URS
Utah Retirement Systems

Utah Retirement Systems
Tier 1 Retirement Guidebook

STEPPING YOU THROUGH RETIREMENT





Utah Retirement Systems

Filing For Retirement

The start of some of the happiest years of your life begins here. To smooth your transition into retirement, read the following information carefully. It will answer many of your questions and get you started in the right direction. This *Guidebook* applies to the following retirement systems:

- **Tier 1 Public Employees Noncontributory Retirement System**
- **Tier 1 Public Employees Contributory Retirement System**
- **Tier 1 Public Safety Noncontributory Retirement System**
- **Tier 1 Public Safety Contributory Retirement System**
- **Tier 1 Firefighters Retirement System**
- **Tier 1 Judges Noncontributory Retirement System**
- **Tier 1 Governors and Legislators**

This publication is intended to provide general information and does not constitute legal, tax, financial or investment advice and should not be construed as such or relied upon for those purposes. Nothing herein should be construed to establish, amend, enlarge, reduce, or otherwise affect any benefits, rights, responsibilities, or privileges. If there is a conflict between any applicable law, rule, regulation, plan provision, or contract and the contents of this publication, the law, rule, regulation, plan provision, or contract shall prevail.

For more specific information, refer to Title 49, the Highlights brochures at www.urs.org, or call our office at 801-366-7770 or 800-695-4877.

9/10/26B

Table of Contents

Topic	Frequently asked questions	Page
Retirement Application Checklist	What documents do I need to submit?	3
Individual Counseling	Can I meet with a retirement counselor?	4
Termination Requirements	Am I required to terminate employment before I retire?	5
Setting a Retirement Date	Can I retire any day I choose?	6
Documents You Must Provide	What proof-of-age documents are acceptable?	7
Direct Deposit	Can I have my monthly check deposited directly into my checking or savings account?	8
Post-Retirement Reemployment	Can I return to work for a URS participating employer after retirement?	9
What To Expect After I Submit My Application	What happens once I submit my retirement application?	10
Receiving Your Retirement Check	When will I receive my first check?	11
Beneficiaries	How do I designate my beneficiaries?	12
Cost-of-Living Adjustments	When are cost-of-living adjustments paid?	13
Health Insurance	What are my options for healthcare after I retire?	14
Retiree Life Insurance	Does URS offer life insurance to retirees?	15
Survivor Benefits	What will my spouse or beneficiaries receive upon my death?	16
Taxes	Are pension payments taxed?	17
Contact Us	How do I contact your office?	18
Online Access	How do I access my URS account online?	19

Retirement Application Checklist

When you decide to retire, you may request an online or paper application by phone. Your application setting your retirement date must be filed with our office not more than 90 days before or after your retirement date. Carefully review each of the forms to understand your options.

These are the documents required to be provided to URS during the process of applying for retirement.

- ☐ **Retirement Application »** complete and sign. List the retirement date on your retirement application. Retirement date can only be the 1st or 16th day of the month follow a bona fide termination from all URS participating employers. (See Page 6)
- ☐ **Partial Lump-Sum Option (PLSO) »** complete and sign, if elected. Choose payment option and method.
- ☐ **W4-R Federal Tax Withholding for Nonperiodic Payments and Eligible Rollover Distributions »** complete and sign.
- ☐ **Notice of Bona Fide Termination Requirements »** sign. (See Page 5)
- ☐ **Notice of Post-Retirement Reemployment Restrictions »** sign. (See Page 9)
- ☐ **Life Insurance Enrollment »** complete and sign, if elected.
- ☐ **Beneficiary Designation for Retiree & Spouse Life Insurance »** complete and sign by you, and your spouse if spouse life insurance is selected. (Beneficiary designation for retiree life insurance is not applicable to members of the Public Safety, Firefighters, Judges Retirement Systems, and the Utah Governors and Legislators Retirement Plan.) (See Page 15)
- ☐ **W-4P Federal Tax Withholding for Periodic Pension or Annuity Payments »** Tax withholding complete and sign.
- ☐ **State of Utah Income Tax Withholding »** Tax withholding, complete and sign.
- ☐ **Direct Deposit Authorization »** complete and sign. (See Page 8)
- ☐ **Citizenship and Residency Declaration »** Citizenship and Residency selected.
- ☐ **Birth Certificates or other proof-of-age documents for you and your spouse »** need to be sent to our office. See Page 7 for a list of acceptable documents.
- ☐ **Marriage Certificate »** mail a legible copy.

