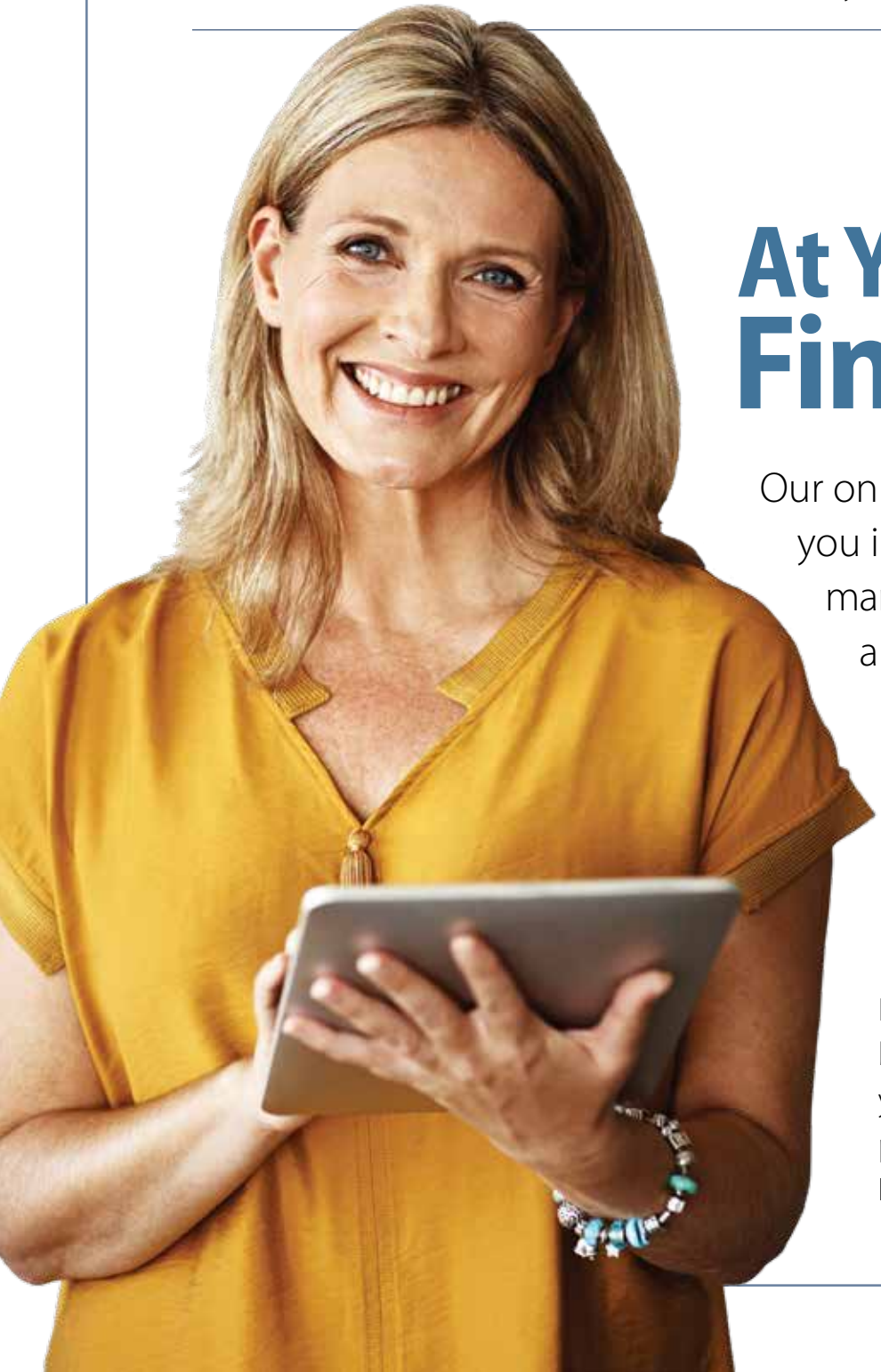
INSIDE » 2016 URS Summary Report to Members: The Art of Retirement

URS Utah Retirement Systems

Cycles

Summer 2017 For **Retired** Members of Utah Retirement Systems





At Your Fingertips

Our online tool myURS puts you in control. Set up and manage your direct deposit and tax withholdings and more. **Pages 6-7**

Returning to Work?

Don't put your pension benefit in jeopardy! Make sure you understand rules about post-retirement employment. **Page 5**

Remember When...

1930s » Persia gets this new moniker in 1935.

1940s » This California-based burger chain offers the first drive-thru service in 1948.

1950s » In 1954, this U.S. Supreme Court case deems school segregation unconstitutional.

1960s » This artist graces the first cover of Rolling Stone magazine in 1967.

1970s » This coach retires in 1975 after winning his 10th NCAA basketball title in 12 years.

1980s » NASA sends this orbiter on an unmanned mission to Jupiter in 1989.

1930s: Iran
1940s: In-n-Out Burger
1950s: Brown vs. Board of Education
1960s: John Lennon
1970s: John Wooden
1980s: Galileo

Your Beneficiaries

Divorce Will Revoke Designation of Former Spouse as a Beneficiary

Review beneficiaries at least once a year

Do you want to pick your beneficiaries, or do you want a judge to do it for you?

To assure we fulfill your wishes, review your beneficiaries yearly. See your designations and make changes at myURS (see Page 6).

A divorce or annulment will revoke your former spouse as a beneficiary. If you wish to re-designate your former spouse as a beneficiary, you must do so after the date of divorce.

If one of your children listed as a beneficiary marries or divorces and changes his or her name, you should change that on your account.

The same applies to beneficiaries who have moved. We need a current address.

If one of your listed beneficiaries has died, you may need to reassess your list of beneficiaries. Always double-check. Incorrect information could delay your wishes or prevent us from fulfilling them.

URS
Utah Retirement Systems

Trust • Commitment
Value • Innovation • Excellence

Cycles

Utah Retirement Systems
560 East 200 South
Salt Lake City, UT 84102-2021
www.urs.org

Cycles is intended to provide general information about retirement, health, and other benefits. 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 applicable law, plan provision, or contract and the contents of this newsletter, the law, plan provision, or contract shall prevail.

06/06/17

Retirement Savings Plans

Considering an Outside Advisor? Why Not Talk to Us?

Is someone outside of URS advising you on your URS accounts? Remember, you can talk to us any time to get another perspective.

Look Before You Leap!

Thinking about moving money in a URS Savings Plan to another plan? Be sure to make the right decision for you. ***Fill out this checklist first.***



1 What are the average fees?

→ **New Plan** _____ % URS 0.38%

2 What other general fees/ expenses will I be charged?

→ **New Plan** _____ URS None

3 What commission or payment will the advisor receive?

→ **New Plan** _____ URS None

4 What are the surrender charges for moving back?

→ **New Plan** _____ URS None

Someone's talking to you about managing your URS retirement accounts — perhaps a financial advisor, planner, or someone with a similar title.

