

Retirement Plans Highlights for Full-Time Employees

(hired prior to January 1, 2015)



January 2026

DRBA Retirement Plans

The Authority Provides Three (3) Plans:

- **DRBA Employees' Retirement Plan ('the Pension Plan')**
 - Participation in the Pension Plan is Mandatory
- **DRBA Employees' Defined Contribution Plan ('the 401(a) Plan')**
 - Participation in the 401(a) Plan is Mandatory
- **DRBA Employees' Deferred Compensation Plan ('the 457(b) Plan')**
 - Participation in the 457(b) Plan is Voluntary
 - **Plus, Social Security Retirement (62, 65, 66+)**

Eligibility to Participate in Retirement Plans

- Full-time active employees are eligible
- Participation begins on the first (1st) of the month following 30 days of active full-time employment
- Employee (EE) contributions:
 - Must contribute 3% of base pay to the Pension Plan
 - Must contribute 2% of base pay to the 401(a) Plan
 - May elect to contribute an additional discretionary amount of base salary to 457(b) Plan subject to IRS limits on contributions

Vesting under DRBA Retirement Plans

- “Vested” refers to the portion of a Participant’s benefits under the Plan that is non-forfeitable. “Fully Vested” means the Participant is eligible to receive benefits under the Plan.
- Vesting is based on years of full-time service with the Authority
 - **The Pension Plan:**
 - You are fully vested after five (5) Years of Service
 - For vesting purposes, a Year of Service shall be a calendar year (Plan Year) in which you complete 1,000 Hours of Service
 - *Note: if you had prior casual service with DRBA you may elect to purchase that prior service upon becoming fully vested in the Pension Plan. You will have 180 days from the date you become fully vested to elect to exercise this option.*
 - **The 401(a) and 457(b) Plans (Retirement Savings Plans):**
 - You are always 100% vested in your contributions to the Plans
 - You are fully vested after five (5) Years of Service for DRBA’s matching contributions
 - For vesting purposes, a Year of Service shall be a calendar year (Plan Year) in which participant completes 1,000 Hours of Service

The Pension Plan

When Can I Retire?

Retirement Dates:

Normal Retirement Date (NRD):

1st day of the month coinciding with or next following...

- Date you reach **Age 60** with 10 Years of Service (for Non-Police)
- Date you reach **Age 55** with 10 Years of Service (for Authority Police)

Early Retirement Date (ERD):

1st day of the month coinciding with or next following...

- Date you reach **Age 55** with 10 Years of Service (for Non-Police)
- Date you reach **Age 50** with 10 Years of Service (for Authority Police)
- Date you reach 25 Years of Service regardless of your age

Note: Early retirement benefits have an actuarial reduction of 4% per year for each year before your NRD. Reduction does not apply if you have 25 Years of Service.

The Pension Plan

How Can I Estimate my Pension Benefit?

Variables used in calculation of retirement annuity for employee hired prior to 01/01/2015:

- **AMC = Average Monthly Compensation** based on monthly average of highest consecutive 36 months (3 years) during plan participation (excluding overtime, commissions and bonuses)
- **CC = Covered Compensation under Social Security** based on the 35-year average of taxable wage bases up to the employee's Social Security retirement age
- **BS = Benefit Service** is the total years and months that the employee made the mandatory employee contributions under the Plan
- **NRD = Normal Retirement Date**
- **ERD = Early Retirement Date**
- **Formula:** $[(75\% \text{ of AMC}) - (8.75\% \text{ of AMC up to CC})] \times (\text{BS at NRD, up to 25/25}) \times (\text{BS at Termination} / \text{BS at NRD})$

The Pension Plan

How Can I Estimate my Pension Benefit?

Formula to calculate monthly retirement annuity for employee hired prior to 01/01/2015:

Example at Normal Retirement Date (NRD):

Estimated AMC = \$6,250

AMC up to Covered Compensation = \$6,250

Estimated Benefit Service = 20 years

Calculation: $[(\$6,250 \times 75\%) - (\$6,250 \times 8.75\%)] \times (20/25) \times (20/20) = \$3,312.50$ per month

$[(\$4,687.50) - (\$546.88)] \times (.80) \times (1.0)$

$(\$4,140.62 \times 80\%)$

\$3,312.50, payable at NRD

Example at Early Retirement Date (ERD):

Assume 2 years prior to NRD

Estimated Benefits Service = 18 years, 20 years at NRD

Calculation: $[(\$6,250 \times 75\%) - (\$6,250 \times 8.75\%)] \times (20/25) \times (18/20) = \$2,981.25$ per month

$[(\$4,687.50) - (\$546.88)] \times (.80) \times (.90)$

$(\$4,140.62 \times .72)$

\$2,981.25, payable at NRD

***Reduced for Early Retirement**

$\$2,981.25 \times (1 - 4\% \times 2 \{.92\}) = \$2,742.75$, per month payable at ERD

[*Early retirement benefits are reduced by 4% per year for each year before your NRD.

Early Retirement reduction does not apply for those with 25 or more Years of Service.]

The Pension Plan

What Payment Options do I have Upon Retirement?

