

# Pension & Retirement Plans Overview for Wyoming / Idaho Teachers

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Wyoming Retirement System (WRS): Overall, the Wyoming Retirement System is in good financial health. Teachers in Wyoming are a part of the Public Employees Service Pension (either Tier 1 or Tier 2 depending on start date). The [Urban Institute](#) gives WRS Pension for teacher an overall B grade (the highest grade) and ranks Wyoming #3 in the nation for teacher pensions. The [Bellwether Report on State Teacher Pensions](#) gives Wyoming a less rosy grade of a D.

Link to the [Wyoming Retirement System \(WRS\) Home Page](#)

Wyoming Retirement System (WRS) - Pension				
Pension Plan	Vested	Eligibility for Full Retirement	Multiplier	Highest Average Salary
Tier 1: Public Employee (Teacher) Service started <b>before</b> 9/1/2012	48 Months to become vested	Age 60 with 4 yrs service <b>or</b> "Rule of 85" (age + years of service equal or exceed 85)	2.125% for first 15 yrs of service, plus 2.25% for remaining years	36 continuous months
Tier 2: Public Employee (Teacher) Service started <b>after</b> 9/1/2012		Age 65 with 4 yrs service <b>or</b> "Rule of 85" (age + years of service equal or exceed 85)	2% for all years of service	60 continuous months

**Notes:**

- Receiving a Wyoming Pension does not affect Social Security eligibility. You still collect full Social Security.
- No Cost of Living Adjustments (COLA) - there is a "Self Funded" COLA option but this is generally not worth it as it has a 21-24 year payback time.
- Can purchase up to 60 months (5 years) of service credit which both increase the benefit and can factor in to potentially reduce retirement age. This is expensive but can be a good deal and generally has a 15 year plus payback time. Funds to purchase service credits can come from Pre-tax 457(b) accounts. Buying service credit adds to your retirement benefit and can reduce your retirement age.
- "Early" retirement is an option starting at age 50 (Tier 1) or age 55 (Tier 2) with a 5% per year reduction in benefits penalty.

Additional Retirement Plan Options for WYOMING Teachers	
Plan	Details
Wyoming	<ul style="list-style-type: none"> <li>• Contributions are able to be made Pre or Post Tax</li> </ul>

<p>Retirement System (WRS) - <b>457(b)</b></p>	<ul style="list-style-type: none"> <li>• Account Management Fees paid to WRS are low 0.19% capped at a maximum \$190 per year.</li> <li>• Opening a WRS 457(b) gives you access to Empower Retirement, a powerful financial planning platform including budgeting and retirement planning.</li> <li>• Lots of different low cost investing options and funds to choose from, including BlackRock LifePath Target Date Retirement Funds with a very low 0.08% investing fee.</li> <li>• A great retirement savings option.</li> </ul>	
<p><b>403(b)</b> Three Options:</p> <p><b>Vanguard</b></p> <p><b>Fidelity</b></p> <p><b>Valic</b></p>	<p><b>Vanguard</b> or <b>Fidelity</b></p> <ul style="list-style-type: none"> <li>• TCSD #1 Employees have the great options to use Vanguard or Fidelity as the vendors.</li> <li>• Vanguard and Fidelity are highly rated, reputable, very low fee vendors with lots of investment options.</li> <li>• Beware of other 403(b) vendors!</li> </ul>	<p><b>Valic</b></p> <ul style="list-style-type: none"> <li>• DO NOT OPEN AN ACCOUNT WITH Valic!</li> <li>• They are a very high fee vendor with high surrender charges.</li> <li>• <a href="#">Link to 403bwise rating system</a></li> </ul>
<p><b>401(k)</b></p>	<ul style="list-style-type: none"> <li>• 401 plans are not an option through TCSD #1</li> </ul>	
<p><b>HSA</b></p>	<ul style="list-style-type: none"> <li>• TCSD #1 employees with a High Deductible Health Plan (HDHP) have the option of an HSA Bank savings account and a Schwab HSA Investment account. This is a great option.</li> </ul>	

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**Idaho:** Public Employees Retirement System of Idaho (PERSI): Overall, the Idaho Retirement System is in good financial health. Teachers in Idaho are a part of the Public Employees Service Pension of Idaho (PERSI). The [Urban Institute](#) gives PERSI as a whole an overall B grade (the highest grade) and for teachers specifically a C grade. The [Bellwether Report on State Teacher Pensions](#) gives Idaho a C grade and ranks it the #7 state in the country for teacher pensions.

Link to the [Public Employees Retirement System of Idaho \(PERSI\) Home Page](#)

Public Employee Retirement System of Idaho (PERSI) - Pension				
Pension Plan	Vested	Eligibility for Full Retirement	Multiplier	Highest Average Salary
PERSI	60 Months of Service Credit	Age 65 or	2% per year	42 months

		“the rule of 90” (age + years of service equal or exceed 90)		
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Notes:

- Receiving a pension from Idaho/PERSI does not affect Social Security eligibility. You still collect full Social Security.
- PERSI pensions get regular Cost of Living Adjustments (COLA)!
- Can purchase up to 48 months (4 years) of service credit which increases the benefit and can factor in to potentially reduce retirement age if you are at least 50 years old. Funds to purchase service credits can come from Pre-tax 457(b) accounts. Buying service credit adds to your retirement benefit and can reduce your retirement age.
- “Early” retirement is an option in general starting at age 55 with a 3% per year reduction in benefits penalty for the five years (longer than five years is a much bigger penalty).

Additional Retirement Plan Options for IDAHO Teachers		
Plan	Details	
PERSI Choice 401(k)	<ul style="list-style-type: none"> <li>• Contributions are able to be made Pre or Post Tax</li> <li>• Opening a PERSI 401(a) gives you access to Empower Retirement, a powerful financial planning platform including budgeting and retirement planning.</li> <li>• A low recordkeeping/administration fee of 0.10%</li> <li>• A variety of low to moderate cost (0.03% - 0.66%) investing options and funds to choose from, however, they do not offer Target Date Retirement Funds as an option which makes investing and choosing funds a bit more complicated.</li> <li>• A great retirement savings option.</li> </ul>	
<b>403(b)</b> <b>Two Options:</b>  <b>Vanguard - excellent</b>  <b>American Fidelity</b>	<b>Vanguard</b> <ul style="list-style-type: none"> <li>• USE VANGUARD!</li> <li>• Vanguard is a highly rated, reputable, very low fee vendor with lots of investment options.</li> <li>• TSD 401 offers Vanguard but they do not advertise that this is an option.</li> <li>• A great retirement savings option</li> </ul>	<b>American Fidelity</b> <ul style="list-style-type: none"> <li>• DO NOT OPEN AN ACCOUNT WITH AMERICAN FIDELITY!</li> <li>• They are a very high fee vendor with high surrender charges.</li> <li>• <a href="#">Link to 403bwise rating system</a></li> <li>• If you are already in a plan with American Fidelity - get out. Link on how to get out a bad 403(b) plan like American Fidelity - <a href="#">link</a></li> <li>• TSD 401 advertises this vendor and reps come to schools - ignore them</li> <li>• A TERRIBLE retirement savings option.</li> </ul>
<b>457(b)</b>	<ul style="list-style-type: none"> <li>• 457 (b) plans are not an option through TSD 401 but they should be.</li> </ul>	
<b>HSA</b>	<ul style="list-style-type: none"> <li>• ?</li> </ul>	

