



2026 Employer Event

The Triple Play

Understanding the URS
2026 Roth Expansion

Kevin Hurd, *March 24, 2026*



Trust • Commitment • Value • Innovation • Excellence

When You Contribute...

- » Money goes to an account
- » Uncle Sam: gift now
- » Uncle Sam: gift later





TRADITIONAL

ROTH

The “Traditional” 401(k) Way

- » 1978: Section 401(k)
- » Paycheck can be taxed later



Traditional Pizza

- » Paycheck is a 1,000-slice pizza
- » Tax Man: “I’d like 200 slices (20%)”
- » 800 slices left to take home



But you're a nerd—really cool!



“I Can Freeze Pizza!”



Freeze!

No pizza in the freezer	Stash 100 pieces in the 401(k) freezer
1,000 slices	900 slices
200 slices to Tax Man (20%)	180 slices to the Tax Man (20%)
800 slices left for you!	720 slices left for you!

What Is Roth?

- » Zero tax benefit now
- » \$1 contribution = \$1 reduced now



So Why?

- » 2 choices
 - › One gives tax break now
 - › One of them doesn't



Well, Roth gives you a ...



TAX FREE

Roth: Gift Later

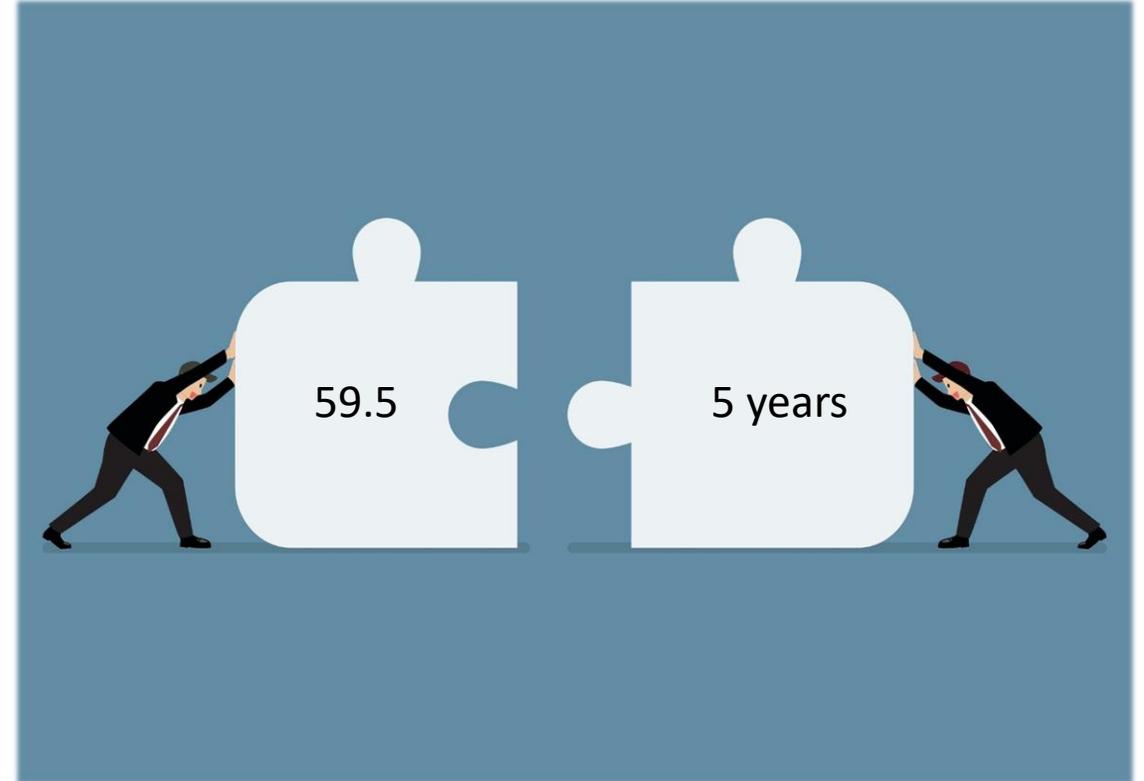
- » Balance potentially tax-free
- » No Required Minimum Distributions
- » Tax diversification in retirement



“It Takes 2”

» Takes 2 qualifications to be tax-free

- 1) Age 59.5
- 2) Five years since first Roth contribution





So Why?

