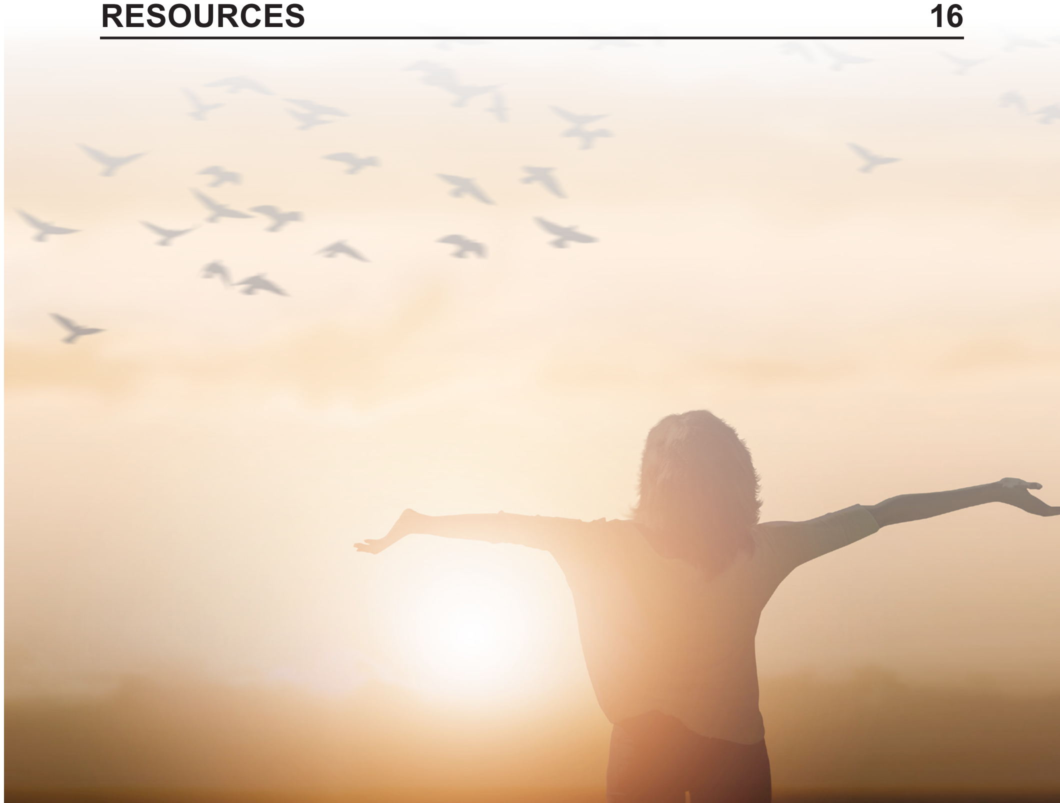
Wyoming
RETIREMENT SYSTEM

457 (b) Plan Handbook



Introduction

This handbook is for members of the 457(b) Deferred Compensation Plan. The Wyoming Retirement System (WRS) also administers eight other pension plans for different groups of employees. The state statutes authorizing the Wyoming 457(b) Plan are W.S. 9-3-501 through 9-3-509, along with portions of the Wyoming Retirement Act and Uniform Management of Public Employees Retirement Act (W.S. 9-3-401 through 9-3-454) incorporated by reference, as well as the WRS Board's rules.

What makes the Wyoming Retirement Services (WRS) 457 Plan such a great employee benefit?

The WRS 457 Plan is a powerful savings tool. Once a member of the plan, you don't have to do anything else. Money is taken out of your pay automatically and placed into your 457 account.

WRS is administered by an 11-member Board, which includes the state treasurer, two public employees, two employees representing the public school system or higher education, one retired member of WRS, and five qualified Wyoming electors not employed by any participating employer of WRS. All Board members, with the exception of the state treasurer, are appointed by the governor for terms of six years. Board members are legally required to act in the best interest of the members of WRS.

