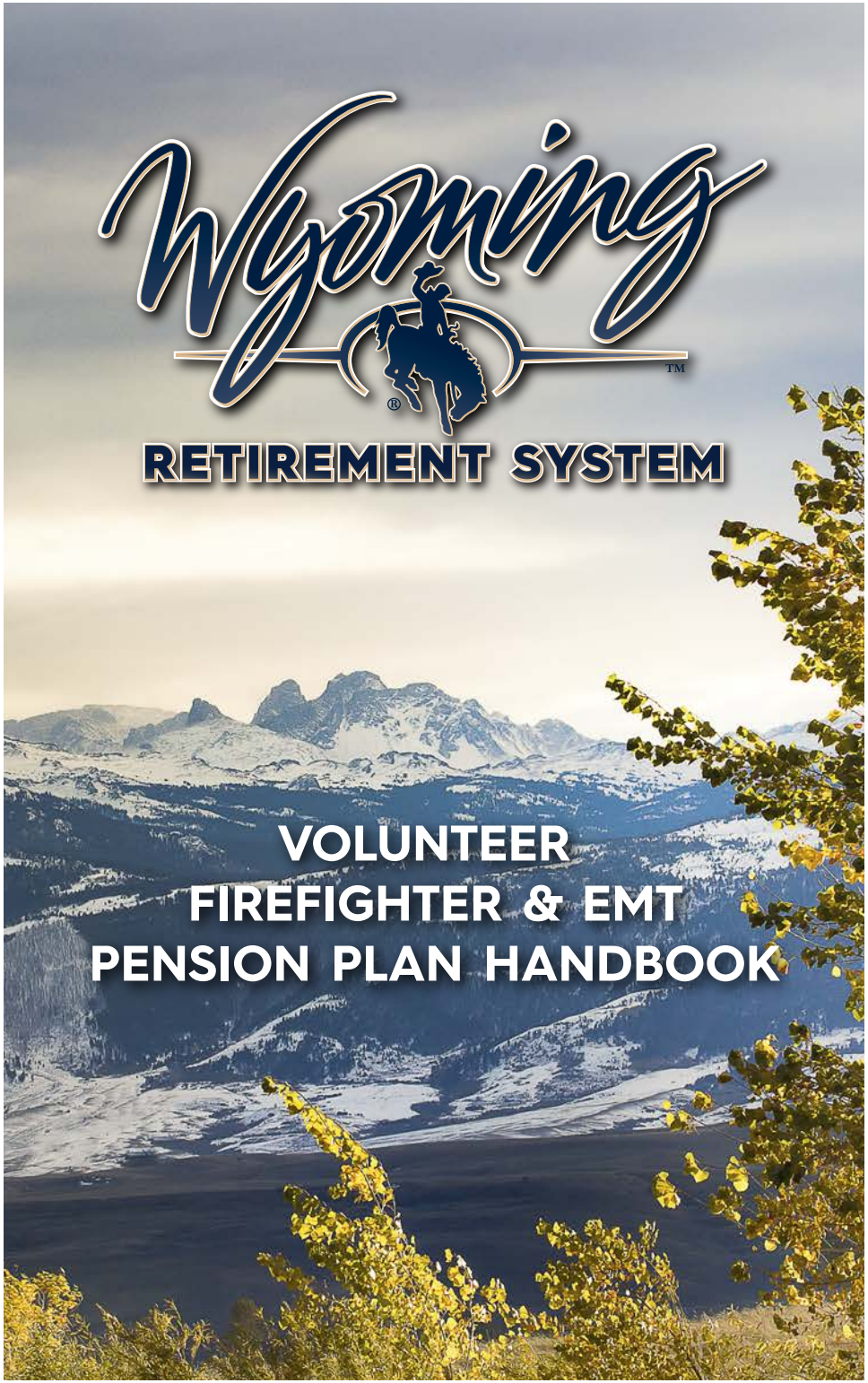

Wyoming Retirement System
Volunteer Firefighter & EMT Pension Board

Lanny Applegate - Cheyenne
Tracy Brown - Lingle
Gene Diedtrich - Newcastle
Kim Lee - Cheyenne
Jerry Munger - Wheatland
Eric Quinney - Evanston
Alan Sessions - Afton

For board meeting minutes, please visit retirement.wyo.gov. Board contact information is also available via Wyoming Retirement System.