- » The Formula!...
- » Expect the same or higher taxes in retirement?
 - › Consider Roth
- » We'll look at common examples, but first!...



Getting on the Same Page...

- » Value in not paying taxes now
- » Important: Invest the tax break for pretax to end ahead







\$100 Pizza Paycheck Goal

- » Pretend: 20% tax rate
- » \$125 contribution
- » “Feels like” \$100 less in paycheck

Why Roth?

- » Why forego tax break now?
- » Common examples...



Early Career

- » Young, early in career
- » Income expected to grow
- » Future tax rates higher?



Mid-Career

- » Kids?
- » Single income household?



Family having a Roth celebration

Late Career

- » Good saver (large RMDs)
- » URS employer for most of life
- » Medicare/Social Security



Put another way...

Pretax (Traditional)

- » Starting a road trip on a toll road
- » Pay no tolls... cruising
- » Arrive at toll booth at the end
- » Like Willie Nelson (kind of) said...

“On the road again...

Hit the toll booth and I’ll pay
my taxes then...”

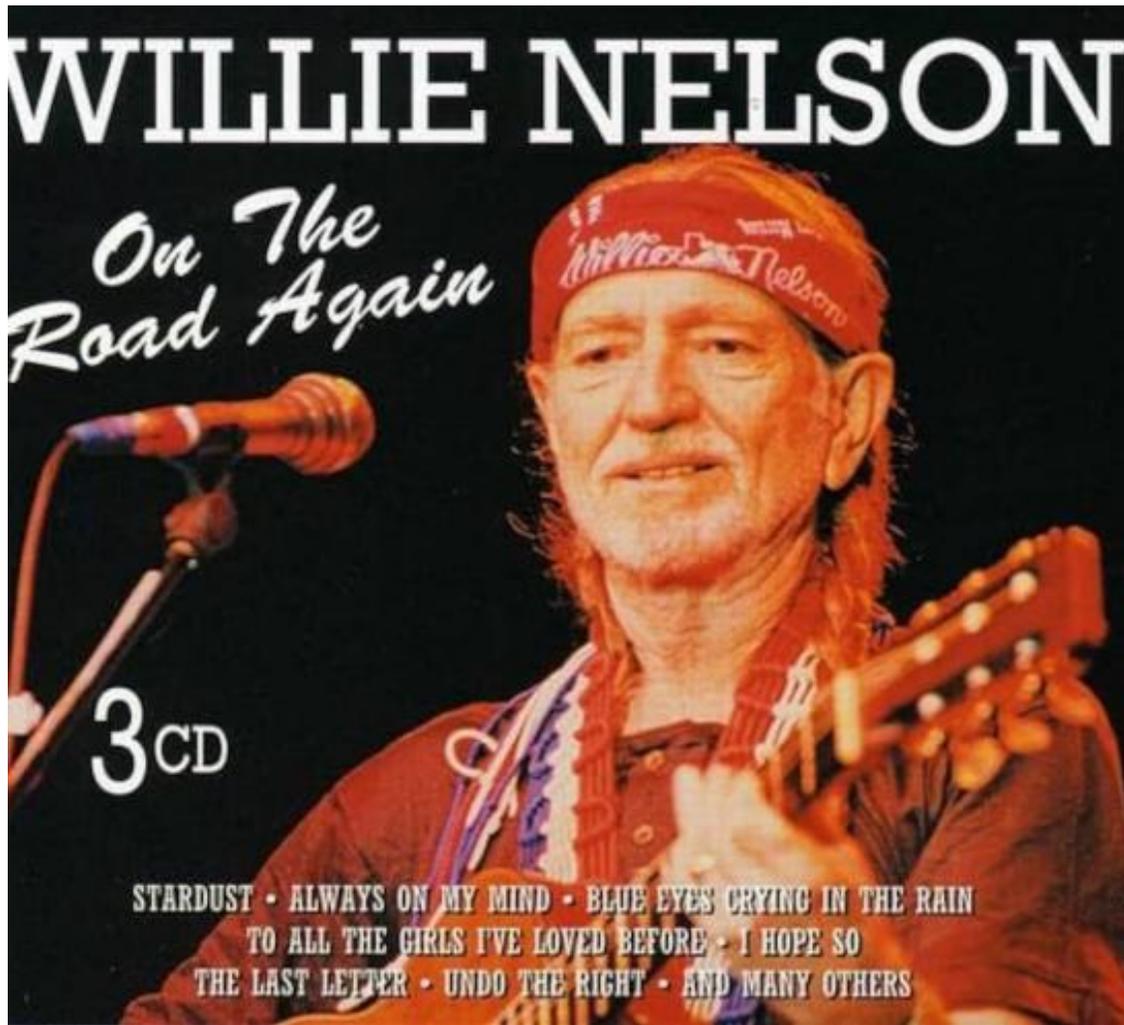


WILLIE NELSON

*On The
Road Again*

3CD

STARDUST • ALWAYS ON MY MIND • BLUE EYES CRYING IN THE RAIN
TO ALL THE GIRLS I'VE LOVED BEFORE • I HOPE SO
THE LAST LETTER • UNDO THE RIGHT • AND MANY OTHERS



End of the Journey

- » Arrive at the toll booth
- » Pay going rate at that time
- » If prices have gone up?
