

10993. RESOLUTION 15-27 - RESOLUTION BY THE DELAWARE RIVER AND BAY AUTHORITY AUTHORIZING AMENDMENTS TO RESOLUTION 04-65

WHEREAS, the Delaware River and Bay Authority (the “Authority”) is committed to providing its employees and retirees a comprehensive core benefit program; and

WHEREAS, the Authority is responsible for prudent financial governance with respect to those core benefit programs; and

WHEREAS, the Authority is responsible for taking appropriate action to control escalating core benefit costs; and

WHEREAS, the Personnel Committee has reviewed and recommends the changes to amend the original resolution 04-65 to coincide with intention of the Authority and any written agreements made to employees hired after the effective date of the resolution but before the new benefits structure took effect.

NOW, THEREFORE, BE IT RESOLVED that the Delaware River and Bay Authority hereby approves the following modifications to Resolution 04-65:

Section F of the Personnel Manual will read:

Medical Insurance – Permanent full-time employees hired on or after March 1, 2005, will be eligible to receive upon retirement, individual medical, dental and vision coverage provided by the Authority. Employees who were offered and accepted employment prior to March 1, 2005 with a start date later than March 1, 2005, will receive the same benefits as those in effect prior to March 1, 2005.

Section G of the Personnel Manual will read:

Basic Life Insurance - Permanent full-time employees hired on or after March 1, 2005, will be provided at no personal cost, term life insurance in an amount equal to one (1) times the employee’s base annual salary or wages. Employees who were offered and accepted employment prior to March 1, 2005 with a start date later than March 1, 2005, will receive the same benefits as those in effect prior to March 1, 2005.

Supplemental Life Insurance – In addition to Basic Group Life Insurance, permanent full-time employees, hired on or after March 1, 2005, may purchase at their personal expense, an amount of life insurance equal to one (1) times the employee’s base annual salary or wages, according to the available group rates. Employees who were offered and accepted employment prior to March 1, 2005 with a start date later than March 1, 2005, will receive the same benefits as those in effect prior to March 1, 2005.

A motion to approve Resolution 15-27 was made by Commissioner Murphy, seconded by Commissioner Smith, and approved by a roll call vote of 9-0.

Resolution 15-27 – Executive Summary Sheet

- Resolution:** Authorizing Amendments to the Resolution 04-65
- Committee:** Personnel Committee
- Committee Date:** July 21, 2015
- Board Date:** July 21, 2015
- Purpose of Resolution:** To ensure employees who were offered and accepted employment prior to March 1, 2005, but whose first day of work occurred after March 1, 2005 are afforded the same benefits as those who were hired and began employment prior to March 1, 2005. In order to eliminate ambiguity potentially resulting in costly disputes and to ensure that Authority's medical and insurance carriers honor benefits in accordance with the Authority's documented criteria, the Authority must make this clarification.
- Background for Resolution:** Resolution 04-65, adopted in December 2004, changed the medical and life insurance benefits to be offered to employees hired on or after March 1, 2005. The Authority recently learned that during the time period prior to the March 1, 2005 enactment of this change in employee benefits, a written offer of employment, including a description of benefits available to employees hired before March 1, 2005, was made and accepted by one employee. While the employee accepted the offer and was hired prior to March 1, 2005, the employee's first day of work was not until after March 1, 2005. Since that time, the employee has continuously relied on the written representations made during the hiring process and has been paying for benefits provided pursuant the same terms and conditions as all other employees hired prior to March 1, 2005. In order to clarify the Authority's intention and in consideration of the employee's continuous service to the Authority and to ensure that medical and life insurance carriers will apply the appropriate standards in retirement, the Resolution must be amended.