

**12489. RESOLUTION 25-46 – AUTHORIZES THE AMENDMENTS TO THE DELAWARE RIVER AND BAY AUTHORITY’S SECTION 457(b) OF THE DEFERRED COMPENSATION PLAN TO ADD PLAN TO PLAN TRANSFERS AND PERSONAL LOAN PROVISIONS**

WHEREAS, the Delaware River and Bay Authority (the “Authority”) maintains the Delaware River and Bay Authority Employees’ Section 457(b) Deferred Compensation Plan (Amended and Restated January 1, 2019) (the “457(b) Plan”); and

WHEREAS, the Authority maintains The Delaware River and Bay Authority Employee’s Retirement Plan amended and restated March 10, 2023 (the “Pension Plan”); and

WHEREAS, pursuant to Section 7.1 of the 457(b) Plan, the Authority has the right to, at any time, amend the Plan pursuant to a resolution of the Commissioners of the Authority; and

WHEREAS, the Authority now desires to amend the 457(b) Plan to allow additional provisions to the operations of the Plans; and

WHEREAS, the Authority wishes to amend the 457(b) Plan to add a new Section 6.13 to permit plan-to-plan one-time transfers of funds from the 457(b) Plan to the Pension Plan to allow permanent active full-time employees eligible to purchase prior service for which the Participant was not credited with a Month of Service for benefit accrual purposes (“Service Time”) to pay for those hours to be included in their future pension accrual formula calculation as set forth in Section 11.20 of the Pension Plan; and

WHEREAS, the Authority wishes to amend the Section 457(b) Plan by adding a new Section 6.10(c) to permit personal participant loans; and

WHEREAS, all other provisions of the 457(b) Plan remain unchanged; and

WHEREAS, the proposed amendments have 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 adding Section 6.13 to the 457(b) Plan to permit plan-to-plan transfer of funds from the 457(b) Plan to the Pension Plan for the sole purpose of allowing eligible permanent active full-time employees the ability to purchase Service Time; and adding Section 6.10(c) to permit personal loan provisions in the 457(b) 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 457(b) 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. Another Resolution necessary to effectuate changes to the Pension Plan necessitated by this Resolution shall be presented to the Commissioners.

Resolution 24-46 was moved by Commissioner McCann, seconded by Commissioner Carey, and was approved by a roll call vote of 10-0.

**Resolution:** Authorizes the Amendments to the Delaware River and Bay Authority's Section 457(b) of the Deferred Compensation Plan to Add Plan-to-Plan Transfers and Personal Loan Provisions

**Committee:** Personnel

**Committee Date:** September 16, 2025

**Board Date:** September 16, 2025

**Purpose of Resolution:**

To approve adding provisions to the Authority's Section 457(b) Deferred Compensation Plan and the Pension Plan as presented by the Executive Director and the Chief Human Resources Officer.

**Background for Resolution:**

The Delaware River and Bay Authority has an Employees' Section 457(b) Deferred Compensation Plan.

It is the responsibility of the Authority to frequently review the benefits offered to current and future permanent active full-time employees. To be fiscally responsible and to provide opportunities and flexibility for permanent active full-time employees to manage their retirement savings when personal financial situations occur, the Authority is proposing to add two (2) provisions to the 457(b) Plan and to amend the Pension Plan.

First, the Authority is proposing to add the 457(b) plan-to-plan transfer of funds to assist those eligible permanent active full-time employees to purchase prior casual service hours instead of enduring a financial hardship to purchase the time via bi-weekly payroll deduction. Resolution 14-38 revised eligibility for hired/rehired permanent active full-time employees on or after January 1, 2015, to a 10-year vesting to be eligible to purchase prior casual time and continue to use the method of repayment through bi-weekly payroll deduction and the repayment would be based on the current salary at time of eligibility as opposed to the salary at the time of hire. In DRBA's research, this would be very costly for some employees and it should be cost-effective for those who wish to purchase the prior casual service hours for future pension eligibility. DRBA recognizes that transitioning from casual part-time to full-time is a great recruiting tool having hired approximately 38% of new hire employees from casual to full-time since 2015.

Second, the Authority is proposing to add permanent active full-time employees the opportunity to take out personal loans from their retirement savings to assist with personal matters. Currently, only hardship withdrawals according to the IRS code is allowable which is very strict.

Last, the Authority is proposing to amend the Pension Plan to enact a cap to the number of prior casual months an eligible permanent active full-time employee can purchase to a maximum of up to 24 months. Researching current eligibles hired/rehired on or after January 1, 2015, the minimum number of purchased months are 1 (one), the maximum of purchased months being 91; with an average of 19.4 months. As eligible permanent active full-time employees are not purchasing these prior casual hours at 100% of the actuarial value, the Authority finds it necessary to put a cap on the amount of purchased casual hours for prospective permanent active full-time employees hired/rehired on or after January 1, 2026.

These amendments will give eligible permanent active full-time employees the flexibility to manage their life expenses with their personal retirement savings as they choose.