- » Or down?



Roth Tolls

- » Roth is pre-paying the toll
- » You know the cost now
- » No toll booth at the end



How to Save Roth?

- » People often think, “Roth IRA”!
- » Like saying every off-road vehicle is a Jeep!



(This is not a Jeep!)



Roth IRA

- » Not tied to specific employer
- » “It takes 2” rules apply
- » \$7,500 / \$8,600
- » Payroll / ACH transfer



Phased out (Roth IRA)

As of 2026...

- » Married filing joint
 - › \$242,000 - \$252,000
- » Single
 - › \$153,000 - \$168,000
- » Married filing separate
 - › \$1 - \$10,000



Roth IRA Benefits

(Besides tax-free growth)...

- 1) Flexibility!
- 2) Flexibility!
- 3) Flexibility!



Goat “Emergency”

- » Kevin is married to Kristin (mid/late 30s)
- » Kristin wants a baby goat
- » “I don’t think so” – Kevin for several years
- » Kevin caves and chooses to buy a goat
- » \$5,000



“It Takes Two”

- » Otherwise, potential taxes/penalties
- » Kevin is under 59.5
- » IRS has exceptions for avoiding
- » Think this qualifies?



No way!



But...

- » Contributions accessible
- » Growth is not
- » Super flexible!



Disclaimer:

- » The goat is cute, but...
- » Keep retirement \$ for retirement
- » Roth IRA: Super flexible though!



Pop Quiz:

Is every Roth a

Roth IRA?



BBQ

- » Statement: “I made BBQ.”
- » “I made BBQ” doesn’t tell the story
 - › Same with Roth



