Utah Retirement Systems

A Component Unit of the State of Utah

Comprehensive Annual Financial Report

For the Year Ended December 31, 2010

NONCONTRIBUTORY RETIREMENT SYSTEM

CONTRIBUTORY RETIREMENT SYSTEM

PUBLIC SAFETY RETIREMENT SYSTEM

FIREFIGHTERS RETIREMENT SYSTEM

JUDGES RETIREMENT SYSTEM

UTAH GOVERNORS AND LEGISLATORS RETIREMENT PLAN

401(k) AND 457 PLANS

ROTH AND TRADITIONAL IRA PLANS

HEALTH REIMBURSEMENT ARRANGEMENT (HRA)

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Utah Retirement Systems

For its Comprehensive Annual Financial Report for the Fiscal Year Ended December 31,2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

PPCC

Public Pension Coordinating Council

Public Pension Standards Award For Funding and Administration 2010

Presented to

Utah Retirement Systems

In recognition of meeting professional standards for plan funding and administration as set forth in the Public Pension Standards.

Presented by the Public Pension Coordinating Council, a confederation of

National Association of State Retirement Administrators (NASRA)
National Conference on Public Employee Retirement Systems (NCPERS)
National Council on Teacher Retirement (NCTR)

Alan H. Winkle
Program Administrator

2010

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ROTH AND TRADITIONAL IRA PLANS

HEALTH REIMBURSEMENT ARRANGEMENT (HRA)

Prepared by: Finance Department • Utah Retirement Systems
540 East 200 South • Salt Lake City, Utah 84102-2044
www.urs.org
Robert V. Newman, Executive Director
Robert K. Kellersberger, Finance Director

2010 Comprehensive Annual Financial Report

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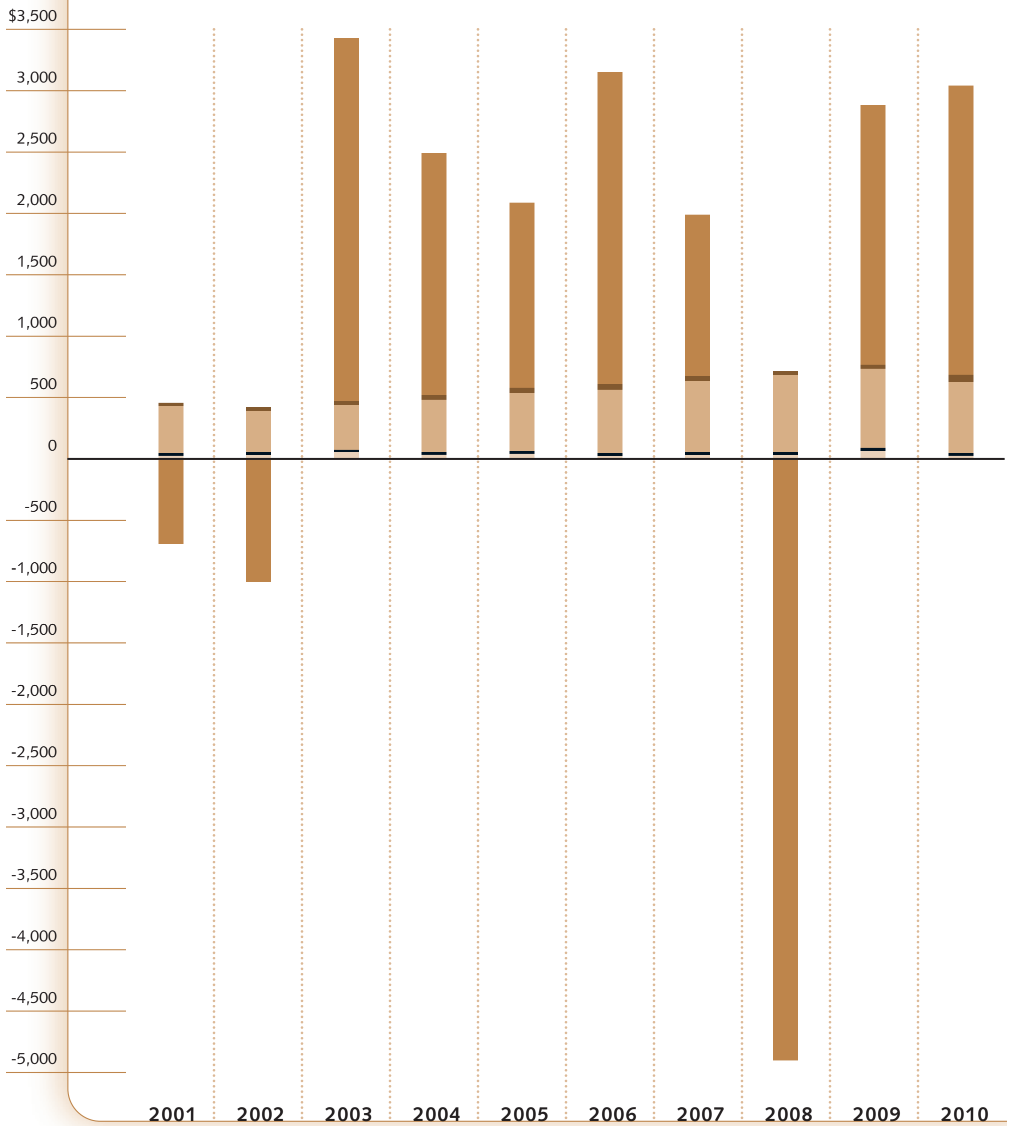
Introductory
SECTION