The Board employs a director, who serves as its secretary and is responsible for managing the staff and daily operation of WRS. The Board holds quarterly public meetings (details are listed at retirement.wyo.gov). The Board establishes rules and regulations for administering the pension and 457 Plans. The director administers these Plans within the framework of those rules and regulations and the Wyoming Retirement Act.

Dispute Resolution

You are entitled to a hearing with the WRS 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 December 31st, and resulting reports are available on our website.

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

Executive Director
2515 Warren Avenue, Suite 450
Cheyenne, WY 82002

Please visit our website, retirement.wyo.gov, for a list of current Board members.

Joining

If you work for a participating employer, you may enroll in the WRS 457 Plan as soon as you are hired. In fact, about 35,000 public employees in WRS are already participating in the Plan. Joining is strictly up to you, but so many of your co-workers couldn't be wrong! It only takes a few minutes of your time to join.

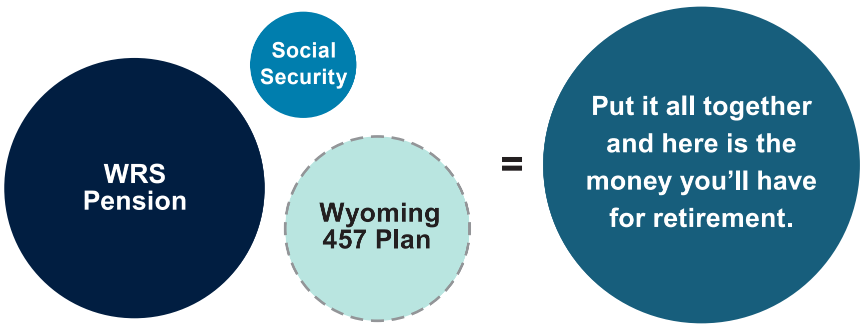
The State of Wyoming and some non-state employers automatically enroll new hires into the 457 Plan after an opt-out period. Automatic enrollment makes it even easier to get started.

Extra Compensation

Executive, Legislative, and Judicial branch employees of the State of Wyoming will get $20 from their employer added to their account if they contribute $20 or more a month. This free $20 is only available to you if you are contributing to the WRS 457 Plan. Other employers may do the same, so check with your human resources officer.

Steps to Retirement

Your pension provided to you by the Wyoming Retirement System is a great starting point. Social Security will also be of help. To get to your goal of a secure retirement, put aside a portion of your earnings to the Wyoming 457 Plan.



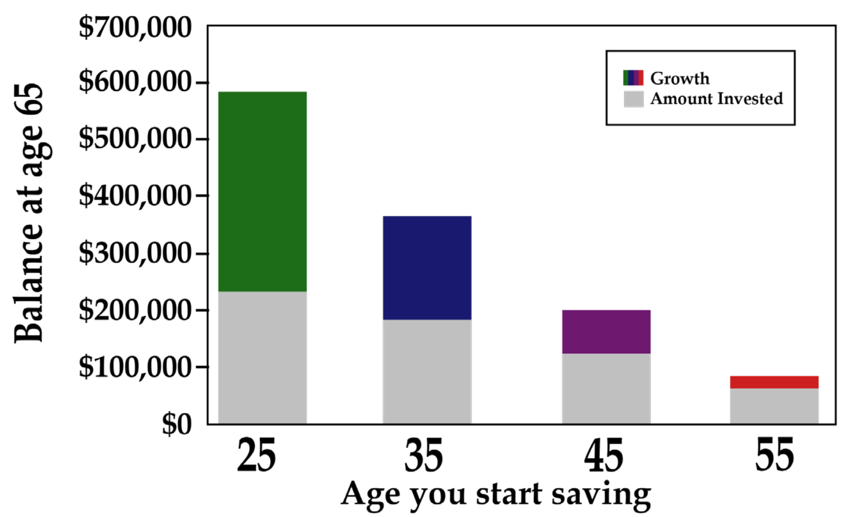
Investing Made Easy

Selecting Quick Enrollment on the enrollment form will automatically place your contribution in a Target Date Fund, a mutual fund with a mix of investments appropriate for your age. The date in a target date fund's name represents an approximate year in which you're expected to retire (which is assumed to be 65) and/or when you begin withdrawing money.