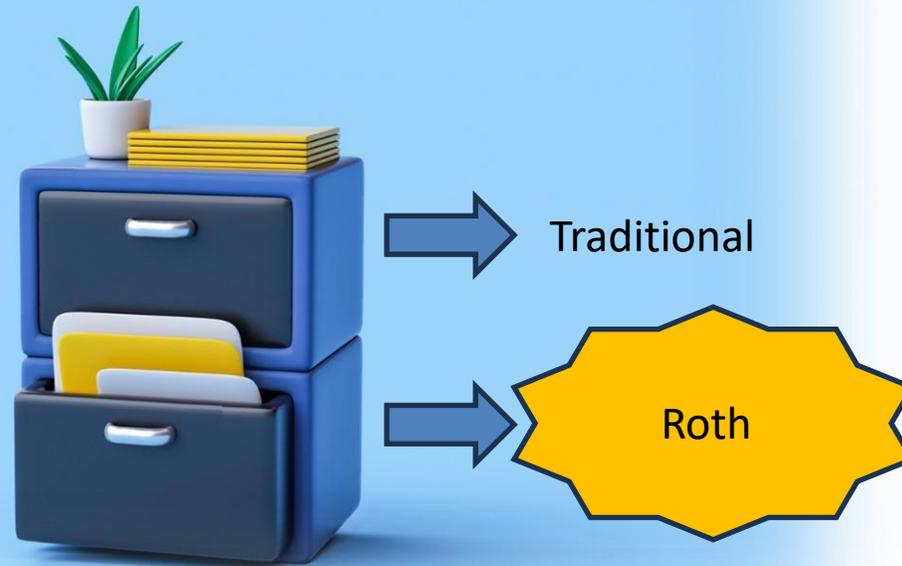
This isn't even BBQ-ing!



Introducing...



Roth 401(k) (picture this!)



Contributions

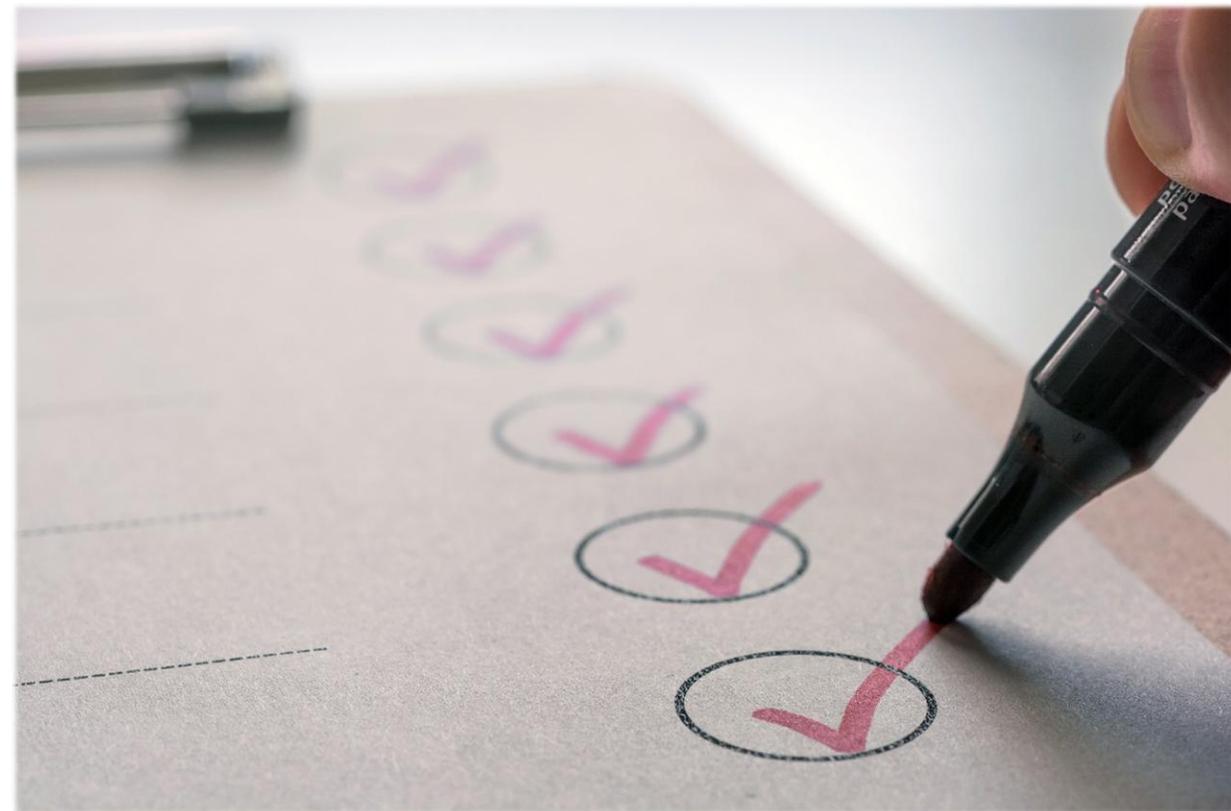
- » No income limit (unlike a Roth IRA)
- » Up to the 401(k) limit
- » Like drinking a milkshake