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INTRODUCTION

This handbook is for members of the Volunteer Firefighter & EMT Pension Plan. Wyoming Retirement System (WRS) also administers seven other pension plans for different groups of employees, as well as a deferred compensation 457 plan. The state laws authorizing the Volunteer Firefighter & EMT Pension Plan are 35-9-616 through 35-9-628 along with the WRS Volunteer Firefighter & EMT Board's rules.

Pension Plan Basics

Once you meet certain qualifications, a pension will provide a monthly payment for life. This type of retirement plan is a "defined benefit" plan because a formula defines the benefit you receive when you retire. The Volunteer Firefighter & EMT Pension Plan is designed to supplement retirement benefits you may have through other employment.

Membership in the Volunteer Firefighter & EMT Pension Plan

A volunteer firefighter or EMT is defined as an individual who is carried on the rolls of, but devotes less than his entire time of employment to activities of a volunteer fire department or emergency medical service, of which all or a portion of the members are volunteers. Volunteer firefighters must attend not less than fifty percent of the scheduled monthly department meetings. A volunteer EMT must serve as an attendant with a state licensed ambulance service. A volunteer firefighter or EMT who receives some compensation for services rendered is not precluded from participating in the plan.

If you transfer from one participating volunteer fire department or ambulance service to another participating department in Wyoming, you are able to keep building your pension without interruption, as long as monthly contributions are kept current.

If you assist a volunteer fire department or EMT service, but are not regularly enrolled as a firefighter or licensed as an EMT, you are not eligible to participate in the plan.

Enrolling in the Volunteer Firefighter & EMT Pension Plan

Your volunteer fire department or ambulance service will determine whether you are eligible to be "carried on the rolls" as a volunteer, and thus, whether you are eligible to participate in the plan. Contact your department for details on determining your eligibility as some departments require probationary periods and conditions that impact member enrollment.

If you are carried on the regular rolls of your volunteer fire department or ambulance service, notify your department if you wish to be enrolled in the plan. Once you are enrolled, contributions will be sent by the participating department.

PENSION CONTRIBUTIONS & YOUR ACCOUNT

Pension Contributions

Your pension is funded primarily by a tax on fire insurance premiums and secondarily by member contributions. Member contribution rates are set in statute. As a member, you must contribute $15 each month to fund your future pension benefit. Your department may elect to pay contributions on your behalf. Contributions must be submitted through your department. WRS is responsible for investing all of the contributions. You do not direct the investments of your pension like you do with retirement assets in any defined contribution plans you may have.

Your Pension Account

A separate account is maintained for each member of WRS showing the amount of contributions and accrued interest. Your account balance includes your contributions, plus accrued interest on that balance. Your account balance is not directly related to your retirement benefit should you meet eligibility requirements to retire from the plan. Account balances are used to determine refund amounts if you decide to withdraw from the plan.

Keeping Contact Information & Beneficiaries Up-to-Date

After your department submits your information to WRS, an email will automatically be sent to you at the email address your department provided for you when registering you as a pension plan member. **It is important that you log into your online pension account to add beneficiaries and verify your information.** Existing members can make changes to contact information and beneficiaries by logging into the online pension account. It is important that your contact information is up to date to ensure you receive statements and other correspondence. Forms are also available on WRS' website or by request.

Increasing Your Pension Benefit Through a Service Purchase

Participating members who have been contributing continuously for at least five years in the plan may make a one-time purchase of up to five years of service in the plan. If you make such a purchase, it will count as service credit toward your benefit calculation.

The purchase must be made in a lump sum. You may use personal savings or a non-taxable rollover of assets from other qualified pre-tax retirement savings vehicles, such as 401(k), 403(b), 401(a), 457 or traditional IRA plans, to make this purchase. You cannot purchase service with a rollover from after-tax or Roth retirement assets. Some WRS plans allow additional service purchase beyond five years based on qualifying military service, but the volunteer plan does not have this feature.

A service purchase is a voluntary decision that members make based on the particular costs and benefits provided at the time of purchase. It is up to you to determine if transferring assets, along with future return potential, to purchase years of service in the pension is an advantage to you.