Or, if you would like to mix your own investments from those available in the WRS 457 Plan, make that selection on the form and select your funds. More information on this option is available at retirement.wyo.gov in the publication Help for Mix-Your-Own Investors.

When you have completed your enrollment form, please return it to WRS by email to wrs.457pln@wyo.gov. It's that easy!

*** Starting to save as soon as you are able to makes a big difference. Time makes a big impact on investment growth.**



Example assumes a retirement age of 65, investing $6,000 per year, assuming 4% annualized nominal return. Chart is for illustrative purposes only - not intended to represent the performance of any specific investment. Actual returns will vary and principal value will fluctuate. Applicable taxes are due when money is withdrawn.

Before or After Taxes

You can elect to set aside money into your WRS 457 Plan account before or after your federal taxes are taken out. It's up to you!

If you decide to set aside money in your account before federal taxes are taken out, the reduction to your take-home pay is less your contribution. If your employer contributes to your WRS 457 Plan account, these contributions are before-tax. All before-tax contributions will be taxed when you take money out of your account in the future.

If you decide to have money set aside in your WRS 457 plan account after federal income taxes are taken, your contribution to your account does not reduce the federal income taxes withheld from your pay.

How Much Money Will I Need?

A way to think about this is, "How much of your pay will you need in retirement?" You may not need as much income because your daily expenses may disappear if you stop working altogether. Or you may have paid off your mortgage by the time you retire. On the other hand, you may have to pay for unforeseen health-related expenses as you grow older.

Keep in mind you may have several forms of retirement income from Social Security, WRS Pension, and retirement accounts from past employers. There is a "goal-setting" calculator at retirement.wyo.gov. If you still have questions, please call a WRS Retirement Educator at 307-777-7691.

457 Plan Basics

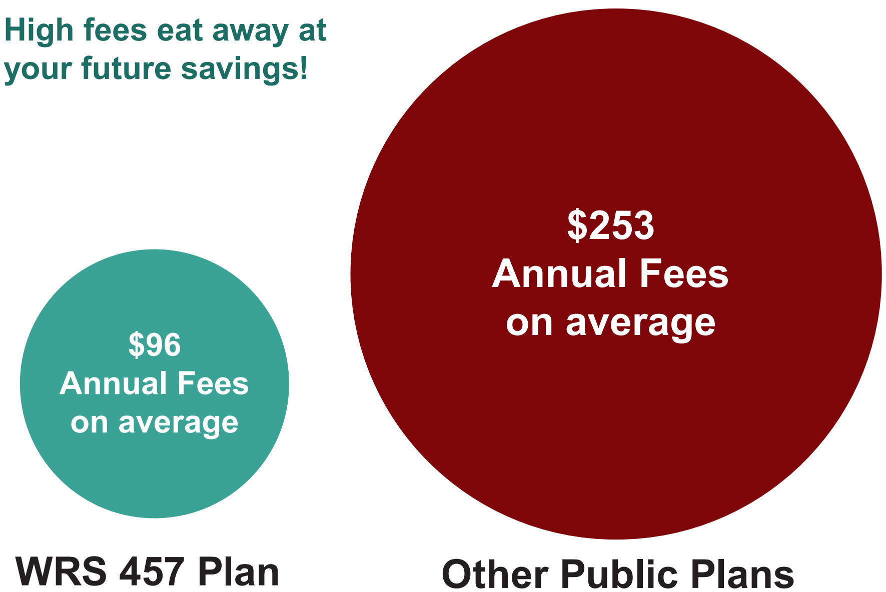
Costs

You pay an annual administrative cost equal to 15 cents for every $100 you have in your WRS 457 Plan up to balances of $100,000. This pays for the administration of the plan, and it is deducted from your account each quarter and reported on your statement. Fees on high-balance accounts are capped at assets over $100,000, making the maximum $150 annually.