401(k) limits

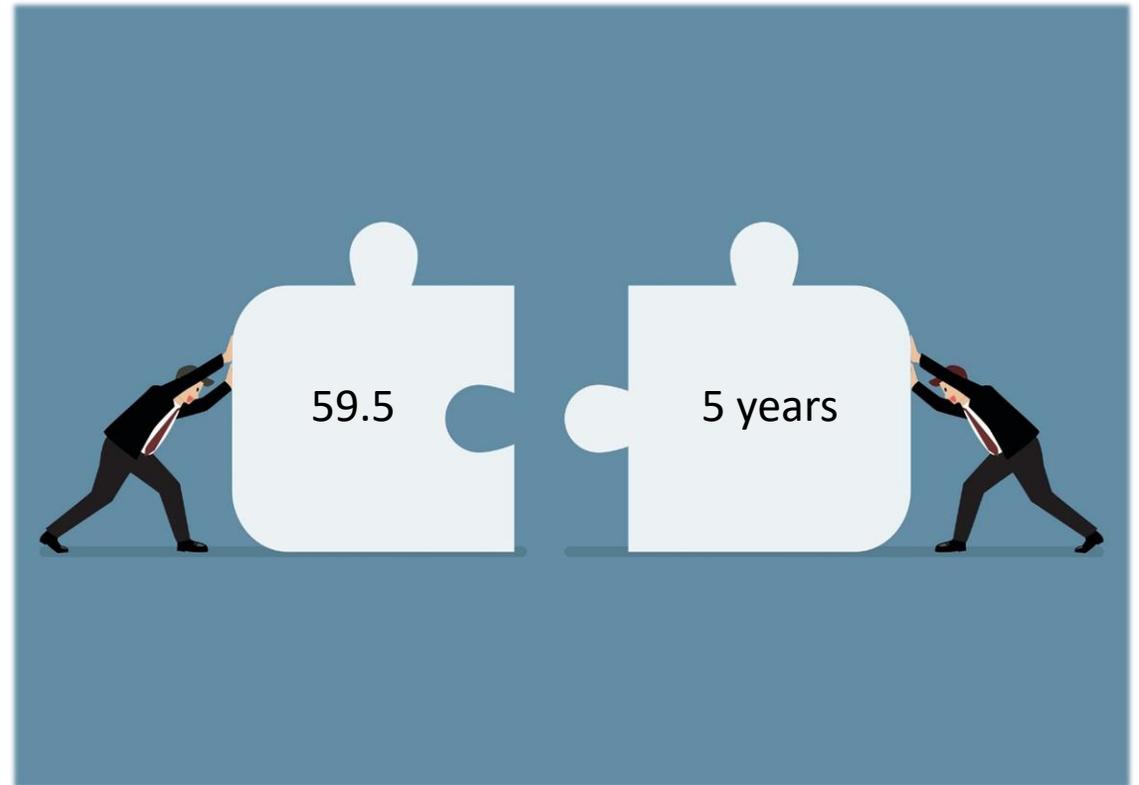
As of 2026

- » \$24,500 in 401(k)*
 - › *does not include **catch-up**, if eligible
 - › mustard & mayo are acceptable



“It Takes 2” applies

- » Takes 2 qualifications to be tax-free
 - 1) Age 59.5
 - 2) Five years since first URS Roth 401(k) contribution





Access

» Uncle Sam: Locked filing cabinet until:

› 1) Age 59.5

or...

› 2) Separation of service



Back to Goats!

- » Could Kevin access Roth 401(k)?
- » Still working at URS
- » No (except potentially a loan)
- » Roth IRA is more flexible, Roth 401(k) lets you save more Roth



Roth Plot Twist...

