

New Savings Plans Options » Roth 401(k) / Roth 457(b)

New Plans Offer More Flexibility

URS is adding the Roth 401(k) and Roth 457(b) to our Savings Plan lineup following the Board's approval on November 20.

Participating employers can choose whether to offer these plans (see **Page 5**), which will be available after AUREUS launches.

The Roth plans work like our current 401(k) and 457(b) plans, with one key difference: **Contributions are made with after-tax dollars, and qualified withdrawals in retirement are**

» What we need from you if you want to offer the Roth 401(k)/457(b). **Page 5**

» If you don't opt-in, some employees could lose catch-up contributions. **Page 6**

tax-free. This can be especially advantageous if you expect to be in a higher tax bracket in retirement.

Here are a few ways the new Roth

plans may benefit employees:

» **Higher limits for tax-free savings:** Contribution limits for Roth 401(k) and Roth 457(b) are much higher than Roth IRA limits, and each plan has its own separate annual limit.

» **No income limits:** Unlike Roth IRAs, higher-income earners can still contribute.

» **More flexibility:** More ways to optimize your tax and withdrawal options to fit your individual circumstances.

Savings Plan Contribution Limits

| Plan | Maximum Employee Contributions | Additional Employee Catch-up Contributions (age 50+/60-63)** | Employee and Employer Combined Contribution Limit (below age 50/ age 50+/60-63)** |
|-------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| 401(k) / Roth 401(k) Annual contribution limits for the 401(k) and Roth 401(k) apply separately for each plan | 2025 » \$23,500 2026 » \$24,500 | 2025 » \$7,500 2026 » \$8,000/\$11,250 | 2025 » \$70,000/\$77,500 2026 \$72,000/\$80,000/\$83,250 |
| 457(b) / Roth 457(b) Annual contribution limits for the 457(b) and Roth 457(b) apply separately for each plan | 2025 » \$23,500 2026 » \$24,500 | 2025 » \$7,500 2026 » \$8,000/\$11,250 | 2025 » \$23,500/\$31,000 2026 \$24,500/\$32,500/\$35,750 |
| Traditional IRA IRA limits are combined* | 2025 » \$7,000 2026 » \$7,500 | 2025 » \$1,000 2026 » \$1,100 | N/A |
| Roth IRA IRA limits are combined* | 2025 » \$7,000 2026 » \$7,500 | 2025 » \$1,000 2026 » \$1,100 | N/A |

* The IRA limit is combined; you're limited to a total of \$7,500/\$8,500 for all of the IRAs (Traditional and Roth combined) you own.

** Assumes an employee catch-up contribution of \$8,000 for ages 50-59 and 64+ and "super" catch-up of \$11,250 for ages 60-63. Starting in 2026, participants in 401(k) and 457(b) plans who are age 50 or older and earned more than \$150,000 in FICA wages in the prior calendar year must make catch-up contributions on an after-tax Roth basis. URS will begin offering Roth 401(k) and 457(b) plans after March 30, 2026. See **Page 6**

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It's Simple and Costs Nothing for Employers to Offer New Roth Plans

Offering the new Roth 401(k) and Roth 457(b) Plans cost employers nothing and helps their employees build a secure financial future.

To adopt the new plans, simply fill out a [Designated Roth Service Agreement Form](#) and return it to URS. We must receive your form by **March 6, 2026** in order to have them available to your employees when AUREUS launches on March 30, 2026.

Remember, you must offer the Roth 401(k)/457(b) for some of your employees to make certain catch-up contributions ([see Page 6](#)).

If you have any questions about filling out the form or want to better understand the new Roth plans, join us for a free webinar in early January.

We'll cover all the bases about how these plans work, how they're different from Roth IRAs, and how and why you should offer them to your employees.

Join Us for This Free Employer Webinar



What are Roth 401(k) and 457(b) plans? How can they benefit my employees? How do I offer them?

Join us in January for one of three employer webinars addressing these questions and more.

Representatives from three URS departments, Retirement Planning, Savings Plans, and Employer Services, will be on hand to explain your options and answer questions. We'll walk through the steps to fill out the service agreement so you'll be ready when these plans become available March 30.

Wednesday, January 7, 2026, 8:30-9:30 a.m. | [Register](#)

Thursday, January 8, 2026, 1:30-2:30 p.m. | [Register](#)

Tuesday, January 13, 2026, 3:30-4:30 p.m. | [Register](#)

IRA Contribution Options



Currently, members may only contribute a flat dollar amount to a URS IRA. When AUREUS launches on March 30, 2026, members will also be able to contribute a percentage of their wages to these plans. If you have questions, call us at 801-366-7318 or at 800-753-7318.

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If You Don't Opt-In, Some Employees Could Lose Catch-Up Contributions

Beginning next year, a key provision of the federal SECURE 2.0 Act will shift certain catch-up contributions from pre-tax to after-tax Roth treatment, moving the tax benefit from "now" to "later." Participants in 401(k) and 457(b) plans age 50 or older who earned more than \$150,000 in FICA wages the prior calendar year must make catch-up contributions on an after-tax Roth basis.

These participants will no longer have the option to make pre-tax catch-up contributions. Instead, contributions will go into a Roth account, where growth and retirement withdrawals are tax-free.

What Employers Must Do

To allow affected employees to keep making catch-up contributions, employers must offer the Roth 401(k) and/or Roth 457(b). URS will begin offering

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these plans on March 30, 2026.

Employers that do not adopt these options will, in effect, prevent high-income employees from making any catch-up contributions. See **Page 5** for information about how to opt into the URS Roth 401(k) and/or Roth 457(b). If an employer does not opt in, catch-up contributions will not be allowed for affected employees and will be returned as excess contributions.

Employer Reporting

Because the catch-up provision is based on earnings, URS requires that each employer with FICA wage earning employees report each participant who earned more than \$150,000 of FICA wages in 2025 and is age 50 or older by December 31, 2026. This information ensures we can process contributions correctly.

Increased Catch-Up Limits (Ages 60-63)

Another SECURE 2.0 provision raises catch-up limits even further for participants ages 60 through 63. For this specific age group, the "super" catch-up amount is higher than the standard age 50+ catch-up limit (in 2025 it was \$11,250 versus the standard \$7,500). High earners in this age bracket are also subject to the mandatory Roth requirement for these higher limits starting in 2026.

Help Your Employees Save for a Secure Retirement



Opt for automatic enrollment in URS Savings Plans to increase employee participation. Studies show about 40 percent of employees don't participate in their employer's retirement savings plans. However, automatic enrollment increases participation to about 88%. With automatic enrollment, new employees automatically participate in URS Savings Plans at a percentage the employer sets. The employee can opt-out at any time.