The cost of a service purchases is calculated based on the actuarial cost assumptions related to the increase in your benefit in order to ensure that the system as a whole is not disadvantaged by your service purchase. The assumptions, underlying methodology and other features of the service purchase calculation can change without notice as WRS manages the system in the overall best interest of its members. A service purchase cost estimator is available on the WRS website. For further information and an official service purchase price, please contact WRS.

Interest on Your Account Balance

Interest is calculated on account balances of contributing and vested inactive members at a rate set in statute and is added to your account monthly at a compounded rate. The current rate is 3 percent per year.

Loans from Pension Accounts

You cannot borrow against your account. Your account cannot be attached or garnished until you take a refund or start drawing a retirement benefit.

Record Confidentiality

Your account records cannot be released to any party, including your department, unless you authorize it, in writing, or a court order directs the records be available for inspection or release.

Accessing Account Information & Statements

Access to your account information is available in your WRS online pension account. To access your online pension account, visit retirement.wyo.gov where you can view your account statement, change your address or other personal information, obtain an estimate of your future benefit, request a refund, or submit a retirement request.

Statements are posted to your online pension account in the first quarter of the calendar year. You will be notified when your statement is available. If you would prefer a copy be mailed to you, please contact WRS or opt out of electronic statements in your online pension account.

Your statement shows the amount you contributed and the amount of accrued interest through Dec. 31 of the preceding year. It also gives an estimate of your retirement benefit at your earliest unreduced retirement age using the previous year's account information. The benefit estimate on your statement is based on specific assumptions. Therefore, the estimates may vary if the assumptions are not applicable to you.

It is important to review your statement and verify the address and beneficiary information listed. You can manage changes to these items through your online pension account or by contacting WRS.

AMOUNT OF YOUR BENEFIT

Your benefit is based on a formula involving your months of service. Your benefit is not based on how much you and your employer have contributed to your retirement account. When you meet the service and age requirements, you will be eligible to receive a lifetime benefit of $16/month per year of service for the first 10 years of service and $19/month per year of service for each year above ten years of service.

Generally your benefit is not subject to anything that would cause you to be disqualified, ineligible, denied, or lose your retirement benefit. However, there are some circumstances including divorce and employer reporting error, in which a benefit may be reduced. Once you begin drawing a retirement benefit, or elect to take a refund, disbursements from your pension account are considered income, and may be subject to attachment or garnishment, as with any other form of income.

Years of Service

A year of service is comprised of 12 months of contributions, with service less than a year pro-rated in the final benefit calculation.

Estimating Your Benefit

To estimate your monthly benefit, multiply your years of service up to 10 years by $16, and multiply any years of service above 10 years by $19, and add the two together. The result will be an estimate of your monthly benefit for life when you meet retirement eligibility requirements.

Use the benefit calculator available on the WRS website at retirement.wyo.gov for an estimate of your retirement benefit based on information you input. If you are vested, an estimate of your retirement benefit is available in your online pension account. The estimate is based on information specific to your current service and account information.

RETIREMENT ELIGIBILITY

Vesting Requirements

After obtaining 5 years (60 months) of service, you are eligible to elect a monthly benefit at retirement age.

Retirement Eligibility Ages

You are eligible for retirement when you reach age 60 and are vested. There are no early retirement provisions in this plan.

LEAVING SERVICE BEFORE RETIREMENT AGE

Options When Leaving Service

If you terminate membership as a volunteer firefighter or EMT before retirement age, you have the following options:

» If you have at least five years of service, you may leave your contributions on deposit and begin drawing a retirement benefit when you reach age 60. Your account balance will continue to earn interest at a rate of 3% per year, compounded annually, should you later change your mind and elect to refund or roll over your account.

» If you have at least 10 years of active volunteer service in the plan before terminating, you may continue to contribute to the pension account for up to the number of months you were an active volunteer contributing to the plan. These contributions will continue to increase your benefit at retirement age as if you were actively serving as a volunteer. These contributions must be made through a participating volunteer department.

» You may take a refund of your account or roll it over to another qualified retirement plan, such as a 401(a), 401(k), 403(b), 457 deferred compensation plan, or a traditional IRA. You must have a balance of at least $200 for a rollover.

» If you have less than five years of service, you must take a refund or roll over your account within nine months of your last contribution. If you do not refund or roll over your account within nine months, your account balance will be forfeited and will remain in the system. If you later return to qualified, contributing participation in the plan, your previous account balance will be refunded, and you will start contributing as a new member of the plan. No interest will accrue on account balances of non-contributing, non-vested members.