In addition, each investment option offered under the Plan has a set investment management fee (called a fund operating expense). This fee is not shown on your statement but is deducted from your investments before your rate of return is calculated. All fees are described in the fund fact sheets and summarized in the quarterly statement.

Comparing Fees: Many other retirement savings plans have high fees and you should look carefully to know how much you are paying.

High fees eat away at your future savings!



Fee comparison source: RVK DC Plan Fee Benchmarking Report 2024

457 Plan Basics

Vesting

"Vesting" refers to ownership of your account. Once you establish a WRS 457 Plan account and begin contributing, you own the money in that account.

Plan Contributions

When you enroll in the WRS 457 Plan, you decide how much to set aside from each paycheck. To be in the Plan, you must contribute at least $20 per pay period, but you can contribute any dollar amount up to the IRS Annual Plan Contribution limit. You also decide whether to contribute to the WRS 457 Plan before or after federal taxes are taken out, or a combination of both. Annual limits vary based on the age of the participants and the IRS contribution limits. Please visit our website and click on the contribution limit tab or visit IRS.gov.

You may increase, decrease, stop, or restart your contributions at any time. However, the WRS 457 Plan must receive your change request prior to the agency's deferral file run date in order to take effect during that payroll. Otherwise the change will take effect the following payroll.

If your employer automatically enrolls new hires, you can make changes to your elections online when logged into your 457 account with your username and password. Otherwise, you submit a form to make changes to your payroll contact.

The WRS 457 Plan is different from a regular savings account. While you can stop contributing any time, you can only withdraw money from your account if you end employment, or you are over the age of 70 1/2, or you are approved for an unforeseeable financial emergency as defined by the IRS (see page 12). In the event of your death, your beneficiary(ies) are eligible to withdraw the funds. There are no loan provisions.

Contributing More

People closer to retirement can contribute more. If you are within three years of normal retirement age, there's good news! You may be able to take advantage of additional contributions. This is known as a "Special Catch-Up." You may also contribute higher annual amounts once you reach the age of 50.

More information about Special Catch-Up

You may be eligible to use the higher Special Catch-Up limit for three consecutive calendar years prior to Normal Retirement Age (NRA). Your specific limit will depend on prior unused contributions to the WRS 457 Plan. For example, if you contributed less than the annual contribution limit in past years, that amount will be available during your Special Catch-Up period.

Your NRA determines the period during which you may use the Special Catch-Up limits. NRA is defined as 70 ½ for members of a WRS 457 Plan unless you make a one-time election of an alternate NRA on the form required by the WRS 457 Plan. The earliest alternate NRA you may elect is the age at which you qualify for unreduced pension benefits from your WRS pension plan. If you are not a member of a WRS pension plan, your NRA is age 65; you may not utilize Special Catch-Up earlier than 62, 63, or 64 (three years within the normal retirement age of 65) or later than 67, 68, or 69, (three years within the normal retirement of age 70 ½). If you retire in one of the three years prior to the NRA you declared, you could use your specific limit for Special Catch-Up in the year you retire.

You need to work with WRS to establish your NRA and personal limit. If you are interested in Special Catch-Up, please contact WRS at 307-777-3325.

Before-Tax Or After-Tax Contributions

You can elect to contribute to the WRS 457 Plan before-tax, after-tax, or a combination of both.

If you elect to contribute to the Plan before-tax, payroll deductions taken each pay period will be taken before federal income taxes are calculated. Your actual reduction in take-home pay is less your contribution. If your employer contributes to the 457 Plan, these contributions must always be before-tax and will be taxed upon distribution.

If you elect to contribute after-tax, federal income taxes are calculated before payroll deductions are taken each pay period. In other words, your contribution amount does not reduce the federal income taxes withheld from your pay.