Before you make any decisions about URS retirement benefits or move your money out of URS, why not talk to us first? Here are two ways.

1) Meet with a URS Retirement Planning Advisor. One-on-one sessions are free to all URS members. Register at myURS (see Page 3). Click the "Education" tab.

2) Call a URS Savings Plans Counselor for general information and questions. We're available weekdays 8 a.m. to 5 p.m.: 801-366-7720 or 800-688-4015.

Cost-of-Living Adjustment

COLA Helps Your Pension Keep Up With Inflation

Thanks to your URS pension's cost-of-living adjustment (COLA), your monthly benefit check may increase each year to help keep pace with inflation.

We calculate COLA based on the average monthly change in the Consumer Price Index. Learn more at www.urs.org. Go to the "Retired Members" section and click "Pension Plans" from the menu at left.

Year	URS COLA (Average Monthly CPI)
2011	**3.2%**
2012	**2.1%**
2013	**1.5%**
2014	**1.6%**
2015	**0.1%**
2016	**1.3%**
Total	**9.8%**

Healthcare in Retirement

Free Medicare Presentation

Join PEHP Health & Benefits for a free one-hour presentation about Medicare and PEHP's Medicare Supplement plans. We'll be presenting across Utah in August. You're welcome to join us — you don't need to register. Learn more at www.pehp.org/medsup.

August 7, 2017 10 a.m.	**Utah County** Central Utah Water Conservancy District Administration Offices 355 West University Parkway, Orem Board Room
August 8, 2017 10 a.m.	**Salt Lake County** Murray City Council Chambers 5025 South State Street, Murray
August 8, 2017 10 a.m.	**Carbon County** USU-CEU Jennifer Levitt Bldg. 451 E 400 N, Price Eastern Alumni Room
August 8, 2017 Noon **November 7**, 2017 11 a.m. and 2:30 p.m.	**Washington County** Taylor Health Science Bldg 1526 South Medical Drive St George 156 Auditorium
August 14, 2017 10:30 a.m.	**Salt Lake County** Salt Lake County Council Chambers 2001 South State Street N-460 Salt Lake City
August 16, 2017 11a.m.	**Uintah County** Uintah Basin Applied Technology College 450 North 2000 West, Vernal Multiuse Rooms CB145, CB146
August 17, 2017 10:30 a.m.	**Cache County** Cache County Council Chambers 199 North Main Street, Logan
August 22, 2017 10 a.m.	**Davis County** Davis County Administration Building 61 South Main Street, Farmington Room 131A (North Entrance)



URS
Utah Retirement Systems

Dear valued member:

In his book, *The Art of Retirement*, Gary S. Williams urges us to consider the work and perspectives of Michelangelo as we sculpt our retirement masterpiece. Life resembles art, he writes. And as you plan for retirement, you're like a painter standing before a blank canvas, limited only by your creativity and resources.

The creativity to make your retirement a work of art? It's up to you to find your unique stroke of genius. The resources part? That's where Utah Retirement Systems comes in.

It's our job to give you the palate of tools to help you understand and make the most of your retirement benefits. This Summary Report to Members is one of those tools. Here, we update you on the condition of the pension systems, explain your benefits, and share news and other important information about URS.

The *Art* of Retirement

As you consider the aesthetics of your retirement, think of your pension as the sturdy easel upon which you work. Even in this challenging economic environment, URS remains one of the best-funded and well-managed public retirement systems in the country. Returns on investments remain competitive, creating an actuarially sound system.

Your employer is an important co-creator, making regular retirement contributions on your behalf. These contributions are quite significant, and I urge you to better understand them by reviewing your pay stubs or other employer-provided information.

On behalf of all URS employees, I want to thank you for entrusting us with the priceless treasure of your retirement security. As curators of Utah public employees' retirement artwork, we consider it our life's work to exemplify our Mission Statement: *We serve Utah public employees with retirement and insurance benefits in a partnership of trust with a commitment to value, innovation, and excellence.*

- **The URS pension fund earned an 8.8% return in 2016.**
- **The fund grew by $1.86 billion to $28.5 billion, an all-time high.**
- **Retirement savings plans contributions exceeded $357.5 million in 2016, with total assets reaching more than $5 billion, both all-time highs.**

Visit www.urs.org to learn more about the other tools URS provides, including seminars, individualized retirement planning, and outstanding retirement savings plans. Together, we'll make your retirement a thing of beauty.

Daniel D. Andersen, Executive Director
Utah Retirement Systems



Net Position

Statements of Fiduciary Net Position present the assets of the Systems that have been accumulated for the payment of your retirement benefits.

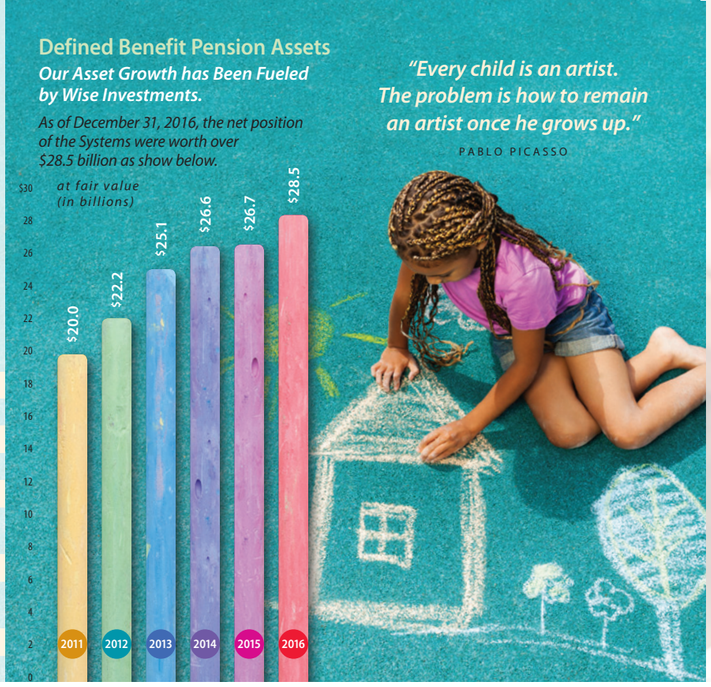
UTAH RETIREMENT SYSTEMS

Schedules of Net Pension Liability

December 31, 2016

(dollars in thousands)

Retirement System	(1) Total Pension Liability	(2) Plan Fiduciary Net Position	(3) Employers' Net Pension Liability/ (Asset) (1) - (2)	(4) Plan Fiduciary Net Position as a % of the Total Pension Liability (2) / (1)	(5) Projected Covered Employee Payroll	(6) Net Pension Liability/ (Asset) as a % of Covered Employee Payroll (3) / (5)
Noncontributory	$26,501,781	$22,618,743	$3,883,038	85.3%	$3,406,567	114.0%
Contributory	1,292,512	1,204,904	87,608	93.2	53,615	163.4
Public Safety	3,794,880	3,176,545	618,335	83.7	352,407	175.5
Firefighters	1,129,729	1,115,726	14,003	98.8	112,322	12.5
Judges	210,623	175,618	35,005	83.4	16,755	208.9
Utah Governors & Legislators	12,654	10,352	2,302	81.8	799	288.1
Tier 2 Public Employees	228,450	217,293	11,157	95.1	822,196	1.4
Tier 2 Public Safety & Firefighter	24,266	25,135	(869)	103.6	74,834	(1.2)
All Retirement Systems	$33,194,895	$28,544,316	$4,650,579	86.0%	$4,839,495	96.1%



The Additions & Deductions

The Statements of Changes in Fiduciary Net Position show the additions (income) and deductions (expenses) of the Systems. Investment earnings and contributions comprise the additions. The deductions are composed almost entirely of benefit payments and refunds. Additions exceeded deductions by nearly $1.86 billion in 2016.