PREVIOUS SERVICE

Service Prior to July 1, 2015

If you were a contributing member of the discontinued Volunteer Firefighter Pension Plan or discontinued Volunteer EMT Pension Plan on June 30, 2015, you are "grandfathered" in certain provisions of your discontinued plan.

» When you retire, your benefit will be calculated under both the provisions of this plan and your previous plan, and the benefit you receive will be the greater of the two.

» If you were a member of the previous Volunteer Firefighter's Pension Plan, and have not previously made a service purchase in the old plan, you may purchase greater than five years of service in this plan up to an amount equal to the time of actual service as a volunteer fireman in Wyoming prior to enrollment in the old plan.

» If you were a member of the previous Volunteer Firefighter's Pension Plan and became a member of that plan on or after February 5, 1993, and have at least ten

years of contributions in the plan before terminating your volunteer service, you may continue making contributions in the plan until you reach age 60 or the length of your actual service, whichever is greater. These contributions will continue to increase your benefit at retirement age as if you were actively serving as a volunteer. These contributions must be made through a participating volunteer department.

BENEFICIARIES & DEATH CLAIMS

At the time of enrollment, you must log in to your online pension account to designate a beneficiary who will receive the benefits associated with your account in the event of your death. Not having a beneficiary on file could be a disadvantage to your family and loved ones. You are responsible for keeping your beneficiary designation current. You may change your designation through your online account at any time, but spousal consent is required.

In this plan, if you are married, your spouse must be your primary beneficiary. If you have children under age 21, they must be your contingent beneficiaries if you are married, and must be primary beneficiaries if you are not married. If you are not married and have no children under age 21, any death benefits will automatically be paid to your estate. Questions regarding the designation of a beneficiary or beneficiaries should be directed to WRS.

If you are a participating member of the plan when you die, and you are married on the date of your death, your surviving spouse would receive a monthly payment in an amount equal to 66 percent of what your benefit would be, based on your actual years of service or five years of service, whichever is greater. If both you and your spouse die, your surviving children who have not attained the age of 21 would receive a monthly benefit amount equal to 33 percent of what your benefit would be, based on your actual years of service or five years of service, whichever is greater. If you have more than one child under the age of 21, the benefit would be split equally among them.

If you die before retirement with no surviving spouse or eligible children, a lump sum payment equal to the amount of your account balance or $5000, whichever is greater, would be paid to your estate. If you die after retirement before receiving $5000 in benefits or your account balance, a lump sum payment equal to $5000 or your account balance minus benefits already paid out, whichever is greater, would be paid to your estate.

APPLYING FOR RETIREMENT

Choosing a Retirement Date

Your retirement date is something only you can decide. Remember, your benefit will generally increase with every month of service you complete. Your retirement date must be the first day of the month following your last contribution or the date you reach age 60, whichever is later.

Applying for Retirement

To apply for retirement, you must first notify your department that you intend to retire from the plan so that the department can report your final contributions to WRS. After your department terminates you as a contributing member, log in to your online pension account to apply for benefits. You may also download a paper application for retirement and submit it to WRS.

Be sure to get all the benefit counseling you want from WRS well in advance, so you will be able to make the decisions required by the retirement application.

RETIREMENT PAYMENTS

Timing of Your First Retirement Payment

You may expect your first payment from WRS the month following the month we receive final contributions and a termination notice from your department. Your first payment will be retroactive back to your retirement date.

Direct Deposit

You will be asked to provide direct deposit information when completing your retirement application. All benefit payments are deposited directly to your financial institution by the last business day of each month. Each payment represents your retirement benefit for the preceding month. Please note, WRS strongly suggests the use of direct deposit.

Income Taxes

Your monthly benefit is reported to the IRS as income, and you are responsible for paying any taxes. You will receive a Form 1099-R annually for tax reporting purposes. If you made contributions to your pension after-tax, such as with a service purchase, the non-taxable portion of your pension paid throughout the year will be reported on your 1099-R form. You will complete a Federal Income Tax Withholding Form when you apply for retirement to indicate how much federal income tax you want withheld.

Please consult a tax accountant or the IRS for further information. WRS staff cannot furnish tax advice.