Individual Counseling

Call our office or log in to myURS at www.urs.org to schedule an appointment with a retirement counselor. Appointments are taken between 9 a.m. and 4 p.m., Monday - Friday.

Salt Lake City Office
560 East 200 South, Suite 240
Salt Lake City, UT 84102

801-366-7770
800-695-4877

Southern Utah Branch Office
20 North Main Street, Suite 206
St. George, UT, 84770

435-673-6300
800-950-4877

Bona Fide Termination Requirements

You must terminate all employment, regardless of benefits, with every URS participating employer/agency, before your retirement date with URS, and we must receive confirmation, in writing, from your employer.

A participating employer/agency includes: Any department, division, agency, office, authority, commission, board, institution, or hospital of the State; any county, city, municipality, town, local government, local district, or special service district; a state college or university, school district, charter school; or any other participating employer.

Employment includes, but is not limited to: Part-time, full-time, seasonal, temporary, adjunct, substitute, hourly, contract arrangements or any employment in which you receive compensation, stipends or grants, regardless of benefits.

Exclusion: Post-Retirement Reemployment restrictions exclude a retiree who takes office as an elected official or is re-employed as an active senior judge appointed to hear cases by the Utah Supreme Court.

If you do not terminate employment with all URS participating employers before your URS retirement date, your monthly retirement benefit will be canceled and you will be required to reimburse URS for any retirement benefits you received when you were not eligible.

Setting a Retirement Date

You must terminate all URS employment, even part-time or contract work, by your retirement date.

Your application setting your retirement date must be filed with our office not more than 90 days before or after your retirement date.

You may set your retirement date for the first or the 16th day of the month when you cease all actual work for every participating employer before your retirement date and the employer(s) provide evidence of the bona fide termination(s). See termination requirements on Page 5 for more information.

Documents You Must Provide

You must provide a legible copy of your marriage certificate, as well as birth certificates or other proof-of-age documents for yourself and your spouse.

Acceptable Documents Establishing Proof of Age

Any ONE of the following documents is acceptable:

1) A valid state-issued driver's license or state ID.
2) A copy of a certified birth certificate.
3) A military service record or certified copy.
4) An original naturalization record or immigration certificate.
5) A hospital birth record certified by the custodian of such records.
6) Notification of birth registration.
7) A copy of a valid passport.

Any TWO of the following documents are acceptable:

1) A foreign church or government record.
2) A life insurance policy that is at least five years old and shows your/your spouse's age or date of birth.
3) A copy of a U.S. Bureau of the Census record.
4) A signed statement by the physician or midwife attending your/your spouse's birth, identifying the date of birth shown on his or her records.
5) Your child's birth certificate on which your age is shown.
6) A certified copy of a record of birth recorded in a family Bible. In this case, state:
   - » the name of the person who entered the birth date in the Bible;
   - » when the date of birth was recorded;
   - » an explanation of any corrections or erasures that were made;
   - » the date the family Bible was printed.
7) A certified school record showing age or date of birth.
8) A marriage record or certified copy, if it shows your/your spouse's age or date of birth.
9) A labor union or fraternal record certified by the custodian of such records.
10) An employment record at least 10 years old from the personnel department showing your/your spouse's birth date.
11) A certified copy of a church membership record.

If you include original documents when you file your retirement application, we will make a copy and return them to you.

Direct Deposit

Retirement is the time to secure your finances. You can have your monthly retirement benefit deposited directly to your checking or savings account.

It's timely. Your check is credited to your account the last working day of each month.*

It's certain. Your money is in the bank, regardless of the mail, weather, illness, weekends, travel, or other delay. No postage. No trip to the bank.

It's safe. URS Direct Deposit will deposit your monthly retirement benefit to your checking or savings account.

It's free.

It's online. Payment information is available online through the myURS login.

Please keep us informed of any address changes to make sure correspondence, publications, year-end tax documents, and other important information is sent directly to you.

If you have questions about your direct deposits, please call our office: 801-366-7770 or 800-695-4877.

