Titles:** Executive Director/CFO, Deputy Superintendent.
- **Status & Rationale:** These current recognized contracted personnel are enrolled in Tier 5 of NJ PERS, are statutorily restricted from retiring prior to age 65 without severe penalties, and require modernized recruitment and retention terms.
- **Eligibility Criteria:** To qualify for retiree health benefits (for the retiree and surviving spouse) and Medicare Part B premium reimbursements, Tier 5 recognized contracted personnel must satisfy **all** of the following criteria upon separation from service:
    1. Attain a minimum age of **sixty-five (65) years;**
    2. Complete a minimum of **ten (10) years of continuous employment** with the Authority; and
    3. Have at least **twenty (20) years of service credit** in the NJ PERS.

Section 3. General Provisions for Medicare Part-B Reimbursement

1. **Scope:** For all qualifying retirees reaching age 65 or disabled, under both Track A and Track B, the Authority shall reimburse the retiree for Medicare Part-B premiums incurred for both the employee and their eligible surviving spouse.

2. **Payment Terms:** Reimbursement shall be payable **quarterly** upon presentation of official proof and documentation demonstrating that the amount was withheld from a Social Security payment.

3. **Duration:** Reimbursements and health coverage shall be payable to the retiree until death. Upon the retiree's death, the eligible surviving spouse shall continue to receive benefits and reimbursements until their death, at which time the program for that household shall permanently cease.

Section 4. Severability and Administration

1. If any section, paragraph, subsection, clause, or provision of this Resolution shall be adjudged by a court of competent jurisdiction to be invalid, such adjudication shall apply only to the specific provision so judged, and the remainder of this Resolution shall remain in full force and effect.

2. The Executive Director/CFO and Authority legal counsel are authorized to incorporate these structured terms into applicable employment agreements.

NOW, THEREFORE, BE IT RESOLVED, this 13th day of October 2026, by the Little Egg Harbor Municipal Utilities Authority as follows:

1 - The Authority accepts the recommendations of its Legal Counsel and upon confirmation by the NJ State Division of Pension and Benefits.
2 – The Authority authorizes and directs the Chairman, Secretary, and/or Executive Director to execute all necessary documents in order to implement the intent of this resolution.

CERTIFICATION

I hereby certify that the foregoing Resolution was duly adopted by the Little Egg Harbor Municipal Utilities Authority at a meeting held on the 10th day of November 2026, a quorum being present and voting in the majority.

Marie Skelly, Secretary