Additions by Source

(in millions)



(in millions)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Net Investment Income (Loss)	$(693)	(999)	2,929	1,949	1,491	2,518	1,304	(4,862)	2,088	2,328
Member Contributions	31	31	31	35	42	45	41	36	36	60
Employer Contributions	388	341	369	436	479	523	581	629	647	682
Court Fees and Fire Insurance Tax	10	12	11	10	11	11	16	12	18	13
Transfers from Systems	8	15	37	16	25	6	12	15	44	7
Totals	$(256)	(600)	3,377	2,446	2,048	3,103	1,954	(4,170)	2,833	3,090

Letter of Transmittal

UTAH STATE RETIREMENT BOARD
UTAH RETIREMENT SYSTEMS
540 East 200 South
Salt Lake City, Utah 84102-2044
801-366-7700
800-365-8772 TOLL FREE
801-366-7734 FAX

ROBERT V. NEWMAN
EXECUTIVE DIRECTOR

April 12, 2011

Utah State Retirement Board
540 East 200 South
Salt Lake City, UT 84102-2044

Dear Board Members:

We are pleased to present the 2010 Comprehensive Annual Financial Report of the Utah Retirement Systems (Systems), including the 401(k), 457, Roth and Traditional IRA Plans, and the Health Reimbursement Arrangement (Plans). Together, the Systems and Plans constitute a component unit of the State of Utah, administered by the Utah State Retirement Board (Board) for calendar year 2010.

The financial reporting entity of the Systems and Plans include the Public Employees Noncontributory and Contributory Retirement Systems, for both government and public education employees, the Public Safety, Firefighters and Judges Retirement Systems, the Utah Governors and Legislators Retirement Plan, and the 401(k), 457, Roth and Traditional IRA Plans, and Health Reimbursement Arrangement (HRA).

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the Systems and Plans. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the fiduciary funds.

For financial reporting purposes, the Systems and Plans utilize Governmental Accounting Standards Board (GASB) Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans,* GASB Statement No. 34, *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments,* GASB Statement No. 37, *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments: Omnibus,* GASB Statement No. 38, *Certain Financial Statement Note Disclosures,* GASB Statement No. 40, *Deposit and Investment Risk Disclosures,* GASB Statement No. 44, *Economic Condition Reporting: The Statistical Section,* GASB Statement No. 45, *Accounting and Financial Reporting for Employers for Postemployment Benefits Plans Other Than Pensions,* GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets,* and GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments.* Assets of the Systems and Plans are presented at fair value. The actuarial value of assets and the actuarial accrued liability are presented in the required supplementary information following the notes to the basic financial statements.

The Utah Retirement Systems and 401(k), 457, Roth and Traditional IRA Plans, and HRA were established by legislation and authorized as indicated in the notes to the basic financial statements on page 48. The Summaries of Plan Provisions are presented on pages 135 through 146. The number of active and retired members and beneficiaries for each system is presented in the Systems' Highlights on pages 12 through 24. The purpose of the Systems and Plans is to provide benefits for all eligible State, local government and most public education employees whose employers have elected to participate. Services provided by the staff are performed to meet that objective.

Management's Discussion and Analysis

The Management's Discussion and Analysis (MD&A) beginning on page 28 provides an overview and analysis of the Systems and Plans Basic Financial Statements.

Letter of Transmittal

(Continued)

This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it.

Actuarial

The actuarial assumptions and contribution rates were based on the recommendations of our actuary. See the Actuarial Section of this report and the notes to the basic financial statements for explanations of these rates. Rate changes resulted from actuarial assumption modifications, economic conditions, actuarial experience gains and losses and benefit enhancements in the Systems.

The Utah Retirement Systems are maintained on an actuarially sound basis as certified in this report by our actuary, thus protecting participants' future benefits. We anticipate that investment earnings on a long term basis will continue to meet or exceed the actuarially assumed earning rate. We expect all systems to continue towards fully funded positions in accordance with actuarial assumptions.

An actuarial valuation of the Systems is performed annually. An assumption experience study is performed at least every third year. The actuarial firm Gabriel, Roeder, Smith & Company completed the actuarial reviews and valuations and served as technical advisor to the Systems. Actuarial certification and supporting statistics are included in the Actuarial and Statistical Sections of this report.