*If we receive your request for direct deposit before that month's cut-off date, the direct deposit will be effective the same month. If we receive your request after the cut-off date, the direct deposit will be effective the following month. Contact the Retirement Office for details.

Post-Retirement Reemployment

Post-Retirement Reemployment means returning to any employment for a URS participating employer following your retirement date with URS.

RE-EMPLOYMENT WITHIN ONE YEAR

If you are employed by a participating employer within 60 days of your retirement date with URS, your retirement benefit will be canceled, you will be returned to active status, and earn additional service credit, if you are eligible for service credit accrual. If re-employed for at least two years, a separate benefit will be calculated based upon the new service and salary at the time of the second retirement. Your benefit will be the sum of the original retirement benefit and the new retirement benefit.

You can be employed with a participating employer after 60 days, but within one year from your retirement date with URS, subject to the following:

You cannot receive any employer provided benefits including, but not limited to: medical, dental, paid time off, annual leave, sick leave, other insurance benefits, excluding workers compensation.

Your salary is limited to the lesser of $21,000 or half of your final average salary during a calendar year. If you exceed the earnings' limitation or receive benefits, your retirement allowance will be canceled.

As another option, you can be employed with a participating employer after 90 days, but within one year from your retirement date with URS, subject to the following:

- You'll continue to receive a reduced retirement benefit (reduction of 15% if you retired from a public safety or firefighter system, or 20% if you retired from another system)

- You will not receive a cost-of-living adjustment to your retirement benefit while you are reemployed

When you terminate your Post-Retirement Reemployment, the termination date will serve as your new retirement date for purposes of calculating your separation requirement*, under the Post-Retirement Reemployment restrictions.

Post-Retirement Reemployment

Continued

RE-EMPLOYMENT AFTER 90 DAYS AND WITHIN ONE YEAR

If you meet the separation requirement effective July 1, 2025, you'll continue to receive your retirement benefit with these conditions:

» You'll continue to receive a reduced retirement benefit (reduction of 15% if you retired from a public safety or firefighter system, or 20% if you retired from another system).

» You will not receive a cost-of-living adjustment to your retirement benefit while reemployed.

RE-EMPLOYMENT AFTER ONE YEAR

If you are employed with a participating employer after one year from your retirement date with URS, and meet the separation requirement*, you will elect to either:

» earn a salary and continue to receive the retirement benefit; or

» earn a salary and cancel the retirement benefit in order to earn additional service credit; if re-employed for at least two years, a separate benefit will be calculated based upon the new service and salary at the time of the second retirement. Your original retirement benefit and the new retirement benefit will be combined.

***SEPARATION REQUIREMENT** — You must separate from employment (including part time and contract arrangements) with any participating employer for one year from your retirement date with URS. If you are re-employed after 60 days, but within one year from your retirement date, the separation requirement will not be met until after 12 consecutive months of separation from employment with all URS participating employers.

What to Expect After I Submit My Retirement Application

- When you submit your retirement application and paperwork to our office, and the paperwork is correct and complete, a confirmation letter will be mailed or emailed to you.

- If the retirement paperwork is incomplete or additional forms are required, a letter will be sent to you indicating what is needed to complete the application process.

- It may take up to three (3) months after your retirement date with URS to begin receiving payment of your monthly benefit. However, if your retirement application is received after your retirement date with URS, it can take up to three (3) months from the receipt of your application, to begin receiving payment of your monthly benefit.

- Your retirement benefit will be paid on the last working day of each month.

- Your first payment may be estimated. Once all service and salary is verified, your estimated benefit will be finalized, and you will receive a letter confirming your final benefit amount. The difference between the estimated benefit and the finalized benefit will be paid to you.

- If you selected the Partial Lump-Sum Option (PLSO), it will be paid when we issue your first check.

- If your retirement benefit is estimated, we will only pay you 80% of your PLSO. At the time your benefit is finalized, we will then pay the remaining 20%.

- Throughout retirement you will receive the *Cycles* newsletter to keep you informed of your URS benefits.

Receiving Your Retirement Check

Checks are deposit on the last business day of each month.