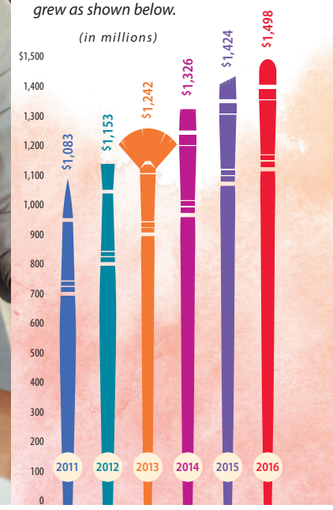
The Systems are audited annually by an international CPA firm, Deloitte & Touche LLP. Our actuary, Gabriel, Roeder, Smith & Company, reviews the funding and contribution rates to ensure they are adequate to fund your benefits.



Benefits Paid to Members

Pension Benefit Payments: Secure and Growing

The Retirement Systems exist to secure and pay your retirement benefits. The past six years' benefit payments grew as shown below.



UTAH RETIREMENT SYSTEMS

Statements of Fiduciary Net Position — Pension Trust Funds

December 31, 2016

(in thousands)

	Noncontributory System	Contributory System	Public Safety System	Firefighters System	Judges System	Utah Governors & Legislators Plan	Tier 2 Public Employees System	Tier 2 Public Safety & Firefighter System	Total Defined Benefit Pension Plans
Assets:									
Cash	$ 827	2	20	2	1	1	2	2	857
Receivables:									
Member contributions	—	126	14	652	—	—	—	—	792
Employer contributions	41,021	355	5,520	—	288	—	3,675	365	51,224
Court fees and fire insurance tax	—	—	—	1,603	146	—	—	—	1,749
Investments	352,756	18,818	49,543	17,397	2,737	162	3,338	387	445,138
Total receivables	393,777	19,299	55,077	19,652	3,171	162	7,013	752	498,903
Investments at fair value:									
Short-term securities	1,895,723	101,128	266,248	93,491	14,709	869	17,936	2,080	2,392,184
Debt securities	3,452,309	184,164	484,867	170,258	26,787	1,583	32,663	3,787	4,356,418
Equity investments	8,083,041	431,192	1,135,241	398,630	62,717	3,705	76,476	8,867	10,199,869
Absolute return	3,573,055	190,605	501,825	176,211	27,724	1,638	33,806	3,920	4,508,784
Private equity	2,607,844	139,116	366,264	128,611	20,235	1,195	24,674	2,861	3,290,800
Real assets	3,383,071	180,470	475,141	166,843	26,250	1,551	32,008	3,711	4,269,045
Total investments	22,995,043	1,226,675	3,229,586	1,134,044	178,422	10,541	217,563	25,226	29,017,100
Invested securities lending collateral	554,319	29,570	77,853	27,337	4,301	254	5,245	608	699,487
Property and equipment at cost, net of accumulated depreciation	3,875	207	544	191	30	2	37	4	4,890
Total assets	23,947,841	1,275,753	3,363,080	1,181,226	185,925	10,960	229,860	26,592	30,221,237
Liabilities									
Securities lending liability	554,319	29,570	77,853	27,337	4,301	254	5,245	608	699,487
Disbursements in excess of cash balance	31,136	1,660	4,373	1,536	242	14	295	34	39,290
Compensated absences, post-employment benefits and insurance reserve	16,377	874	2,301	807	127	8	155	18	20,667
Investment accounts payable	564,811	30,079	79,192	27,808	4,375	258	5,335	619	712,477
Real estate liabilities	162,455	8,666	22,816	8,012	1,262	74	1,537	178	205,000
Total liabilities	1,329,098	70,849	186,535	65,500	10,307	608	12,567	1,457	1,676,921
Net position restricted for pensions	$ 22,618,743	1,204,904	3,176,545	1,115,726	175,618	10,352	217,293	25,135	28,544,316

UTAH RETIREMENT SYSTEMS

Statements of Changes in Fiduciary Net Position — Pension Trust Funds

December 31, 2016

(in thousands)

	Noncontributory System	Contributory System	Public Safety System	Firefighters System	Judges System	Utah Governors & Legislators Plan	Tier 2 Public Employees System	Tier 2 Public Safety & Firefighter System	Total Defined Benefit Pension Plans
Additions:									
Contributions:									
Member contributions	$ 16,308	3,420	830	18,729	—	—	—	—	39,287
Employer contributions	831,631	8,188	147,099	6,954	7,382	421	63,062	8,488	1,073,225
Court fees and fire insurance tax	—	—	—	10,569	1,470	—	—	—	12,039
Total contributions	847,939	11,608	147,929	36,252	8,852	421	63,062	8,488	1,124,551
Investment income:									
Net appreciation in fair value of investments	1,428,287	78,218	199,385	70,254	11,065	680	11,223	1,272	1,800,384
Interest, dividends, and other investment income	388,277	21,264	54,203	19,099	3,008	185	3,097	348	489,481
Total income from investment activity	1,816,564	99,482	253,588	89,353	14,073	865	14,320	1,620	2,289,865
Less investment expenses	38,987	2,135	5,444	1,918	302	19	311	35	49,151
Net income from investment activity	1,777,577	97,347	248,144	87,435	13,771	846	14,009	1,585	2,240,714
Income from security lending activity	7,279	398	1,015	358	56	3	58	7	9,174
Less security lending expense	945	52	132	47	7	—	8	1	1,192
Net income from security lending activity	6,334	346	883	311	49	3	50	6	7,982
Net investment income	1,783,911	97,693	249,027	87,746	13,820	849	14,059	1,591	2,248,696
Transfers from affiliated systems	—	—	6,701	1,611	1,600	—	—	—	9,912
Total additions	2,631,850	109,301	403,657	125,609	24,272	1,270	77,121	10,079	3,383,159
Deductions:									
Retirement benefits	1,001,451	70,137	135,697	41,687	10,070	773	316	28	1,260,159
Cost-of-living benefits	182,866	13,232	28,547	10,195	2,260	168	—	—	237,268
Supplemental retirement benefits	—	78	264	220	—	—	—	—	562
Refunds	4,366	1,700	183	466	—	—	—	—	6,715
Administrative expenses	8,856	446	1,260	374	71	4	51	5	11,067
Transfers to affiliated systems	8,005	1,895	—	—	—	12	—	—	9,912
Total deductions	1,205,544	87,488	165,951	52,942	12,401	957	367	33	1,525,683
Increase from operations	1,426,306	21,813	237,706	72,667	11,871	313	76,754	10,046	1,857,476
Net position restricted for pension benefits beginning of year	21,192,437	1,183,091	2,938,839	1,043,059	163,747	10,039	140,539	15,089	26,686,840
Net position restricted for pension benefits end of year	$ 22,618,743	1,204,904	3,176,545	1,115,726	175,618	10,352	217,293	25,135	28,544,316

