

**RESOLUTION 22-28 – AUTHORIZES THE AMENDMENTS TO THE RESTATED DELAWARE RIVER AND BAY AUTHORITY EMPLOYEES’ RETIREMENT PLAN FOR PERMANENT FULL-TIME EMPLOYEES HIRED ON OR AFTER JANUARY 1, 2015**

WHEREAS, the Delaware River and Bay Authority (the “Authority”) currently maintains the Delaware River and Bay Authority Employees’ Defined Benefit Retirement Plan (Amended and Restated 2014) (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, pursuant to Resolution 14-38 the Authority established Retirement Plan 2 to be effective for all permanent full-time employees who were hired on or after January 1, 2015, and amended the Retirement Plan to reflect those changes, which included a new formula to be used to calculate the Normal Retirement Benefit of employees hired on or after January 1, 2015; and

WHEREAS, that formula is set forth in Section 5.1(a)(ii) of the Retirement Plan as follows:

For Employees hired on or after January 1, 2015, the amount of monthly retirement benefit to be provided for each Participant who retires on his Normal Retirement Date (which benefit is called his Normal Retirement Benefit) shall be equal to 1.5% of such Participant’s Average Monthly Compensation, multiplied by such Participant’s Years of Service.

; and

WHEREAS, the Authority desires to further amend Section 5.1(a)(ii) of the Retirement Plan, with such amendment being applied retroactively to January 1, 2015, for all existing and future permanent and full-time employees hired after that date by deleting the current Section 5.1(a)(ii) in its entirety and replacing it with the following:

For Employees hired on or after January 1, 2015, the amount of monthly retirement benefit to be provided for each Participant who retires on his Normal Retirement Date (which benefit is called his Normal Retirement Benefit) shall be equal to **1.75%** of such Participant’s Average Monthly Compensation, multiplied by such Participant’s Years of Service.

; and

WHEREAS, all other provisions of the Retirement Plan as stated in Resolution 14-38 remain unchanged; and

WHEREAS, the proposed amendment has been reviewed by the Personnel Committee and found to be appropriate.

NOW, THEREFORE, BE IT RESOLVED, that the Delaware River and Bay Authority hereby approves deleting Section 5.1(a)(ii) of the Retirement Plan in its entirety and replacing it with the following:

For Employees hired on or after January 1, 2015, the amount of monthly retirement benefit to be provided for each Participant who retires on his Normal Retirement Date (which benefit is called his Normal Retirement Benefit) shall be equal to **1.75%** of such Participant's Average Monthly Compensation, multiplied by such Participant's Years of Service.

NOW, THEREFORE BE IT FURTHER RESOLVED, that numbered paragraph 3 of Resolution 14-38 is deleted in its entirety and replaced with the following:

3. Any permanent full-time employee hired on or after January 1, 2015 will become vested in Retirement Plan 2 after ten (10) years of service. Pension benefits will be calculated based on 1.75% of the average base salary for the three (3) highest consecutive years multiplied by years of service. Employees will be required to contribute 3% of base salary to said Plan.

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 to execute whatever instruments with the advice and consent of General Counsel that may be necessary or convenient to carry out the foregoing resolution.

## **Resolution 22-28 Executive Summary Sheet**

**Resolution:** Authorizes the Amendment to the Restated Delaware River and Bay Authority Employees' Retirement Plan, for Permanent Full-Time Employees hired on or after January 1, 2015

**Committee:** Personnel Committee

**Committee Date:** June 22, 2022

**Board Date:** June 22, 2022

**Purpose of Resolution:**

To approve the proposed 1.75% amendment to the Authority's Retirement Plan provision retroactively for all permanent full-time employees hired on or after January 1, 2015 and beyond as presented by the Executive Director and the Chief Human Resources Officer.

**Background for Resolution:**

The Delaware River and Bay Authority has had the Employees' retirement plans since June 1, 1963.

It is the responsibility of the Authority to frequently review the benefits offered to current and future permanent full-time employees. To be fiscally responsible and to implement practices found in other public sector companies, the Authority has decided to revise the Authority's retirement plan for permanent full-time new and rehired employees hired on January 1, 2015, and beyond.

The proposed revision in the pension plan formula revises that stated in Resolution 14-38 (copy attached).