

## Notes to the Schedules of Employer Allocations and Pension Amounts (Continued)

December 31, 2020

## Summary of Actuarial Assumptions

	Noncontributory	Contributory	Public Safety	Firefighters	Judges	Governors and Legislators	Tier 2 Public Employees	Tier 2 Public Safety and Firefighter
Valuation date	1/1/20	1/1/20	1/1/20	1/1/20	1/1/20	1/1/20	1/1/20	1/1/20
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Actuarial assumptions:								
Investment rate of return	6.95%	6.95%	6.95%	6.95%	6.95%	6.95%	6.95%	6.95%
Projected salary increases	3.25-9.25%	3.25-9.25%	3.25-7.25%	3.25-8.50%	3.25%	None	3.25-9.25%	3.25-8.50%
Inflation rate	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Post-retirement cost-of-living adjustment	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Mortality: (Non-educators)	Male retirees: 110% of 2020 PR UTAH Retiree Mortality Table for males, projected with 80% of the ultimate rates from the MP-2019 mortality improvement scale using a base year of 2020. Female retirees: 110% of 2020 PR UTAH Retiree Mortality Table for females, projected with 80% of the ultimate rates from the MP-2019 mortality improvement scale using a base year of 2020.							
Mortality: (Educators)	Male retirees: 90% of 2020 PR UTAH Retiree Mortality Table for males, projected with 80% of the ultimate rates from the MP-2019 mortality improvement scale using a base year of 2020. Female retirees: 90% of 2020 PR UTAH Retiree Mortality Table for females, projected with 80% of the ultimate rates from the MP-2019 mortality improvement scale using a base year of 2020.							

Note: All post-retirement cost-of-living adjustments are noncompounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual CPI increase for the year, although unused CPI increases not met may be carried forward to subsequent years.

## Target Allocations

Asset Class	Target Asset Allocation	Expected Return Arithmetic Basis	
		Real Return Arithmetic Basis	Long-term Expected Portfolio Real Rate of Return*
Equity securities	37%	6.30%	2.33%
Debt securities	20	0.00	0.00
Real assets	15	6.19	0.93
Private equity	12	9.50	1.14
Absolute return	16	2.75	0.44
Cash and cash equivalents	0	0.00	0.00
Totals	100%		4.84%
Inflation			2.50%
Expected arithmetic nominal return			7.34%

\*The total URS Defined Benefit long-term expected rate of return is 6.95%, which is comprised of a 2.50% inflation assumption and a 4.45% net real rate of return.