- » What if Kevin had separated from service?
- » Access to Roth 401(k) – yes
- » Access to Roth money without penalty – no



What gives?

- » Baby goat with Roth IRA!
- » First money leaving was contributions
- » This is Roth too, after all!
- » All good points...



The Laid-Back Sibling

- » Roth IRA is the laid-back sibling
- » “It doesn’t matter to me if you’re...
 - › Working or not
 - › Age 59.5 or not
- » “Always get contributions back”



The Other Sibling

- » Roth 401(k) sibling does things differently
- » Proportional!
- » \$5,000 withdrawal example



Other Sibling Cont...

- » \$100,000 balance
- » 60% is contributions
- » Therefore, 60% of withdrawal is tax-free
- » 40% is subject to taxes/penalties



Nutshell...

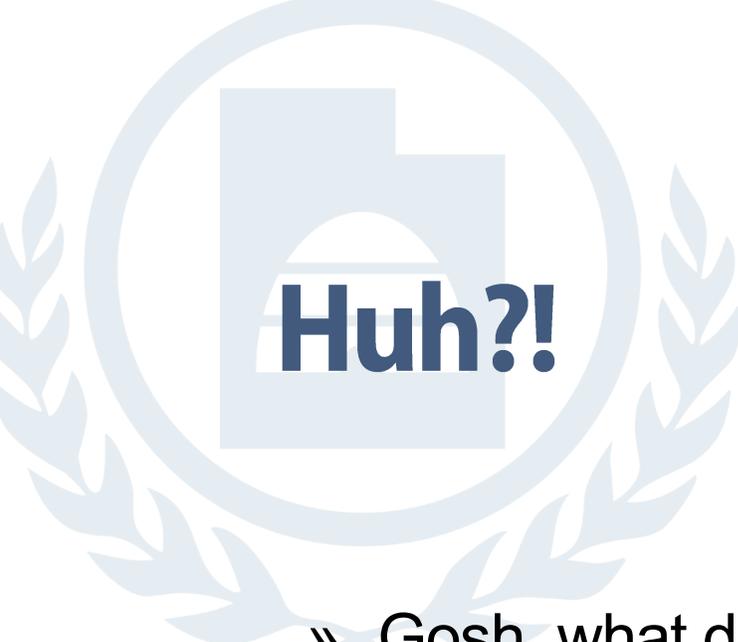
- » Roth IRA is more flexible
- » Roth 401(k): More contributions
- » Roth 401(k): High earners can contribute
- » Wild thing: Hopefully, it won't matter!





Introducing...





Huh?!

- » Gosh, what did he just say?
- » 457(b) is a unique plan
- » Government employees



Repeat for the Roth 457(b)



Back in Grand Junction...

- » Great town! (Everything you need)
- » Twin cousins, Mike and Alex
- » Who was Mike and who was Alex?
- » 401(k) and 457(b) are the “Mike and Alex” plans
- » Act similarly, but one big difference



Significant Birthday

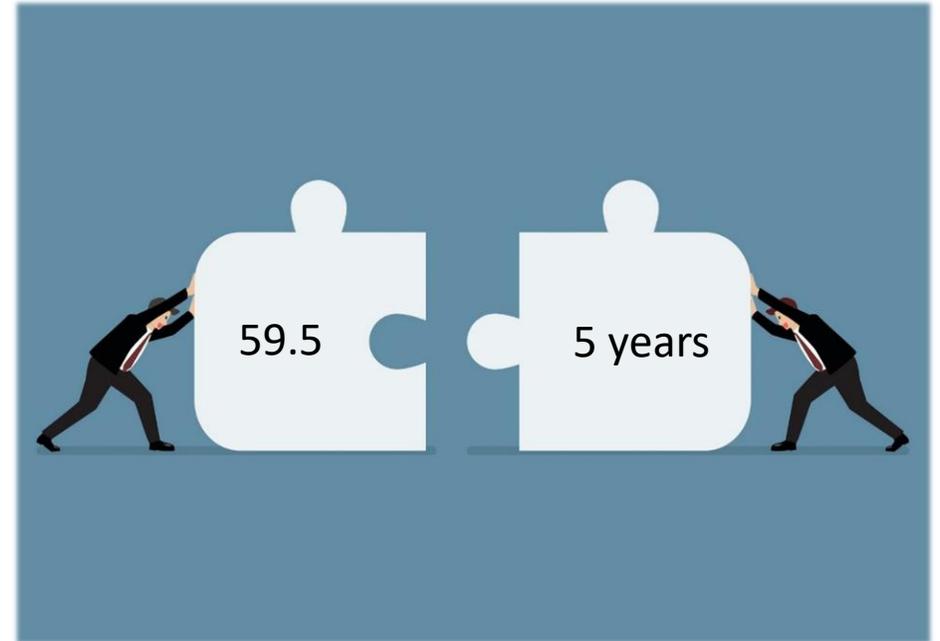
- » 59 AND A HALF
- » 401(k) penalty goes away
- » 457(b) never has a penalty