Distributions for before-tax and after-tax amounts are treated differently for tax purposes. Before-tax contributions and growth are not taxed, but upon distribution they are subject to ordinary income taxes. After-tax contributions and growth with "qualified distributions" are tax-free. A qualified distribution for after-tax accounts means the participant has severed from employment and, in addition, has held the account for at least five calendar years, and is at least age 59 ½. If the participant has severed employment but does not meet the other two requirements, distributions of investment earnings will be taxable.

457 Plan Basics

Can I Contribute When I Quit Working?

No, you cannot make current-year contributions, but the money you may have in other retirement savings plans or a traditional IRA may be rolled into your WRS 457 Plan account.

How Long Can I Leave My Money In The Plan?

You can leave your money in the WRS 457 Plan until age 73. At that point, you need to start taking some money out each year, unless you are still employed by a WRS participating employer. This applies to pre-tax funds only, after-tax (Roth) funds do not have to take the minimum distributions at the age of 73.

Rollover Contributions And Transfers

You may roll the money you have in past employers' retirement savings plans or a traditional IRA into the WRS 457 Plan. Money contributed before-tax to a traditional IRA may be directly rolled into the WRS 457 Plan. Money in a Roth IRA may not be rolled into the WRS 457 Plan. You may take distributions from rollover accounts while you are working for your WRS participating employer.

If you have money from another 457 Plan, that was rolled over, you can withdrawal those funds. However, if you have multiple WRS 457 accounts and you merge the accounts, the funds can't be withdrawn until you leave employment with the contributing agency.

If you are considering a rollover or transfer, the "WRS Reasons to Stay in the Plan" may help you make that decision. You'll find information at retirement.wyo.gov.

Don't Forget To Name Your Beneficiary Or Beneficiaries

A beneficiary is the person you select to receive the money in your WRS 457 Plan account should you pass away. You can select or change your beneficiary(ies) by logging into your online account or with a form at any time.

457 Plan Basics

Sick and Vacation Pay

You can put lump sum payouts for unused sick and vacation leave into the Plan, although the IRS annual plan contribution limit still applies. Procedures for these payouts vary from employer to employer, please check with your payroll specialist at least two months in advance. You must complete a WRS 457 Final Deferral Plan form to elect a contribution of sick and annual leave prior to ending employment and a month prior to the month of payments.

How Do I Take Money Out?

You are eligible to take your money out when you retire or permanently separate service from your employer. Once you qualify to take money out of your account, you have a great deal of flexibility. You can set up regular payments or request a distribution only when you want one. You initiate withdrawals by completing a distribution request by logging into your online account or completing the form found on the Empower website. Allow a maximum of 30 days from the time you submit your request, provided we have received your final contribution and notification of termination for processing of any distribution type.

If you are no longer employed by a WRS participating employer, you may transfer (or roll over) your account balance in this Plan to other retirement accounts if they are willing to accept it. See the IRS rollover chart if you are considering this. Eligible transfers or rollovers are not taxable at the time of the rollover.

Once you turn 70 1/2, you can take distributions while you are still employed. If you are 73 and are no longer working for the employer you made your contributions with, you are required to start taking part of your pre-tax money out each year. Contact WRS for assistance.

If I Take Money Out, Do I Pay Taxes And Penalties?

Withdrawals on before-tax contributions are taxable as ordinary income at the tax rate in effect during the years you or your beneficiary(ies) receive distributions. With before-tax contributions, there is no penalty for distributions taken prior to age 59 ½.

Withdrawals of after-tax (Roth) contributions are not taxable if you have established the after-tax account for a period of at least five calendar years and are at least age 59 ½. If you are eligible for distribution and do not meet these requirements, earnings on the distribution will be reported as taxable income.

In most cases, WRS must withhold a minimum of 20% of the pre-tax money you withdraw for federal income taxes.