From left:
Mark Busico, *Streets Supervisor, Tooele City Corp.;*
Clayton Eves, *Summit County Sheriff's Office;*
Kayleen Meikle, *Corporation Secretary/Office Manager, Davis & Weber Counties Canal;*
David Yei, *Firefighter/Paramedic, Provo City;*
Chris Neal, *Finance Specialist, Utah's Hogle Zoo;*
Senator Gene Davis, *Minority Leader, Utah State Senate;*
Judge Thomas M. Higbee, *Fifth District Juvenile Court;*
Charity Salinas, *Trooper, Utah Highway Patrol;*
Kim Myers, *Firefighter/AEMT, Weber Fire District.*














You are Utah Retirement Systems

A Snapshot of You: *When we pose all of you together, we get this picture of age, service, and income.*

2016	Noncontributory System	Contributory System	Public Safety System	Firefighters System	Judges System	Utah Governors & Legislators Plan	Tier 2 Public Employees System	Tier 2 Public Safety & Firefighter System	Tier 2 Defined Contribution Only	Averages and Totals All Systems
Total Membership	161,542	6,329	14,587	3,325	257	336	27,051	2,305	5,673	221,405
Active	63,214	738	6,032	1,663	115	61	24,372	2,240	5,022	103,457
Terminated vested	47,933	1,274	4,615	390	3	96	464	28	165	54,968
Retired	51,355	4,165	5,412	1,372	141	244	9	—	—	62,698
Active Members	63,214	738	6,032	1,663	115	61	24,372	2,240	5,022	103,457
Average age	49.2	57.3	42.6	42.8	56.1	55.8	35.9	30.2	36.3	44.6
Average years of service	15.5	29.0	15.2	15.0	16.6	12.1	2.2	2.3	2.8	11.5
Average annual salary	$ 51,984	60,936	57,381	67,114	155,852	12,285	30,809	35,363	41,246	46,829
2016 Retirees	3,965	227	368	72	7	17	8	*—	N/A	4,664
Average age	64.2	62.1	53.5	55.0	65.3	66.1	67.0	—	N/A	63.2
Average years of service	21.1	30.1	22.6	25.2	29.2	6.1	4.5	—	N/A	21.6
Final average annual salary	$48,980	52,211	60,881	79,969	139,428	19,603	24,789	—	N/A	50,298
Average annual benefit	$21,224	30,729	34,036	47,671	106,141	7,125	1,651	—	N/A	22,880
All Retirees										
Average annual benefit	$22,475	19,284	29,241	36,574	84,793	3,863	1,565	—	N/A	23,221

*There are no retirees in the Tier 2 Public Safety & Firefighter Retirement System.

Summary of 2016 Legislation

Here are some of the retirement-related bills passed by the 2016 Utah Legislature:

Public Safety and Firefighters Retirement Systems

S.B. 29: Retirement System Amendments

Provides that an employee of the Department of Corrections shall continue to earn public safety service credit in the Public Safety Retirement System if the employee's position is no longer covered for new employees of the department and the employee continues to meet the eligibility requirements of the system.

General

H.B. 151: Domestic Relations Retirement Shares

Provides that a former spouse of a member who dies before retiring may receive an apportioned share of a death benefit in certain circumstances.

H.B. 35: Retirement and Insurance Benefit Claims Limits

Establishes a four-year statute of limitations for actions regarding a benefit, right, obligation, or employment right under Title 49; clarifies when a cause of action accrues and the limitation period runs; and provides when the limitation period is tolled and other exceptions.

H.B. 439: Retirement Amendments for Felony Conviction

Provides that URS members are subject to forfeiture of accrual of service credit, employer retirement related contributions, including employer contributions to the employer sponsored defined contribution plans, from the day on which the employment related offense occurred after being convicted of an employment-related felony.

S.B. 19: Phased Retirement

Establishes an optional "Phased Retirement" program that would allow continuing employment on a half-time basis of a retiree with the same participating employer after the retiree's retirement date while the retiree receives 50% of the retiree's monthly retirement allowance. This new program may be offered beginning on January 1, 2017.

S.B. 29: Retirement System Amendments

The annual administrative and technical amendments to Title 49 recommended to the Legislature by URS includes: (1) Reducing the waiting period from three months to 30 days for URS' payment of death benefits that are part of a "small estate"; (2) Clarifying that the definition of final average salary is based on a contract year for educational institutions, state fiscal year for judges, and calendar year for all other participating employers; and (3) Clarifying that the four-year vesting for Tier II defined contribution benefits uses the same method as other retirement systems (within 1/10 of one year of the total years required for vesting).

S.B. 208: Retirement Amendments

This bill: (1) Requires the Utah State Retirement Board to increase certified employer contribution rates to reflect any increased costs from retirement benefit enhancements enacted during a general session or special session under specified conditions; and (2) Amends the definition of "regular full-time employee" to exclude from retirement participation certain classified school employees who work on a contract for the purposes of vocational rehabilitation and the employment and training of people with significant disabilities.

What Will My *Benefits* Be?

Summary of Plan Provisions

	Noncontributory System	Contributory System	Public Safety System	Firefighters System	Judges System	Utah Governors & Legislators Plan	Tier 2 Public Employees System	Tier 2 Public Safety & Firefighter System
Final Average Salary	Highest 3 years	Highest 5 years	Highest 3 years	Highest 3 years	Highest 2 years	N/A	Highest 5 years	Highest 5 years
Years of Service Required and/or Age Eligible for Benefit	30 at any age 25 at any age* 20 at age 60* 10 at age 62* 4 at age 65	30 at any age 20 at age 60* 10 at age 62* 4 at age 65	20 at any age 10 at age 60 4 at age 65	20 at any age 10 at age 60 4 at age 65	25 at any age 20 at age 55* 10 at age 62 6 at age 70	4 at age 65 10 at age 62*	Hybrid: 35 at any age 20 at age 60* 10 at age 62* 4 at age 65 Defined Contribution: Employer 401(k) contributions are vested after four years.	Hybrid: 25 at any age 20 at age 60* 10 at age 62* 4 at age 65
Benefit Percent per Year of Service	2% all years	1.25% to 6/30/75 2.00% 7/1/75 to present	2.5% to 20 yrs 2.0% over 20 yrs	2.5% to 20 yrs 2.0% over 20 yrs	5.0% first 10 yrs 2.25% second 10 yrs 1.0% over 20 yrs	Former Governors: $1,360 per month per term of service Legislators: $29.60 per month per year of service**	1.5% per year all years	1.5% per year all years
Cost-of-Living Adjustment* (maximum)**	Up to 4% simple	Up to 4% simple	Up to 2.5% or 4% (depending on employer)	Up to 4% simple	Up to 4% compounded	Up to 4% simple	Up to 2.5% simple	Up to 2.5% simple
Active Member Death Benefits	Note 1	Note 1	Note 2	Note 3	Note 4	Note 5	Note 1	Note 1



Note 1 Noncontributory, Contributory, Tier 2 Public Employees, and Tier 2 Public Safety & Firefighter
Death benefit pays 75% of highest annual salary, if qualified, plus contribution refund (if applicable) or lifetime benefit if member qualifies for service retirement.