- Plan pays a defined benefit (annuity) – issued by PNC Bank
- Upon retirement...
 - *You will elect between distribution types:*
 - *Annuity Only*
 - *Withdrawal of Employee Contributions with interest plus a reduced annuity*
(Withdrawal must be deposited in qualified retirement plan (roll-over); else, it becomes taxable income in the year received)
 - *You will also elect from benefit options:*
 - *Straight Life (Normal Form)*
 - *10 Year Certain and Life*
 - *Joint & Survivor options:*
 - *100% - upon death, spouse receives same amount*
 - *66 2/3% - upon death, spouse receives 66 2/3% of original benefit*
 - *50% - upon death, spouse receives 50% of original benefit*
- *You cannot change the distribution type or benefit option after annuity payments commence*

The Pension Plan

Are there other Benefits if I Don't Reach Retirement Date?

- ***Disability Pension Benefits*** may be available to you prior to reaching your retirement date if you are fully vested and become 'Disabled' and are approved for Long Term Disability and Social Security Disability benefits within the 'Initial 12-Month Disability Period'.
- ***Pre-retirement Survivor Death Benefits*** may be available to your surviving spouse if you are fully vested in the Pension Plan with 10-Years of Service and are married for at least one year ending on your date of death.


Do I get Health Insurance in Retirement?

Other Post Employment Benefits (OPEB)

**If you were hired prior to January 1, 2015,
you can elect to continue your current health, dental, vision plan for yourself only*
Covered dependents are not eligible for coverage under the retiree plans.**

- **Retiree Life Insurance at no cost to you**
 - DRBA provides 50% of the Life Insurance coverage in force as an active employee
 - Coverage amount is reduced another 50% upon reaching age 70, if not already 70 upon retirement
- **Retiree Dental and Vision at no cost to you**
 - DRBA continues your current Dental coverage when you retire
 - DRBA continues the Base Vision insurance plan when you retire
- **Retiree Health Insurance (Medical with RX) at no cost to you**
 - DRBA continues your current health plan or if you retire at age 65 or older, you will be moved to a Medicare Advantage plan

**The eligible dependent of a retiree who had been hired prior to March 1, 2005 and was covered as an eligible dependent while the retiree was an active employee, are eligible for coverage under the retiree's health (medical and prescription drugs), dental and vision plans.*



The 401(a) & 457(b) Plans
are administered by Voya Financial®



Defined Contribution 401(a) and Deferred Compensation 457(b) Plans

Support 24/7

- Voya representatives provide regular, in-person service, education, and guidance on a quarterly basis. Individual appointments can also be arranged at your convenience.
- Access your account easily through Voya's website or mobile app, available for download by searching "Voya Retire" in the Apple or Android app stores.
- You have the flexibility to adjust your contribution rate and investment selections at any time.
- Contribution changes take effect on the first day of the month following the requested update.
- For assistance, contact Customer Service at 1-800-584-6001.

Mandatory 401(a) Plan

- The 401(a) plan is a defined contribution retirement plan that requires a mandatory 2% employee contribution.
- The Authority provides a 100% match on the employee's 2% contribution.
- Employees are immediately and fully vested in their personal contributions to the plan.
- Vesting in DRBA's matching contributions occurs at 100% after completing five (5) years of full-time service.

Voluntary 457(b) Plan

- The 457(b) plan is an optional deferred compensation program.
- Contributions to the 457(b) plan can be made up to the IRS annual limits.
- You may contribute on a pre-tax basis, Roth basis, or a combination of both.
- Employees have immediate and full ownership of their contributions, which are non-forfeitable.

For more information on contribution limits, please visit:
<http://www.voyadelivers.com/irslimits>



401(a) Defined Contribution Plan Provisions

Eligibility Requirement	Eligible on first (1 st) day of the month following 30 days of full-time employment
Eligible employees	Permanent Full -Time
Enrollment	Participation is mandatory
Employee Contributions	Mandatory 2% employee contribution
Employer Contributions	Hired 1/1/2015 or later - matches 100% of the 2% employee contribution
Rollovers into the Plan	Allowed from other Employer plans
Distribution options	Separation from Service, Death, Disability or Retirement



The 401(a) Defined Contribution Plan

Benefits of the 401(a) Plan

- Saving on a pre-tax basis and lower the taxes you pay today.
- Provide an additional income source to supplement your pension in retirement.
- Assets grow tax deferred; you pay taxes only upon withdrawal.
- A 10% penalty for distributions taken before age 55 will apply.