Other WRS 457 Plan Benefits

Special Feature For Public Safety Officers

Retired or permanently disabled public safety officers have the option of excluding up to $3,000 from gross income if direct payment of premiums to a qualified insurer is elected as the distribution option.

In The Event Of An Unforeseeable Financial Emergency

You may be able to take a withdrawal from the Plan while you are working if you experience an emergency due to extraordinary and unforeseeable circumstances. Examples include imminent foreclosure on or eviction from your primary residence or the need to pay uninsured medical expenses. However, withdrawals cannot be made if the emergency may be taken care of through other means, such as insurance or the use of other assets.

Unforeseeable emergencies do not include circumstances that could be planned for, such as repayment of debt, payment for education, purchase of a home or automobile, or payment of taxes. Unforeseeable emergency distribution withdrawals must be submitted to Empower and meet IRS regulations. For more information or to apply for a distribution under the unforeseeable emergency provision, contact Empower by calling 1-800-701-8255.

Comparison Of Pre-Tax And After-Tax Contributions

Maria earns $2,500 a month and is in a 28% tax bracket. She is considering contributing $150 of her pay to the 457 Plan before-tax or $108 after-tax. Either contribution will result in the same spendable income for Maria.

Because distributions of before-tax and after-tax contributions are taxed differently, Maria's decision about whether to invest before-tax or after-tax may depend on what her tax bracket is now and what she expects it to be at retirement. It may also depend on whether she thinks taxes will go up or down over time. WRS cannot provide tax advice, so this is something you may want to discuss with your tax advisor.

	Before Tax Contributions	After-Tax Contributions
Maria's monthly adjusted gross income	$2,500	$2,500
Contributions to 457 plan	-$150	-$108
Taxable Income	$2,350	$2,500
Taxes[1]	-$658	-$700
Spendable Income	$1,692	$1,692

1- Assumes a 28% tax rate

In-Plan After-Tax (Roth) Conversion

You may elect to have any portion of your 457 before-tax balance converted to your designated 457 after-tax account balance. Any conversion of before-tax contribution balances to an in-plan after-tax balance will result in reportable taxable income of the converted pre-tax balance amount, and the taxes due have to be paid via the participant's private funds..

Life Events Affect Retirement Savings

If you leave your job

You can leave your money right where it is. You don't have to do anything, and you can continue to enjoy the low-cost, high-quality funds available in the 457 Plan.

Alternatively, you can also take a taxable (if applicable) withdrawal of your money. You may also make a non-taxable rollover to another qualified retirement plan at another employer or an IRA.

Before you withdraw, consider that even small balances can become a source of income in retirement. A $5,500 balance today could potentially grow to approximately $48,000 thirty-five years from now.

If You Are In The Military

Military deployment of more than 30 days may allow you to take withdrawals from your account.

If you are deployed and are receiving no compensation from your employer, you may be eligible to make up missed contributions. Please contact the 457 Plan at 307-777-3325 to determine eligibility.

If You Get Married

You may want to change your name or your beneficiary designation. A beneficiary is the person you select to receive the money in your WRS 457 Plan account should you pass away.

You can change your name by completing a form and including legal documentation. The forms are at retirement.wyo.gov.

If You Get Divorced

In the case of a divorce and a settlement requiring payments to an alternate payee, WRS requires a Qualified Domestic Relations Order (QDRO) signed by a judge. A separate QDRO is required to divide assets in the WRS Pension Plans.

Sample QDRO language for the WRS 457 Plan and pension plans are available at retirement.wyo.gov/members/divorce-domestic-relations-orders/. WRS encourages the use of the sample QDRO language.