Note 2 Public Safety
Div A LOD†: Six months of FAMS†† and 30% of FAMS to spouse. NLOD†††: under 10 years of service: $1,000 or contribution refund (if applicable). Over 10 years: $500 plus 2% of FAMS for each year to spouse (max. 30%). Noncontributory only: 20+ years considered retired; spouse receives retired death benefit.

Div B LOD: Six months of FAMS and 37.5% of FAMS to spouse. NLOD: under two years of service: contribution refund (if applicable) plus 50% of last 12 months' salary. Over two years: $1,500 plus 37.5% of FAMS to spouse. $50/month to each unmarried child under 18.

* Actuarial reductions
** Increased semi-annually by CPI
*** Eligible after one year; percentage increase based on original benefit and change in the CPI
† LOD = Line of Duty
†† FAMS = Final Average Monthly Salary
††† NLOD = Non Line of Duty

Note 3 Firefighters
Div A LOD: under 20 years of service: Six months of FAMS and 30% of FAMS to spouse. 20+ years considered retired; spouse receives retired death benefit. NLOD: under 10 years: $1,000 or contribution refund (if applicable). Over 10 years: $500 plus 2% of FAMS for each year to spouse (max. 30%).

Div B LOD: under 20 years of service: Six months of FAMS and 37.5% of FAMS to spouse. 20+ years considered retired; spouse receives retired death benefit. NLOD: under five years: contribution refund, (if applicable) plus 50% of last 12 months' salary. Over five years: $1,500 plus 37.5% of FAMS to spouse. $75/month to each unmarried child under 21.

Disability: LOD: 50% of FAMS. NLOD: under five years of service: contribution refund. Over five years: same as LOD.

Note 4 Judges
Spouse receives contribution refund and 65% of last 12 months' salary or 65% of computed service retirement benefit with no actuarial reduction.

Note 5 Governors and Legislators
Spouse married to member six months receives 50% of member's benefit if member has four or more years of service.

Where Defined Benefit Retirement Funds Were Invested



Equities 35.2%
Stocks make us part owner and beneficiary of many successful companies around the world.

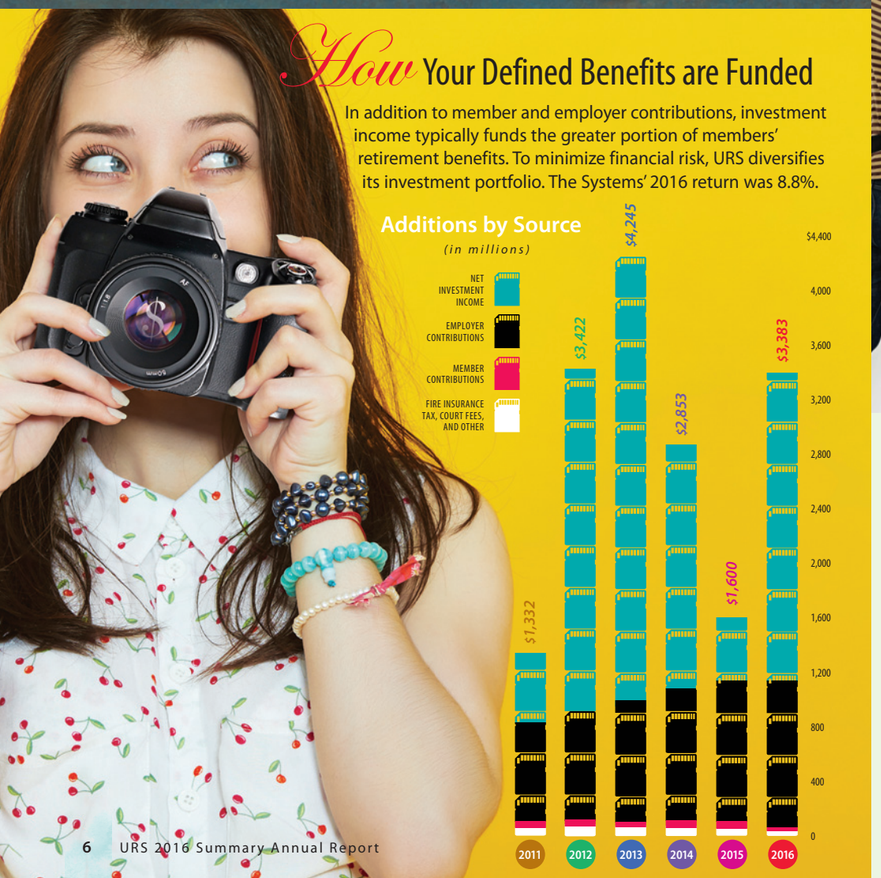
Absolute Return 15.6%
These strategies strive to achieve returns that have little correlation to the other asset classes.

Debt Securities 15.0%
Whether financing a country's or a corporation's need for money, bonds yield a steady stream of income.

Real Assets 14.7%
Investments include real estate, energy, timber, and commodities.

Private Equity 11.3%
Although supplying capital to fund private companies is riskier than some investments, returns are expected to outperform public equity markets over the long term.

Short-term Securities 8.2%
Money market accounts allow URS ready funds to make advantageous moves.



How Your Defined Benefits are Funded

In addition to member and employer contributions, investment income typically funds the greater portion of members' retirement benefits. To minimize financial risk, URS diversifies its investment portfolio. The Systems' 2016 return was 8.8%.

Additions by Source

(in millions)

Defined Contribution *Savings* Plans

URS Savings Plans (401(k), 457, Roth IRA, and traditional IRA) allow you to increase your sources of retirement income beyond that of your employer's pension and Social Security. These plans are also tax and estate planning tools, providing for tax-deferred investing and possibly tax-free growth. Participants can take advantage of 20 investment options, including 12 asset allocation investment funds (Target Date Funds).



The URS **Target Date Funds** offer a one-fund approach to investing in the URS Savings Plans. A Target Date Fund gives participants a diversified portfolio through a single investment option. The funds will gradually adjust throughout the participant's career and into retirement. The investment mix, which includes stocks, bonds, and real assets, is automatically reallocated to be weighted more conservatively as the participant ages and enters into retirement.

