

Tier 1 Contributory Retirement System

Pension Basics

Your URS pension gives you stable income throughout your retirement. After you retire, your pension pays you monthly for the rest of your life and possibly your spouse's.

» *Look inside to estimate how much your pension will pay*



This brochure provides a brief overview of Tier 1 Contributory Retirement System pension benefits. Go to www.urs.org for more details about your pension or to download the URS Pension Basics brochure that applies to you.

BENEFITS

How Much Will My Pension Pay Me?

$$\text{Number of Years of Service} \times 2\% \times \text{Average 5 Highest Years' Salary} = \text{Basic Yearly Pension Benefit}$$

Estimating your basic retirement benefit is simple. Just follow the formula above. Use our calculators at www.urs.org for a more detailed estimate.

EXAMPLE	
Years of Service	→ 30 Years
x
2%	→ 60%
x
Average Salary (Average of 5 highest years)	→ \$40,000
=
Benefit	→ \$24,000 / Year \$2,000 / Month*

Note: Any service credit earned prior to July 1, 1975, may be calculated differently. If you have service credit before 1989, you may get an additional 3% added to your pension benefit.

Cost-of-Living Adjustment (COLA)

You'll get a cost-of-living adjustment (COLA) on the anniversary of your retirement date, equal to the rate of inflation, based on the consumer price index. This increase is a simple COLA limited to an annual maximum of 4%.



When Can I Retire?

Your pension eligibility depends on your age and years of service. Here are the minimum qualifications:

- » 65 with at least 4 years of service
- » 62 with at least 10 years of service*
- » 60 with at least 20 years of service*
- » Any age with at least 30 years of service

**Early age reduction if you retire under age 65 with fewer than 30 years.*

ELIGIBILITY

Early Age Reduction

If you have **fewer than 30 years of service** and retire **before age 65**, your benefit is reduced. You'll get 3% less for every year between age 60 and 65 and 7% less per year for every year below age 60.

PAYOUTS

What Are My Payout Options?

When you apply for retirement, you'll choose among **several payout options**. For example, Option 1 is the maximum benefit payable to you, but it pays nothing after your death. Other options will pay your spouse* after your death, but **decrease your monthly benefit**.



Partial Lump-Sum Option (PLSO)

At retirement, you can choose to get a **lump-sum payment** equal to 12 months or 24 months of your lifetime monthly retirement benefit. By choosing a lump-sum payment, you accept a permanently reduced lifetime monthly benefit.

▼ **This example based on:**

- » \$40,000 final average salary
 - » 30 years of service
 - » Member age 62 and spouse age 60
- *Spouse at the time of retirement

ADJUSTED MONTHLY BENEFIT BASED ON PLSO

		12-Month PLSO Amount: \$24,000	24-Month PLSO Amount: \$48,000
OPTION 1	\$2,000 per month No Beneficiary Benefit	\$1,858 per month No Beneficiary Benefit	\$1,714 per month No Beneficiary Benefit
OPTION 2	\$1,900 per month Any Beneficiary: Remaining <i>contributory</i> account balance	\$1,765 per month Any Beneficiary: Remaining <i>contributory</i> account balance	\$1,628 per month Any Beneficiary: Remaining <i>contributory</i> account balance
OPTION 3	\$1,764 per month Spouse Benefit: \$1,764 per month	\$1,639 per month Spouse Benefit: \$1,639 per month	\$1,511 per month Spouse Benefit: \$1,511 per month
OPTION 4	\$1,874 per month Spouse Benefit: \$937 per month	\$1,741 per month Spouse Benefit: \$870 per month	\$1,606 per month Spouse Benefit: \$803 per month
OPTION 5	\$1,741 per month Spouse Benefit: \$1,741 per month	\$1,617 per month Spouse Benefit: \$1,617 per month	\$1,492 per month Spouse Benefit: \$1,492 per month
<i>If your spouse dies before you, Option 5 reverts to Option 1.</i>			
OPTION 6	\$1,861 per month Spouse Benefit: \$930 per month	\$1,729 per month Spouse Benefit: \$864 per month	\$1,595 per month Spouse Benefit: \$797 per month
<i>If your spouse dies before you, Option 6 reverts to Option 1.</i>			

Example Only

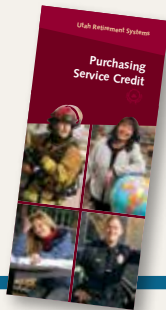
OPTIONS

Purchasing Service Credit

Increase the amount of service credit you have

— and increase your retirement benefit — by reinstating and/or purchasing service credit.

Download this ►
brochure at
www.urs.org
for more
information.



Death Benefits

If you die before retiring:

- » Your beneficiary may get a payment of 75% of your highest annual salary
- and**
- » Your spouse will get a monthly lifetime benefit if you have been married at least six months, and
 - » you qualify for retirement, but are not yet retired, or
 - » you have at least 15 years of service

If a monthly spousal benefit doesn't apply, your beneficiary will get the balance of your contributory account.



How Do I Learn More?

Access your personal accounts at myURS.

View information such as: years of service credit, beneficiaries, statements, and much more. You can also contribute to and manage URS Retirement Savings Plans. To create an account, Go to **www.urs.org** and click "LOGIN" in the upper-right corner. You'll need your URS account number and Social Security number to create an account.

Supercharge Your Retirement

Don't rely on your pension alone for a comfortable retirement. URS Savings Plans offer an outstanding way to supplement your retirement and secure your financial future.

The key is to start saving early and consistently. Go to www.urs.org to start saving today.

◀ Go to www.urs.org to learn more about URS Retirement Savings Plans. Download this brochure for savings plan comparisons and investment options.



www.urs.org

801-366-7770 | 800-695-4877

SAVINGS PLANS