

10747. RESOLUTION 13-43B – AUTHORIZES THE AMENDMENTS TO THE RESTATED DELAWARE RIVER AND BAY AUTHORITY EMPLOYEES’ RETIREMENT PLAN

WHEREAS, The Delaware River and Bay Authority (the “Authority”) currently maintains the Delaware River and Bay Authority Employees’ Retirement Plan (the “Retirement Plan”); and

WHEREAS, pursuant to Section 8.1(a) of the Retirement Plan, the Authority has the right to amend the Retirement Plan pursuant to a resolution of the Commissioners of the Authority; and

WHEREAS, the Authority desires to amend the Retirement Plan as it relates to administrative procedures, clarification of certain sections of the Retirement Plan, and to add a disability retirement benefit; and

WHEREAS, the proposed amendments have been reviewed by the Personnel Committee and found to be appropriate; and

WHEREAS, the proposed amendments require no significant expense to the Authority above normal administrative costs.

NOW, THEREFORE, BE IT RESOLVED, that the Delaware River and Bay Authority hereby approves the following amendments to the Employees’ Retirement Plan effective January 1, 2014:

1. All Sections of the Plan Document shall be in compliance and brought up to date with reference to the Internal Revenue Code Section 401(a)(17).
2. Amendment to Section 3.2 Effective Date of Participation to state first day of the month following 30 days of active full-time employment.
3. Amendments in Sections 5.1(d) and 5.2 to ensure no Authority retiree is eligible to continue to receive a pension payment upon his/her return to any Authority employment (full time or part time).
4. Amendment to multiple sections of the Plan Document to state a disabled employee will remain as a participant in the Retirement Plan no longer than twelve (12) months. The Authority’s Personnel Manual will be amended to reduce continuation of benefits to coincide with this Pension Plan amendment.
5. Amendment to Section 5.3 to allow a disability retirement benefit prior to normal retirement date once the participant has been deemed disabled for at least twelve (12) months.
6. Amendment to Section 11.20(a) (ii) to change the calculation of eligible months to purchase service time credit.
7. Clarification in Section 11.20(c) and 11.20(d) to accept only pre-tax dollars to the Trust to purchase credits for prior service.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the proper officers and employees of the Authority are hereby authorized to execute the necessary amendments to the Retirement Plan and to take whatever action and to execute whatever instruments with the advice and consent of counsel that may be necessary or convenient to carry out the foregoing resolution. Once these amendments have been authorized for inclusion to the Retirement Plan, we further authorize the restatement of the Plan Document which will include these amendments.

A motion to approve Resolution 13-43B was made by Commissioner Lowe, seconded by Commissioner Lathem, and approved by a roll call vote of 9-0.

Resolution 13-43B Executive Summary Sheet

Resolution:	Authorizes The Amendments To The Restated DELAWARE RIVER and Bay Authority Employees' Retirement Plan
Committee:	Personnel Committee
Committee Date:	November 19, 2013
Board Date:	November 19, 2013
Purpose of Resolution:	To approve proposed amendments to the Authority's Employees' Retirement Plan for all permanent employees as presented by the Executive Director and the Chief Human Resources Officer.
Background for Resolution:	The Delaware River and Bay Authority has had an Employees' Retirement Plan (the Retirement Plan) since June 1, 1963. The last restatement to the Retirement Plan was January 1, 2007.

It is the responsibility of the Authority to frequently review the Plan Document for compliance and accuracy as it pertains to relevant governmental regulations, as well as with established Authority employment practices.

Based on a recent review of the Plan Document and established employment practices, the Authority recommends amendments to the Plan Document so that the Retirement Plan continues to be in compliance as a qualified plan as defined by the IRS.

Certain sections of the current version of the Retirement Plan are not in compliance with the current practice and DRBA wishes to amend those sections in the Retirement Plan. These sections are relevant to when an employee is eligible to enter the Retirement Plan (current version states first of year after date of hire); buy back service provision calculation for those part time employees who become full-time; buy-back service payment procedure (current version is silent on this and has impact on taxes for the employee); suspension of pension benefits when retired employee is re-employed (clarification that re-employment is for full-time or part-time); and reference to IRS limits on compensation and annual benefit limits (current version states actual outdated money amounts).

DRBA is recommending the addition of a disability retirement provision to the Retirement Plan which will allow participants to receive distribution earlier than the normal retirement date once the participant has been deemed disabled for at least twelve (12) months and is determined to be unable to engage in any substantially gainful

activity and is eligible to receive federal Social Security disability benefits.

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Commissioner Van Sant joined the meeting at 11:52 a.m. by telephone.

Executive Director Green acknowledged Commissioner Van Sant's presence and asked if he had an opportunity to review the Board materials for which Commissioner Van Sant replied yes.

Deputy Executive Director Minor took roll again and noted that there were five (5) Commissioners present from New Jersey and five (5) Commissioners present from Delaware.