Contribution Limits

IRS 2026 annual contribution limit for 401(a) plans:

- The total of Employee and Employer contributions cannot exceed \$72,000.
- View all contribution limits at <http://www.voyadelivers.com/irslimits>



457(b) Deferred Compensation Plan Provisions

Eligibility Requirement	Eligible on first (1 st) day of the month following 30 days of full-time employment
Eligible employees	Permanent Full-Time
Enrollment	Voluntary
Employee Contributions	Minimum of 2% contribution Additional contributions in increments of 1% or flat dollar amounts
Employer Contributions	Hired 1/1/2015 or later - matches 100% of the first 2% deferred Match is deposited into 401(a) Plan account
Rollovers into the Plan	Allowed from other Employer plans
"Unforeseeable Emergency" Withdrawals	Voya reviews & approves in accordance with IRS guidelines
Distribution options	Separation from Service, Death, Disability or Retirement



Advantages of Enrolling in Your 457(b) Plan

Flexible Contributions

- Make contributions on a pre-tax basis to lower your current tax burden.
 - Investments grow tax-deferred, with taxes payable only upon withdrawal.
- Opt for Roth contributions after payroll taxes have been deducted.
 - Investments grow tax-free, and qualified withdrawals, including earnings, are typically exempt from taxes.
- You may qualify for the Savers Tax Credit in 2025* if your adjusted gross income (AGI) is below:
 - \$38,250 for Single Filers
 - \$57,375 for Head of Household
 - \$76,500 for Married Filing Jointly

Consult your tax advisor to confirm your eligibility for the Savers Tax Credit.

*Estimated contribution limits for 2026 are: Single - \$39,000; Head of Household - \$58,500; Married Filing Jointly - \$78,000.

Contribution Limits

- For 2026, the IRS has established the annual contribution limits for the 457(b) plan, which combine both pre-tax and Roth contributions, as follows:
 - A maximum of \$24,500 for all eligible participants
 - An additional \$8,000 catch-up contribution for employees aged 50 or older, referred to as the 'Age 50+ Catch-up'
- In the three (3) years leading up to your normal retirement age under the plan (age 62 for non-Police personnel and age 57 for Police personnel), you may contribute:
 - The lesser of an extra \$49,000; or
 - The total amount of unused contribution limits from prior years when you were eligible for the 457(b) Plan (for example, if the 2023 limit was \$22,500 but you contributed only \$12,000, the unused amount of \$10,500 can be applied. This is known as the 'Special Catch-up'.)
- You may make contributions to an IRA alongside your 457(b) plan contributions. Consult your tax advisor regarding IRA contribution limits.



Investment Options for 457(b) Plan



STABLE VALUE FUND:

Voya Fixed Plus
Account III



BOND FUNDS:

PIMCO
International Bond
Fund
Vanguard Inflation
Protected
Securities Fund
(Admiral Shares)
Vanguard Total
Bond Market Index
Fund (Admiral
Shares)
Dodge & Cox
Income Fund X



*ASSET ALLOCATION FUNDS

American Funds
Target Date: 2010,
2015, 2020, 2025,
2030, 2035, 2040,
2045, 2050, 2055,
2060, 2065, 2070



LARGE CAP VALUE FUND:

JP Morgan Equity
Income Fund
Fidelity 500 Index
Fund



LARGE CAP GROWTH FUND:

Loomis Sayles
Growth Fund
AB Large Cap
Growth Fund -
Advisor Class



SMALL/MID/SP ECIALTY FUNDS:

Mass Mutual
Select Mid-Cap
Growth Fund
Vanguard Mid-Cap
Index Fund
(Admiral Shares)
Vanguard Small-
Cap Index Fund
(Admiral Shares)
Victory Sycamore
Small Company
Opportunity Fund
Wasatch Core
Growth Fund
Allspring Special
Mid Cap Value



GLOBAL/INTE RNATIONAL FUND:

American Funds
Euro-Pacific Fund

*Default Investment Option



Investment Management Options

Target Date Funds (help given each step of the way): (DRBA'S DEFAULT INVESTMENT FUNDS)

- Target Date retirement funds from American Funds
- Targets a certain date range for retirement or the date the employee plans to start withdrawing money
- Each fund provides a portfolio of investments that track a certain date for retirement (stocks and bonds)
- Automatically rebalanced and, over time, shifts to a more conservative investment mix

Self-Directed Brokerage (do it yourself):

- Up to 50% can be managed by you
 - Able to buy stocks and bonds outside the menu
- If select this option, not under the Authority's review through Voya
- Brokerage services provided by TD Ameritrade, Inc.
 - Annual account fee is \$50
 - Transaction fees depend on investment selected

Morningstar – Managed By You – No Cost to You:

- You can maintain control of your investment
- Provides personalized asset allocation strategy (free on-line advice)
- Investment selections based on plan availability
- You initiate the transaction requests based on this strategy

Morningstar – Managed by Morningstar – Annual Fee of 0.50%:

- An investment professional manages your account on your behalf
- Provides personalized asset allocation strategy (fee based managed accounts)
- Investment selections based on plan availability
- Automatically rebalances your account for your
- Monitors your investment selections on a regular basis
- Initiates transaction requests
- Provides annual progress reports mailed to your home

Enroll Today

**Please contact the HR Specialist,
Pension & Benefits at 302-571-6470**

Visit: <https://enroll.voya.com>

Enter the plan and verification numbers corresponding to the plan(s) you intend to enroll in.

You must enroll in each plan individually.

Defined Contribution 401(a) Plan (Mandatory)

Plan Number: 664106

Verification Code: 019673

Deferred Compensation 457(b) Plan (Voluntary)

Plan Number: 664105

Verification Code: 019673



Any Questions?