

11021. RESOLUTION 15-40 – AUTHORIZES THE AMENDMENT OF THE RESTATED DELAWARE RIVER AND BAY AUTHORITY EMPLOYEES’ DEFINED CONTRIBUTION PLAN

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

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

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

NOW, THEREFORE, BE IT RESOLVED, that the Delaware River and Bay Authority hereby approves the following amendment to the Plan effective immediately:

That the Plan be and hereby is amended generally effectively immediately to remove from the Plan references in the Plan to the Employer Contributions and Mandatory Employee Contributions.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that a separate Section 401(a) plan be established to permit Employer Contributions and Mandatory Employee Contributions and to accept, hold and administer the Employer Contributions and Mandatory Employee Contributions in accordance with the provisions of Section 401(a); and

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 Defined Contribution Plan document, to establish a separate 401(a) 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 resolutions.

A motion to approve Resolution 15-40 was made by Commissioner Wilson, seconded by Commissioner Downes, and approved by a roll call vote of 8-0.

Resolution 15-40 Executive Summary Sheet

Resolution: AUTHORIZES THE AMENDMENTS TO THE RESTATED DELAWARE RIVER AND BAY AUTHORITY EMPLOYEES' DEFINED CONTRIBUTION PLAN

Committee: Personnel Committee

Committee Date: October 27, 2015

Board Date: October 27, 2015

Purpose of Resolution: To approve proposed amendments to the Authority's Employees' Defined Contribution Plan (the "Plan") for all permanent full-time Employees as presented by the Executive Director and the Chief Human Resources Officer.

Background for Resolution: The Delaware River and Bay Authority has had the Delaware River and Bay Authority Employees' Defined Contribution Plan since January, 1999.

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 practices, the Authority recommends amending the Plan to permit Employer Contributions and Mandatory Employee Contributions to a separate Section 401(a) plan up to the maximum amount permitted under the Internal Revenue Code of 1986, as amended.

It is important to note that since inception of a Defined Contribution Plan, the Authority has maintained two (2) separate funds – one for employer and mandatory employee contributions which is the 401(a) plan and one for voluntary employee contributions which is the 457(b) plan. However, there was only one (1) plan document covering both funds. This resolution corrects this by establishing a separate 401(a) plan document and revises the current defined contribution plan document as the 457(b) plan document.

These actions ensure that employees are afforded the opportunity to maximize their contribution limits currently \$53,000 for 401(a) plans and \$18,000 for 457(b) plans.

This resolution authorizes the Authority to make any necessary amendments to the 457(b) plan document and immediately adopt a separate 401(a) plan document.

Correction of the plan documents will ensure that the contributions into the Plans will be taxed appropriately.