Your retirement benefit is paid monthly. If you selected the PLSO option, it's paid when we issue your first check. However, your first monthly benefit and your PLSO payment, if applicable, may be delayed up to three months following your retirement date or the date your application is filed with URS, whichever is later. You should plan to cover this interim period with some form of income. The delay is due, in part, to the time required to receive and post salary information from your employer and to verify your termination and service credit eligibility. Checks are deposited on the last working day of the month. The PLSO payment will be paid separately at the same time as your monthly benefit.

View the current calendar year pay periods by logging in to myURS at **www.urs.org** and clicking on the *Monthly Benefit Schedule of Payments* under the Payments tab.

Beneficiaries

The financial settlement your beneficiary(ies) receive at your death is determined by the retirement system in which you retire and possibly the option(s) you select.

Tier 1 Public Employees Contributory and Noncontributory Retirement Systems

If you select Option One, your beneficiary(ies) receive(s) no monthly benefit or refund of member contributions (if applicable), unless death occurs within 90 days after your retirement date.

If you select Option Two, you may name whomever you choose as beneficiary(ies) to receive the remaining balance of member contributions (if applicable) upon your death. You may change your beneficiary(ies) at anytime.

If you select Options Three, Four, Five, or Six, your spouse at the time of retirement is designated as your beneficiary. This beneficiary cannot be changed. For a detailed description of the six different pension payout options, please see the Six Retirement Options section in the *Highlights* brochure.

If retiree life insurance is selected at the time of retirement for you and/or your spouse, you may name whomever you wish as beneficiary(ies). Beneficiary(ies) on the life insurance can be changed at any time.

Tier 1 Public Safety and Judges Retirement Systems

Your surviving spouse will receive 65% or 75% of your monthly benefit depending on the pension payment option you select at retirement.

Tier 1 Firefighters Retirement System

Your surviving spouse will receive 75% of your monthly benefit.

Tier 1 Legislators Retirement System:

Your surviving spouse will receive 50% of your monthly benefit.

* **Note on beneficiaries:** a divorce or annulment will revoke your designation of a former spouse as a beneficiary for any URS benefit. You may re-designate your former spouse as a beneficiary by completing a new beneficiary designation form after the date of divorce and submitting it to URS or by making the re-designation at myURS.

Cost-of-Living Adjustments

Cost-of-living adjustments (COLA) are intended to help keep your retirement payments in line with inflation.

As the cost-of-living rises, so will your pension benefit. Your COLA is based on the consumer price index (CPI) as determined by the U.S. Bureau of Labor Statistics and approved by the Retirement Board. It's calculated using the average CPI for the calendar year compared to the average CPI for the previous calendar year.

You will be eligible for a COLA based on the system from which you retire. COLAs are paid on the anniversary of your retirement date.

Please visit www.urs.org for more information and historical COLAs on URS pension benefits.

Health Insurance

Health insurance depends on your age and employer's benefit package.

Health insurance after retirement is based on your employer's benefit package and should be reviewed carefully with your employer before you retire. You should also check with your employer about any early retirement incentives. As a participant in URS, you are eligible for PEHP services, including help with post-retirement insurance options.

Before Age 65

- Some employers offer "early retiree coverage"; contact your employer to see what's available
- Insurance through spouse's employer may be a good coverage option; check plan for details
- COBRA allows you to continue your current coverage for a limited time, but premium is higher
- Insurance can be purchased on the Federal Healthcare Marketplace and financial assistance is available in some cases

Age 65 or Older

- Some employers help cover the cost of Medicare; check with your employer
- Enroll in Traditional Medicare (Parts A & B) or Medicare Advantage (Part C)
- Medicare Part D (prescription drug plans) coverage through private insurance companies
- Those in Traditional Medicare may also enroll in Supplemental plans

Get Help from PEHP

Supplemental coverage is available to you and your spouse through PEHP to help cover what Medicare doesn't, including: deductibles, co-insurance, coverage abroad, dental, and vision. To learn more, see dates for a free Medicare presentation, or enroll in coverage go to **www.pehp.org/medsup** or consult with a Retiree Health Counselor at 801-366-7499.

Retiree Life Insurance

Public Employees Contributory and Noncontributory Retirement Systems Only.

You may purchase retiree life insurance for yourself and/or your spouse, which can be selected in addition to the six payout options. The cost of the life insurance appears as a deduction on your retirement check. The cost for this insurance is shown on your retirement estimate.