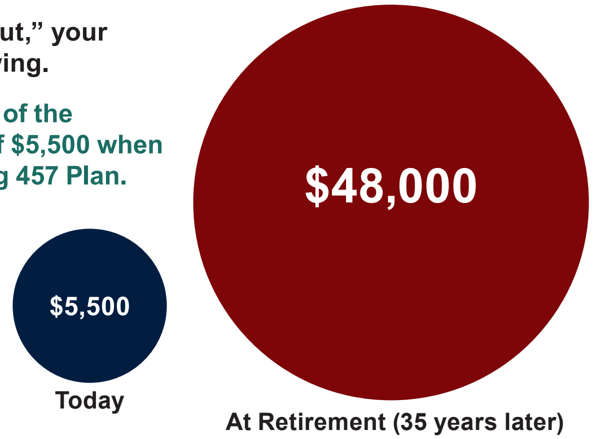
If You Die

The beneficiary(ies) you have selected will be able to take distributions from your account. Keep your beneficiary designation updated. The choices your beneficiary(ies) will have depends on whether you were taking distributions at the time of your death and the relationship of your beneficiary(ies) to you.

When you "cash out," your money stops growing.

Here's an example of the potential growth of $5,500 when left in the Wyoming 457 Plan.

Effect of compound interest on $5,500 at 6.5%. for 35 years.



Managing Your DC Plan

As a participant in the 457 Plan, a quarterly account statement will be available online when you log into your account at the end of each quarter. The statement shows your account balance and any investment activity during the quarter. The statements may be viewed by logging into your 457 account at wrsdcp.com. You must enter your username and password to access your account online. New online users can register to create a username and password.

Changing Information

You can also log in to your individual account on our website to change personal information, such as address or beneficiary.

When You Are A Few Years From Retiring

Practice living on the amount of income you expect to have in retirement. Use WRS' pre-retirement checklist. Additionally, attend the seminars WRS has for pre-retirees and schedule an individual counseling session with a WRS Retirement Educator who can talk with you in-depth about your situation.

When You Are Retired

You are eligible for distributions from your WRS 457 Plan account. Continue to manage your retirement assets and attend the seminars WRS offers to retirees.

Working Together To Help You Reach Your Retirement Goals

WRS offers the Pension and 457 Plans to help you reach your retirement goals. Social Security supplements these benefits by providing an additional source of retirement income—helping you to enjoy a more secure financial future.

Your employer helps pay the cost of your Pension Plan benefits, but investing in the 457 Plan is up to you. If you don't participate in the plan yet, there's probably no better time to begin.

If you already participate, consider increasing your contribution rate whenever you can. Your future is in your hands. Take charge of your retirement today.

Resources

WRS offers its members resources and educational opportunities to provide answers to questions and clarification. Help is available on the phone or on our website.

WRS' Retirement Educators are available to assist you in learning about your benefits, investing, and retirement planning. Check the website for dates of seminars in your location. You can also talk individually to a Retirement Educator.

The following documents and publications are also available to you at retirement.wyo.gov.

- Pension Plan Handbooks
- 457 Plan Document—official regulations governing the WRS 457 Plan
- Forms
- Investment Basics for Mix-Your-Own Investors
- Risk Tolerance Quiz
- Fund Fact Sheets
- Glossary of Investment Terms

For assistance, please use the following contact information:

Email	wrs.457pln@wyo.gov
Phone	307-777-3325
Website	retirement.wyo.gov

Wyoming RETIREMENT SYSTEM
457 DEFERRED COMPENSATION

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 program.

Values

Integrity, accountability, commitment, excellence.

2515 Warren Avenue, Suite 450
Cheyenne, WY 82002

retirement.wyo.gov
pension@wyo.gov

307-777-7691

Updated October 2025

This publication is intended to serve as a summary of information related to participation in the Wyoming Retirement System 457 Plan. None of the information contained in this publication is intended to supersede or replace any provision of the WRS 457 Plan Document or the laws of the State of Wyoming. This publication and all included materials are not a binding contract. Employees join the 457 Plan, choose investment options, and participate over time on a voluntary basis. Neither the Wyoming Retirement Board nor WRS is responsible for any gains or losses resulting from or alleged to have resulted from, directly or indirectly, the information contained in or related to this publication. No information in this publication should be construed as advice. Employees should consult appropriate professionals for financial, tax and legal advice.