note IRS generally requires separation of service or age 59.5 to withdraw



So what about “It Takes Two?!”

- » Still applies!
- » Roth IRA and Roth 401(k) aging doesn't count



But you said...

- » 457(b) plans don't have an age to avoid penalty!
- » True! Very true!
- » But... that's for not having a penalty
- » Tax-Free... it takes two!



The Roth Family...

- » Dad and Mom
 - › Roth 401(k) and 457(b)
 - › More strict rules about using money
- » Child
 - › Roth IRA
 - › Smaller contributions
 - › More flexible



What should I do?

- » Get the match first!
- » Policy?
- » After that...



If I Want Roth...

- » Am I eligible for Roth IRA?
- » Roth IRA starting point (if eligible)
- » Payroll contribution / ACH transfer



Twin Brothers

- » Remember twin brothers?
- » Consider the Roth 457(b)
 - › No early withdrawal penalty
- » Payroll deducted



“Honey, let’s talk”

- » Andrew talking with his wife, Jessica
- » Works for URS employer
- » Tells Jessica, “I’ve been thinking...”
- » How much Roth can he do?



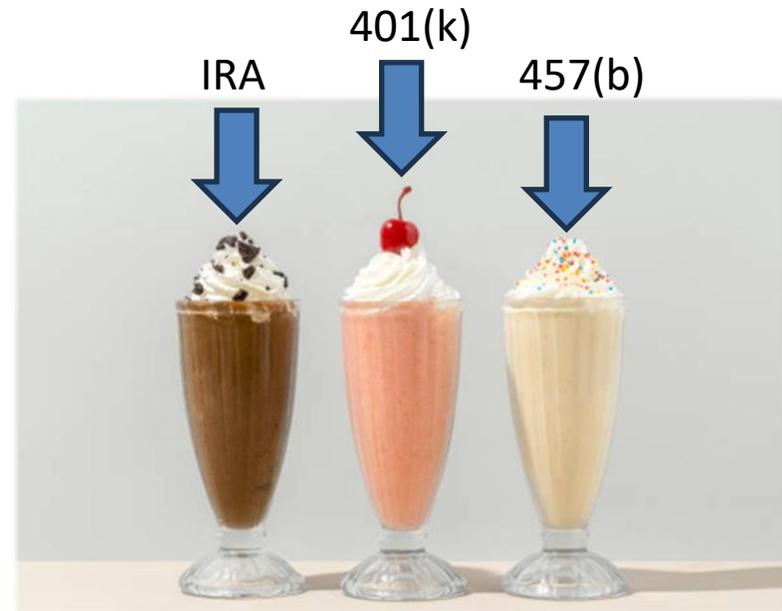
Photo capturing moment Andrew told Jessica he wants to contribute to Roth accounts

Brief Side Note...

- » Take notes from Andrew for the next Valentine's Day...
- » "Honey, let's talk about Roth"...



Remember the Milkshake Rule!



Public Service Announcement

As of 2026...