If you or your spouse die(s) within the first three years of retirement, payments to the designated beneficiary(ies) will be prorated based on the policy provisions in place at retirement.

You may cancel your election for life insurance at anytime. However, you may only elect to purchase retiree and/or spouse life insurance at retirement.

* **Note on beneficiaries:** a divorce or annulment will revoke your designation of a former spouse as a beneficiary for any URS benefit. You may re-designate your former spouse as a beneficiary by completing a new beneficiary designation form after the date of divorce and submitting it to URS or by making the re-designation at myURS.

Survivor Benefits

The system you are in determines what continuing benefit, if any, is payable to a beneficiary after your retirement.

Tier 1 Public Employees Contributory and Noncontributory Retirement Systems:
The option you select at retirement will determine what, if anything, is payable to a beneficiary. If you select option three, four, five, or six, your spouse, at the time of your retirement, will receive a continuing benefit after your death. For a detailed description of the six different options, please see the Six Retirement Options section of the *Highlights* brochure.

Tier 1 Public Safety and Judges Retirement Systems:
Your surviving spouse will receive 65% or 75% of your monthly benefit depending on the option you select at retirement.

Tier 1 Firefighters Retirement System:
Your surviving spouse will receive 75% of your monthly benefit.

Tier 1 Legislators Retirement System:
Your surviving spouse will receive 50% of your monthly benefit.

Taxes

The amount of tax you pay will be determined by the tax laws in effect the year in which you are receiving benefit payments.

Pension payments:
Your retirement benefits are generally taxable. Federal and State of Utah income taxes can be withheld from your retirement check. Federal and State of Utah income tax may be withheld beginning with your first retirement check, unless you tell us otherwise. If you are a nonresident, check your state's tax laws for the status of your Utah retirement benefits. You may change your withholding status at any time.

If you had after-tax contributions withheld from your paycheck, you may exclude a percentage of your monthly benefit from taxation. This information will be sent when your benefit begins. Every January you will receive a 1099-R showing the gross and taxable amounts of benefits paid to you the previous year and the taxes withheld.

Partial Lump-Sum Option (PLSO) payments:
PLSO payments are generally taxable. When you receive a PLSO, the IRS requires 20% of the amount withdrawn be withheld for federal income taxes.

If you receive a PLSO prior to age 59½, you may be subject to the 10% early withdrawal penalty tax. This penalty is in addition to any federal or state income taxes you are required to pay. This penalty tax may not apply if you work into or beyond the year you reach age 55. (Note: If you are a qualified public safety employee and have attained at least age 50 or 25 years of service, whichever is earlier, the 10% early withdrawal penalty tax imposed by the Internal Revenue Service (IRS) is waived.)

To defer paying immediate taxes on your PLSO payment, you may roll over all or an eligible portion of your PLSO to a URS 401(k) Plan.

Contact Us

Salt Lake City Main Office
560 East 200 South
Salt Lake City, UT 84102

801-366-7770

800-695-4877

Monday – Friday, 8 a.m. - 5 p.m.

Southern Utah Branch Office
20 North Main Street, Suite 206
St. George, UT, 84770

435-673-6300

800-950-4877

Monday – Friday, 8 a.m. - 5 p.m.

www.urs.org

Online Access

Set up an online account at myURS.

1. Go to www.urs.org and find the member login at the top-right.

2. Click "Create account" and follow the prompts (if you don't already have an account set up).

3. You need your URS Member ID and Social Security number to create an account. Your seven-digit Member ID number is listed at the top-right side of your URS annual retirement statement, on your retirement estimate, and on your URS Savings Plans quarterly statement. Or call our office at 801-366-7770 or 800-695-4877.



Salt Lake City Office
560 East 200 South
Salt Lake City, UT 84102-2021
801-366-7770 • 800-695-4877
Visit: Monday - Friday, 8 a.m. - 5 p.m.

Salt Lake Office Mailing Address
PO Box 1590
Salt Lake City, UT 84110-1590

Southern Utah Branch Office
20 North Main Street, Suite 206
St. George, UT 84770
435-673-6300 • 800-950-4877

www.urs.org

URS
Utah Retirement Systems

TRUST • COMMITMENT
VALUE • INNOVATION • EXCELLENCE