

RESOLUTION 24-20 – AUTHORIZING AMENDMENT TO THE DELAWARE RIVER AND BAY AUTHORITY EMPLOYEES’ RETIREMENT PLAN TO IMPLEMENT CERTAIN PROVISION OF THE SECURE ACT 2.0

WHEREAS, the Delaware River and Bay Authority (the “Authority”) currently maintains the Delaware River and Bay Authority Employee’s Retirement Plan Amended and Restated 2023 (the “Retirement Plan”); and

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

WHEREAS, the Authority last amended the **Retirement** Plan through Resolution 24-09 for retirees hired or rehired as casual employees on or after January 1, 2024, which increased the earnings limitation to \$50,000 to account for cost of living/inflation; and

WHEREAS, on December 29, 2022, President Biden signed the Consolidated Appropriation Act 2023, into law; and

WHEREAS, this legislation contains the SECURE (Setting Every Community Up for Retirement Enhancement) 2.0 Act of 2022 (“the SECURE Act 2.0”) and

WHEREAS, the Authority now desires to amend the Retirement Plan to adopt certain provisions of the SECURE Act 2.0 effective January 1, 2024; and

WHEREAS, due to changes enacted by Section 304 of the SECURE Act 2.0, the Authority wishes to increase the benefit amount subject to the small balance mandatory cash out limit provision from \$5,000 to \$7,000 effective January 1, 2024; and

WHEREAS, the Authority now desires to incorporate the amendment into the Retirement Plan document.

NOW, THEREFORE, BE IT 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 to execute whatever instruments with the advice and consent of Counsel that may be necessary or convenient to carry out the foregoing resolution.

Resolution 24-20 - Executive Summary

Resolution: Authorizing the Amendment of the Delaware River and Bay Authority Employees' Retirement Plan to Implement Certain Provision of the SECURE Act 2.0

Committee: Personnel Committee

Committee/Board Date: May 21, 2024

Purpose of Resolution: To add certain provision of the SECURE (Setting Every Community Up for Retirement Enhancement) 2.0 Act of 2022 (the "SECURE" Act 2.0") to the Authority's Employees' Retirement Plan.

Background for Resolution:

On December 29, 2022, President Biden signed the Consolidated Appropriation Act 2023, into law, which contains the SECURE Act 2.0.

Voya (the Authority's record keeper), Bolton Retirement (the Authority's pension actuary), Young Conway Stargatt and Taylor (the Authority's Benefits and Pension Legal Counsel), have reviewed the changes required/recommended under the SECURE Act 2.0.

Given the lack of guidance on many of the SECURE Act 2.0 provisions and the extension, until December 31, 2029, of the deadline for governmental plans to be amended to comply with SECURE Act 2.0, Legal Counsel has advised the Authority to only amend the Retirement Plan to increase the mandatory cash out amount.

Section 304 of the SECURE Act 2.0 allows the increase of the benefit amount subject to the small balance mandatory cash out limit provision from \$5,000 to \$7,000. Such amendment may be effective on or after January 1, 2024.

The Authority desires to make such amendment effective January 1, 2024

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