URS
Utah Retirement Systems

Tier 2 Public Safety and Firefighter Hybrid System

Hybrid Option

You're in the Tier 2 Retirement System if you began employment or first became eligible for URS **on or after July 1, 2011**. The Hybrid option (**Hybrid Retirement System**) is one of two Tier 2 options that combines a pension benefit and 401(k).

» *Look inside for a brief overview of your retirement benefit*



This brochure provides a brief overview of the Tier 2 Public Safety and Firefighter Hybrid Retirement System. Go to www.urs.org for more details about your benefits.

BENEFITS

What's the **Hybrid Option**?

Your employer contributes an amount equal to 14% of your salary to fund the Hybrid Option, which combines a pension and, in some cases, a 401(k). A pension provides a lifetime income stream based on the formula below.

Number of Years of Service x 2%* x **Average 5 Highest Years' Salary** = **Basic Yearly Pension Benefit**

** Service earned before July 1, 2020, will be multiplied by 1.5%.*

EXAMPLE

Years of Service	→	**25 Years**
x		
2%*	→	**50%**
x		
Average Salary *(Average of 5 highest years)*	→	**$60,000**
=		
Benefit	→	**$30,000 / Year** **$2,500 / Month**

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 2.5%.

ELIGIBILITY

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
- » **Any age** with at least **25** years of service
- » **62** with at least **10** years of service*
- » **60** with at least **20** years of service*

**Early age reduction if you retire under age 65 with fewer than 25 years.*

Early Age Reduction

If you have **fewer than 25 years of service** and retire **before age 65**, your benefit is reduced.

Age	Reduction
64	9.25%
63	17.49%
62	24.87%
61	31.49%
60	37.44%

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**.



**Spouse at the time of retirement.*

Example Only

This illustration based on:

- $60,000 final average salary
- 25 years of service
- Member age 65 and spouse age 62
- Service accrued after July 1, 2020

OPTION 1	**$2,500** per month	**No Beneficiary Benefit**
OPTION 2	**$2,375** per month	**Any Beneficiary:** Remaining ***contributory*** account balance
OPTION 3	**$2,082** per month	**Spouse Benefit:** **$2,082** per month
OPTION 4	**$2,272** per month	**Spouse Benefit:** **$1,136** per month
OPTION 5	**$2,043** per month	**Spouse Benefit:** **$2,043** per month
	If your spouse dies before you, Option 5 reverts to Option 1.	
OPTION 6	**$2,249** per month	**Spouse Benefit:** **$1,124** per month
	If your spouse dies before you, Option 6 reverts to Option 1.	

Purchasing Service Credit

Increase the amount of service credit you have — and increase your retirement benefit — by reinstating and/or purchasing service credit. For example, you can eliminate any early age reduction by purchasing up to five years of future service.

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





How the Pension Contribution Rate Impacts Your Benefit

The total cost of the Hybrid Option benefit varies based on the yearly pension contribution rate. Employers are required to pay the equivalent of **14%** of your salary to fund your benefit. If the pension contribution rate exceeds 14%, you'll have to pay the difference as a payroll deduction, unless your employer chooses to pick up the employee cost. If the pension contribution rate is lower than 14%, you'll get the difference in the form of an employer 401(k) contribution. Go to **www.urs.org/rates** to see the current pension contribution rate, as well as the rate history, and to learn more.

WWW.URS.ORG

Death Benefits

» 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

Line-of-Duty Death Benefits

» Your beneficiary may get a payment of 75% of your highest annual salary

and

Less than 20 years service

» Your spouse gets a lump-sum equal to six months of your final average salary and an allowance equal to 30% of your final average salary.

More than 20 years service

» Your spouse gets a benefit equivalent to what would have been payable to you under Payout Option 1.

Retirement Benefits (Pension)
801-366-7770 | 800-695-4877

Savings Plans
801-366-7720 | 800-688-4015

www.urs.org

How Do I **Learn More**?

Access your personal accounts at myURS.

Go to **www.urs.org** and click "LOGIN" in the upper-right corner. You'll need your URS account number to create a new account and view information such as:



» Service Credit

» Beneficiaries

» Investment Options

» Savings Plans Statements

How Do I **Save More**?

Don't rely on your employer's contribution alone for a comfortable retirement. Save on your own through payroll deduction.

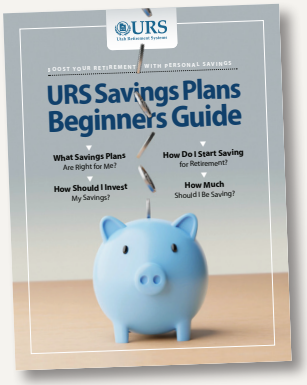
» URS Savings Plans offer an outstanding way to supplement your retirement and secure your financial future

» Contribute to and manage URS Savings Plans through myURS (see above)

» Start saving as soon as possible

» Save consistently

» Increase the amount you save over time



▲ *Learn how to get started saving for retirement. Go to www.urs.org/us/beginners or follow the QR code to read this guide.*