"Life is the art of drawing without an eraser."

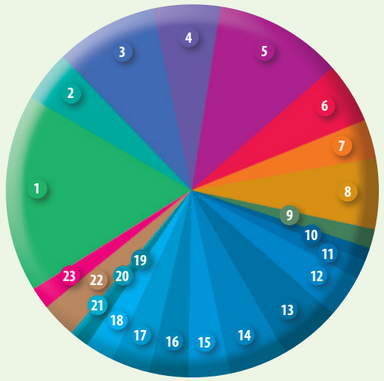
JOHN W. GARDNER

Growing Personal Investments:

Member balances in the 401(k), 457, and IRAs at year-end 2016 totaled over $5.0 billion.

Total Balances by Investment Option and Rates of Return

Percentage Total of Each Investment Option
December 31, 2016



(dollars In thousands)

Percentage of Total Fair Value		Investment Option	401(k) Plan	457 Plan	Roth IRA	Traditional IRA	Total Investment Balance	2016 Annualized Rates of Return
17.34%	1	Income Fund	$ 748,184	83,561	10,488	25,785	868,018	1.62%
4.44%	2	Bond Fund	190,988	23,762	3,541	3,650	221,941	5.86
8.93%	3	Balanced Fund	401,380	34,498	4,025	6,999	446,902	9.32
5.85%	4	Large Cap Stock Value Fund	242,677	38,186	6,975	4,902	292,740	21.24
11.01%	5	Large Cap Stock Index Fund	492,842	46,972	6,514	4,480	550,808	11.84
5.29%	6	Large Cap Stock Growth Fund	229,116	27,186	5,259	3,121	264,682	1.15
3.41%	7	International Fund	149,549	17,344	2,439	1,214	170,546	4.44
6.22%	8	Small Cap Stock Fund	264,019	35,780	7,391	4,111	311,301	23.34
1.60%	9	Tier 2 DC Nonvested	80,043	—	—	—	80,043	8.33
1.10%	10	Retired Fund	43,286	5,951	1,618	4,337	55,192	6.06
1.73%	11	2010 Fund	72,216	7,408	1,884	4,944	86,452	6.14
3.47%	12	2015 Fund	147,805	16,465	3,398	5,897	173,565	6.78
5.43%	13	2020 Fund	237,604	26,271	4,705	3,179	271,759	7.69
4.89%	14	2025 Fund	215,500	21,041	5,687	2,620	244,848	8.65
3.59%	15	2030 Fund	155,715	17,952	3,939	2,153	179,759	9.29
3.43%	16	2035 Fund	147,924	17,872	4,600	1,213	171,609	9.73
3.17%	17	2040 Fund	133,238	19,127	5,438	941	158,744	9.91
2.44%	18	2045 Fund	103,068	13,847	4,955	479	122,349	10.00
1.28%	19	2050 Fund	54,637	6,038	3,082	219	63,976	10.00
0.37%	20	2055 Fund	15,258	1,517	1,116	475	18,366	10.00
0.11%	21	2060 Fund	3,987	805	224	385	5,401	10.00
3.05%	22	Brokerage Window	126,881	23,238	1,887	429	152,435	NA
1.85%	23	Loan Fund	83,056	9,598	—	—	92,654	NA
100.00%		Total	$4,338,973	494,419	89,165	81,533	5,004,090	

UTAH RETIREMENT SYSTEMS

Statements of Fiduciary Net Position — Defined Contribution Plans

December 31, 2016 *(in thousands)*

	401(k) Plan	457 Plan	Roth IRA	Traditional IRA	Health Reimbursement Arrangement	Total Defined Contribution Plans
Assets:						
Cash	$ 12,353	589	224	72	—	13,238
Receivables	83,056	9,598	—	—	—	92,654
Investments at fair value:						
Debt securities	1,506,993	162,583	25,259	44,845	—	1,739,680
Equity investments	2,601,022	305,799	59,635	33,990	—	3,000,446
Real assets	145,474	16,170	4,077	2,649	—	168,370
Total investments	4,253,489	484,552	88,971	81,484	—	4,908,496
Total assets	4,348,898	494,739	89,195	81,556	—	5,014,388
Liabilities:						
Investment accounts payable	9,925	320	30	23	—	10,298
Net position restricted for benefits	$4,338,973	494,419	89,165	81,533	—	5,004,090

UTAH RETIREMENT SYSTEMS

Statements of Changes in Fiduciary Net Position — Defined Contribution Plans

December 31, 2016 *(in thousands)*

	401(k) Plan	457 Plan	Roth IRA	Traditional IRA	Health Reimbursement Arrangement	Total Defined Contribution Plans
Additions:						
Contributions	$ 290,632	27,326	16,585	16,182	6,796	357,521
Investment income:						
Net appreciation in fair value of investments	332,221	39,183	7,259	4,884	36	383,583
Interest, dividends, and other investment income	3,522	401	—	—	—	3,923
Total investment income	335,743	39,584	7,259	4,884	36	387,506
Less investment expenses	3,071	332	59	59	—	3,521
Net income from investment activity	332,672	39,252	7,200	4,825	36	383,985
Total additions	623,304	66,578	23,785	21,007	6,832	741,506
Deductions:						
Refunds	257,651	25,706	4,192	8,332	30,075	325,956
Administrative expenses	7,085	810	142	128	31	8,196
Total deductions	264,736	26,516	4,334	8,460	30,106	334,152
Increase from operations	358,568	40,062	19,451	12,547	(23,274)	407,354
Net position restricted for benefits beginning of year	3,980,405	454,357	69,714	68,986	23,274	4,596,736
Net position restricted for benefits end of year	$4,338,973	494,419	89,165	81,533	—	5,004,090







From left:

Ryan G. Hessenthaler,

Laura O. Houston,

Roger G. Donohoe
(Vice President),

Sheri K. Nelson,

Edward T. Alter,

David C. Damshen,

William W. Wallace
(President)



"The aim of art is to represent not the outward appearance of things, but their inward significance."

ARISTOTLE

Meet the Board

A majority of the URS Board members are experts in banking and investments, and are appointed by the Governor. The Board appoints our executive director to carry out the day-to-day operations of URS. Together they guide and safeguard URS.

MEMBERSHIP ADVISORY COUNCIL

Those who serve on the Membership Advisory Council speak for the interests of active and retired members and participating employers.

Executive Committee Members	Represents
Mr. Michael McDonough *(Chairperson)*	Utah Education Association
Mr. Marty Peterson *(Vice Chairperson)*	Professional Firefighters of Utah
Ms. Amy Ehresman	Utah School Employees' Association
Mr. Tom Hardy	Utah League of Cities and Towns
Senior Trooper Arlow Hancock	Utah Peace Officers' Association

Council Members	Represents
Mr. Fred Ash	Utah Retired School Employees' Association
Mr. Stuart Bailey	Utah Education Association
Mr. Larry Evans	Utah Public Employees' Association
Ms. Brandy Grace	Utah Association of Counties
Honorable Kimberly K. Hornack	Utah Judicial Council
Ms. Debra McBride	Utah Association of Retired Public Employees
Mr. Michael Harman	Utah Education Association
Mr. Richard Petersen	Utah Public Employees' Association



Want to *Know* More?