Benefit Increases After Retirement

Cost of living adjustments (COLAs) may be recommended by the Volunteer Firefighter and EMT Board. Implementation of any decision to grant a COLA or benefit enhancement would require the plan to be above 100% funding, and would require approval by the Wyoming Legislature.

OTHER TOPICS OF INTEREST

Volunteering After Retirement

After you have begun collecting a retirement benefit, WRS does not require you to discontinue your service as a volunteer. However, your benefit will not increase even if you elect to continue working as a volunteer.

Social Security

Social Security coverage available to you is completely independent of participation in this plan. After you retire, your pension benefit payment is not subject to Social Security or Medicare withholding.

Military Deployment

Should you be called for active military service, WRS rules allow you to continue contributions for the period of time you are called to active duty. Contact WRS to arrange for verification of your deployment and making retirement contributions for the time of your deployment.

Divorce

WRS has formal rules regarding divorce settlements. WRS requires a Domestic Relations Order (DRO) signed by a judge to split your retirement benefit between you and your former spouse. If your former spouse is awarded a percentage of your benefit, your monthly retirement benefit will be reduced for your lifetime, even if your former spouse elects to be paid in a lump sum. If you are already retired and receiving a benefit at the time of divorce, and your former spouse is awarded a percentage of your account, a monthly benefit would be the only option for your former spouse. A court may find, in other legal cases, that other payees should be awarded a percentage of your benefits.

WRS Oversight

The Volunteer Firefighter and EMT Pension Board has the power to make rules and regulations governing the operation of the plan, investigate any claim applications and conduct administrative hearings including member appeals. Board nominees must have a minimum of five years of service as members of volunteer firefighter or EMT departments in the state. Under a memorandum of understanding, the WRS Board responsible for the other plans administered by WRS makes investment and actuarial decisions for the assets in the Volunteer Firefighter and EMT Pension Plan.

The Volunteer Firefighter and EMT Pension Board is comprised of six volunteer firefighters and one volunteer EMT. Board members are appointed by the Governor. The WRS Director administers the plan, and is an ex-officio member of the Board. The Board holds quarterly public meetings (details are listed at retirement.wyo.gov).

Dispute Resolution

You are entitled to a hearing with the Volunteer Firefighter and EMT Pension Board regarding any dispute, and the Wyoming Administrative Procedures Act (available from the Secretary of State's office) will be followed.

WRS Financial Information

WRS undergoes an audit for each fiscal year ending Dec. 31 and resulting reports are available on our website. All administrative expenses are paid for from WRS investment earnings.

Statutes, rules, modifications to this handbook, and financial and actuarial reports are available at the address below for Plan Administrator and Service of Process:

Wyoming Retirement System
Ruth Ryerson, Executive Director
6101 Yellowstone Road, Suite 500
Cheyenne, WY 82002

VOLUNTEER FIREFIGHTER & EMT PENSION BENEFIT TABLE

Benefit Calculation	
Year 1-10	$16/mo per year of service
Year 11+	$19/mo per year of service
Years of Service	Benefit
5	$80/mo
10	$160/mo
15	$255/mo
20	$350/mo
25	$445/mo
30	$540/mo
Ceiling	None

When you meet the service and age requirements of the plan, you will be eligible to receive a lifetime benefit of $16/month per year of service for the first 10 years of service, and $19/month per year of service for each year above ten years of service. Use the table to the left or WRS' online pension benefit calculator (retirement.wyo.gov) to approximate your benefit.

WRS Retirement Planning Resources

» The WRS website at retirement.wyo.gov provides access to your online pension account, and also has a wide variety of information, including videos, useful links and benefit calculators to help you project your future benefit.

» WRS retirement educators provide informational retirement seminars and one-on-one meetings regarding your WRS accounts. View the schedule of retirement seminars on our website, or contact WRS to schedule an appointment with a retirement educator.

Wyoming Retirement System

Vision

Partnering to build financial security for members and their families

Mission

Provide expert administration and responsible investment of Wyoming's public retirement and supplemental savings programs

Values

Integrity, accountability, commitment, excellence

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This publication was created by and is provided to you by the Wyoming Retirement System. It serves as a summary plan document for the Volunteer Firefighter & EMT Pension Plan and is meant to provide information about the main features of the plan. State statutes and administrative rules will govern in the event of any discrepancies with information in this book. No information in this publication should be construed as advice. Consult an appropriate professional for specific tax, financial, legal, or investment advice.

November 2015