- » High Earner Rule - \$150,000
 - › Catch-up contributions based on age...
must be Roth in 401(k)/457(b)



In Real Life...

- » Or as the kids say now... “IRL”
- » Here are some examples...



Fact or Myth?

» “Roth is better if you’re younger because it has more time to compound tax-free.”



All about the tax rates

- » Quote the Backstreet Boys “I Want it That Way” (well, kind of...)
- » “Tell me why... ain’t nothin’ but the tax rates...”



Roth vs. Pretax Race

» Assumptions:

- › 20% tax rate now and in retirement
- › 35 years of investment
- › 7% return
- › \$5,000 for retirement budget each year







Roth

- » Contribution is \$5,000 a year exactly (no tax break)
- » After 35 years... amount \approx \$691,000
- » After taxes... \$691,000



Pretax

- » \$6,250 pretax contribution (feels like \$5,000)
- » After 35 years... \approx \$863,750
- » 20% tax rate, that is worth \approx \$691,000
- » EXACT same!!!



Takeaway...

- » “Ain’t nothin’ but the tax rates...”
- » If you expect similar/higher taxes in retirement → Roth
- » If you expect lower taxes in retirement → Pretax
 - › *Crucial step* invest the tax break

“Simplicity is the ultimate form of sophistication.”

-Leonardo da Vinci

- » Roth 457 with auto escalation
- » No worries about
 - › Future income
 - › Logging in to increase
 - › Big bucket to fill



Roth Webinars

- » “The Roth Advantage: Empowering You With Tax-Free Retirement”
- » “To Convert or Not to Convert... That is the (Roth) Question”



Roth FAQ



Frequently Asked Questions

URS Roth 401(k)/457(b)



Exciting News!

- » Life-changing difference
 - › Tax and savings amounts
- » Here for you
- » Privilege serving you



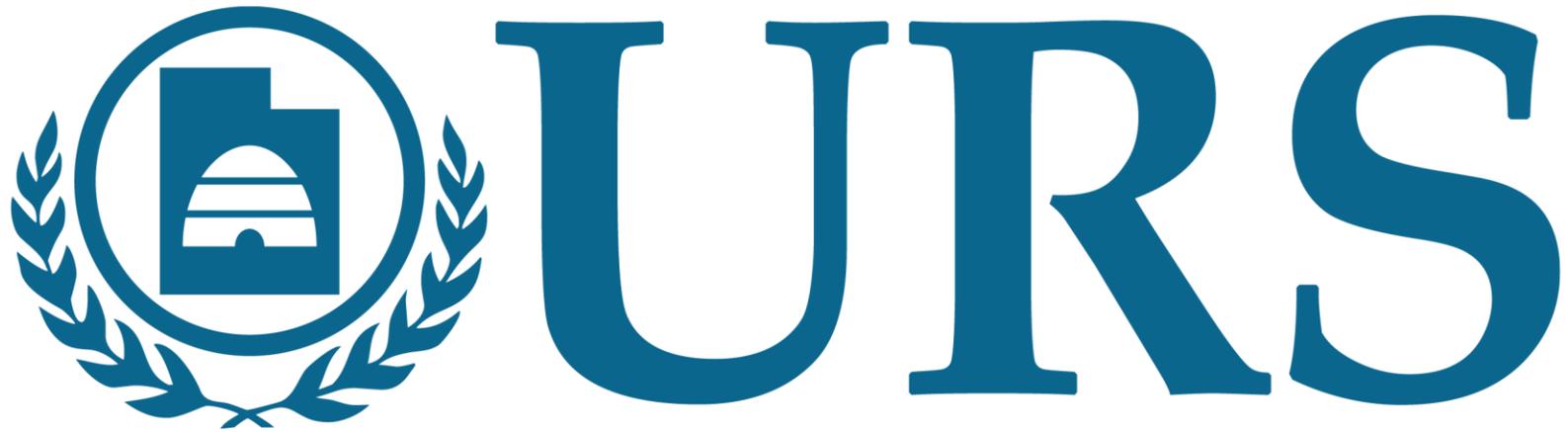
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