Please visit www.urs.org or call our office. We can explain your benefits one-on-one or to your group.

Web
www.urs.org

Write
Salt Lake Office
P.O. Box 1590
Salt Lake City, UT
84110-1590

St. George Office
165 North 100 East #9
St. George, UT
84770-2505

Call
Salt Lake Office
801-366-7700 • 800-365-8772

Pension Benefits
801-366-7770 • 800-695-4877

401(k), 457, IRA, HRA
801-366-7720 • 800-688-401k

St. George Office
435-673-6300 • 800-950-4877

Fax
Salt Lake Office
801-366-7734

401(k), 457, IRA, HRA
801-366-7445

St. George Office
435-634-0654

Visit
Salt Lake Office
560 East 200 South
Salt Lake City, UT
84102-2021

St. George Office
165 North 100 East #9
St. George, UT
84770-2505

Utah Retirement Systems 2016 Summary Annual Report • Published by: Utah Retirement Systems • 560 East 200 South, Salt Lake City, UT 84102-2021

The Utah Retirement Systems 2016 Summary Report to Members contains summary financial and actuarial information from the *URS 2016 Comprehensive Annual Financial Report.* Get a copy of the full report at www.urs.org or by emailing publications@urs.org.

Post-Retired Employment

Plan to Work After Retirement?

Understand how it will affect your retirement benefit

If you retun to work for a URS-participating employer after you've retired, make sure you understand how it will affect your pension.

Different standards apply depending on the length of time between when you retire and return to work. A brief overview is at right.

Rules for post-retirement employment are complicated. Call us at 801-366-7770 or 800-695-4877 to make sure your pension isn't in jeopardy.

To Learn More

Find this "Post-Retirement Employment brochure at www.urs.org. Or request a copy: publications@urs.org.



What Happens to Your Pension

When you go to work for a URS-participating employer after your retirement date with URS...

Within 60 Days

Your retirement benefit will be canceled. You'll return to active status and earn additional service credit, if you're eligible.

After 60 Days and Within One Year

Your retirement benefit will continue only if you meet these criteria:

- You don't 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 $16,000 or half of your final average salary during a calendar year. If you exceed the earnings' limitation or receive benefits, your retirement benefit will be canceled.

After One Year

If you meet the separation requirement, you choose to either keep receiving your retirement benefit or to cancel it and earn additional service credit. If you choose the latter, a separate benefit will be calculated based on your new service and salary at the time of your second retirement. Your original retirement benefit and the new retirement benefit will be combined.

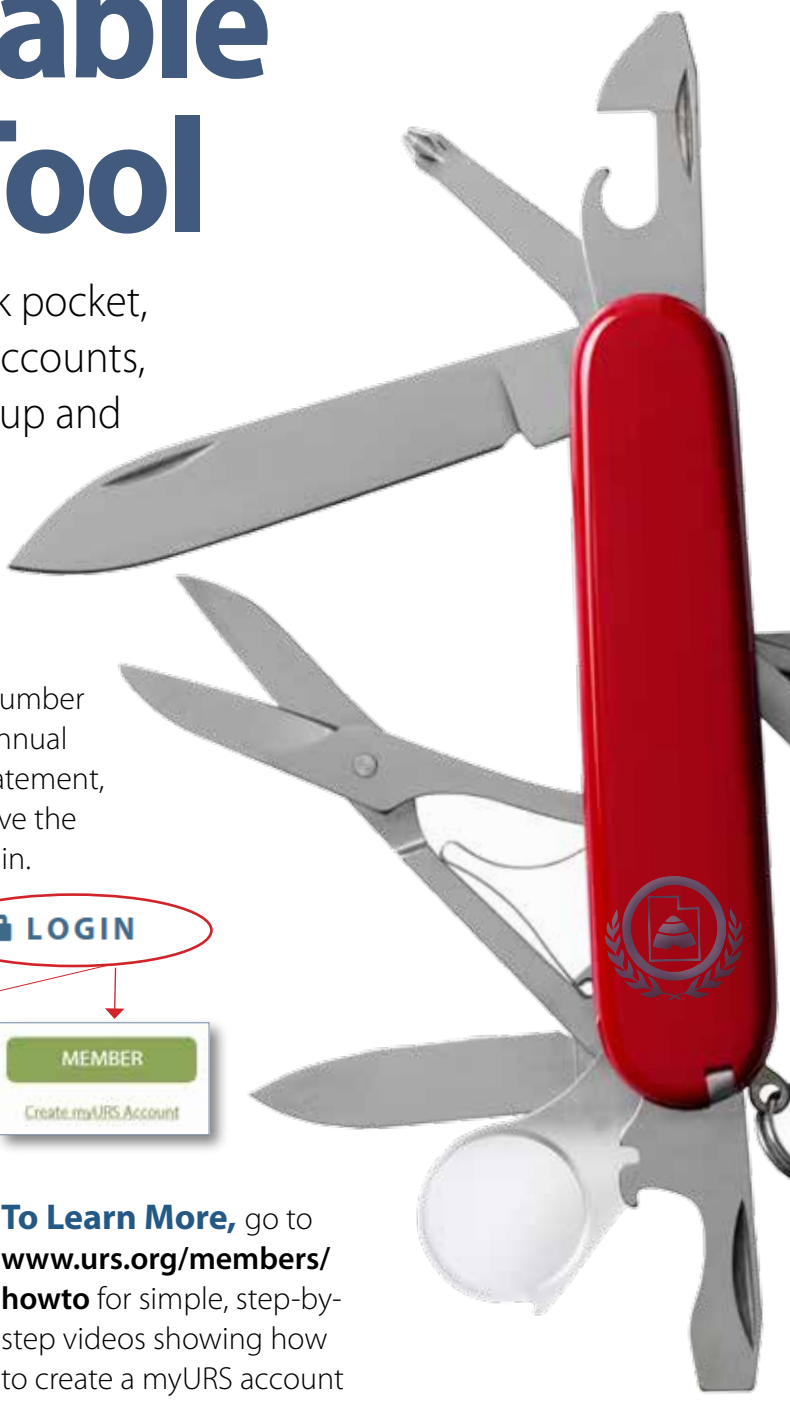
To meet the separation requirement, you must not work for any URS-participating employer (including part-time and contract arrangements) for 12 consecutive months.



Managing Your URS Benefits Online

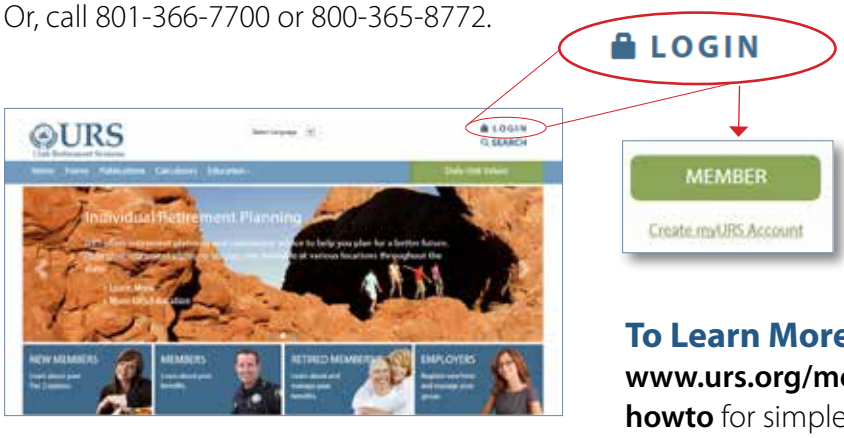
Indispensable Benefits Tool

With a **myURS account** in your back pocket, you can manage your URS savings accounts, name and change beneficiaries, set up and manage your direct deposit and tax withholdings, and more.



To Create a myURS Account

Go to www.urs.org and click "LOGIN" in the top-right corner. You'll need your URS account number — a W followed by eight digits. Find it on your Annual Retirement Statement, Savings Plan Quarterly Statement, or new hire letter. Still can't find it? Request to have the number sent to you in the mail at the myURS login. Or, call 801-366-7700 or 800-365-8772.



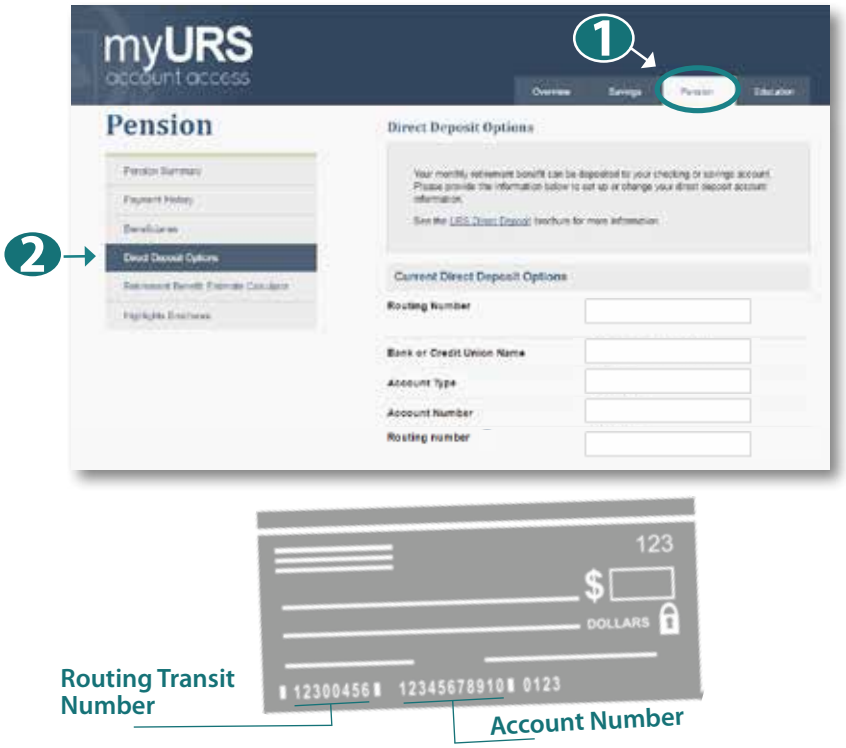
Don't Miss Important Notifications

Log in to myURS to verify that we have your most current email address.

To Learn More, go to **www.urs.org/members/howto** for simple, step-by-step videos showing how to create a myURS account and how to use some of its popular features.

Managing Your URS Benefits Online

Set Up Direct Deposit for Your Retirement Check



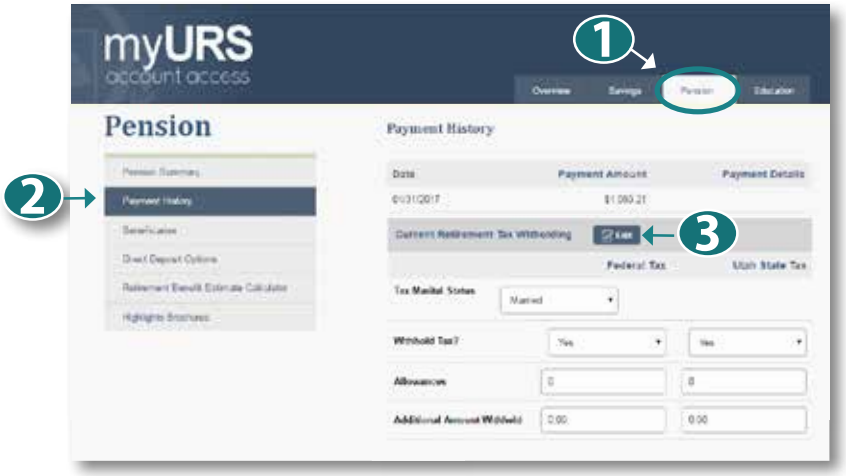
Arrange to have your URS retirement check directly deposited to your checking or savings account.

1 From the myURS homepage, click "Pension" from the menu at the top-right.

2 Select "Direct Deposit Options." Input information about your account, including the account number and routing number.

Your check is credited to your account the last working day of each month.

Adjust Tax Witholdings From Your Retirement Check



You can also adjust the tax witholdings on your pension check.

1 From the myURS homepage, click "Pension" from the menu at the top-right.

2 Select "Payment History" from the menu at left.

3 Click "Edit" to modify your withholdings.

Questions? Call us at 801-366-7770 or 800-695-4877.

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Salt Lake City, UT 84102-2021
www.urs.org

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Go to www.urs.org/info to learn more.

Retirement Savings Plans

Is a Roth IRA Conversion Right for You?

It could make sense if you expect your tax rate to be higher down the road

Do you expect your tax rate to be higher in the future? If so, you may consider converting some of the pre-tax money you currently have in a 401(k), 457 and/or traditional IRA into a Roth IRA.

A conversion makes it possible to pay taxes now, when you expect your tax bracket to be lower, and make tax-free withdrawals in the future (under certain conditions). The entire amount of your pre-tax conversion will be taxable as income.

What if you're not sure whether your tax rate will be higher now, or in the future? Diversify away some of the uncertainty by converting a portion of your pre-tax account and leaving the rest to grow tax-deferred.

As years go by and your tax bracket changes, you'll be able to choose whether your withdrawals are taxable.

Learn More

Read the URS *Roth & Traditional IRAs Guidebook* for details about Roth IRA qualified distributions and more. Find it in the Publications page of www.urs.org. Or send an email to publications@urs.org to request a copy.