Financial Information

Management is responsible for maintaining a system of adequate internal accounting controls designed to provide reasonable assurance that transactions are executed in accordance with management's general or specific authorization, and are recorded as necessary to maintain accountability for assets and to permit preparation of financial statements in accordance with generally accepted accounting principles. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived. This system includes written policies and procedures and an internal audit department that reports to the Board. Discussion and analysis of net assets and related additions and deductions is presented in the MD&A beginning on page 28.

Funding

Funds are derived from the excess of additions, which include contributions and investment earnings, over deductions, which are comprised of benefits and administrative expenses. Funds are accumulated to meet future benefit obligations to retirees and beneficiaries. This accumulated balance is referred to as the "net assets held in trust for pension benefits" in the Statements of Fiduciary Net Assets in the Financial Section of this report. The actuarial accrued liability is not disclosed in the basic financial statements but is disclosed in the note 5 to the basic financial statements and in the required supplementary information. These schedules show the actuarial value of assets, which is based on a five-year smoothed expected rate of return, wherein the excess or shortfall of investment income over or under the actuarial assumed income rate (currently 7.75%) is recognized over a five-year period. This is the value of assets used by the actuary in determining contribution rates for the Systems as disclosed in note 5 to the basic financial statements. The current funded ratios at year end range from 77% to 92%.

The actuarial accrued liability of the Systems is determined by the actuary. It is a measure of the present value of actuarial accrued liabilities estimated to be payable in the future to current retirees, beneficiaries and employees for service earned to date. The percentage computed by dividing the actuarial value of net assets available for benefits by the actuarial accrued liability is generally referred to as the "funded ratio" This ratio provides an indication of the funded status of the Systems on a going-concern basis and generally, the greater this percentage, the stronger the system. A higher level of funding gives the participants a greater degree of assurance that their pension benefits are secure.

Investments

The economic condition of the Systems is based primarily upon investment earnings. For 2010 the Systems experienced a 13.7% rate of return. The Systems' investments were evaluated at year end by Callan Associates Inc., Investment Measurement Service. A comparative analysis of rates of return is presented on page 108 of this report.

The investment portfolio mix at fair value as of the end of 2010 is 21% debt securities, 36% equities, 9% private equity, 14% real estate, 5% short term, and 15% absolute return. The 21% debt securities is comprised of 17% domestic and 4% international instruments. The 36% equities is comprised of 23% domestic and 13% international equities. See MD&A and Investment Section for more detailed analysis and information. The Systems' investment outlook is long term allowing the

Letter of Transmittal
(Continued)

portfolio to take advantage of the favorable risk-return characteristics of equities by placing more emphasis on this category.

The Board utilizes internal and external portfolio managers employing both passive (indexed) and active strategies. The portfolio is broadly diversified among equities, debt securities, real estate and private equity with additional diversification achieved through domestic and international investing.

The investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits are either insured by federal depository insurance or collateralized. All collateral on deposits is held in the counterparties' joint custody accounts at the Federal Reserve Bank. On occasion, deposits may be significantly greater than collateral due to investment purchase "fails": receipt of interest earnings on the 15th of each month, and proceeds from investment sales and maturities. Of approximately $24.2 billion in investments at fair value as of December 31, 2010, none of the investments were in the category of highest custodial credit risk as defined by the GASB.

Independent Audit

An annual audit of the Systems and Plans was conducted by the independent accounting firm of Deloitte & Touche LLP. The auditors' report on the basic financial statements is included in the Financial Section of this report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Utah Retirement Systems for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2009. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such financial reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The Utah Retirement Systems has received a Certificate of Achievement for the last 26 years. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA.

In addition the Utah Retirement Systems were awarded the Public Pension Coordinating Council Public Pension Standards 2010 Award. This award is in recognition of meeting professional standards for plan design and administration as set forth in the Public Pension Standards.

Acknowledgments

The compilation of this reflects the combined efforts of the staff under the leadership of the Utah State Retirement Board. The report is intended to provide extensive and reliable information for making management decisions, determining compliance with legal provisions, and determining responsible stewardship for the assets contributed by the Systems' members and their employers.

We would like to take this opportunity to express our gratitude to the Board, the staff, the advisors, and the many people who have worked so diligently to assure the successful operation and financial soundness of the Utah Retirement Systems.

Sincerely yours,

Robert K. Kellersberger

Robert K. Kellersberger, CGFM
Finance Director

Robert V. Newman

Robert V. Newman
Executive Director

Board President's Letter

UTAH STATE RETIREMENT BOARD
UTAH RETIREMENT SYSTEMS
540 East 200 South
Salt Lake City, Utah 84102-2044
801-366-7700
800-365-8772 TOLL FREE
801-366-7734 FAX

ROBERT V. NEWMAN
EXECUTIVE DIRECTOR

April 12, 2011

Utah State Retirement Board
540 East 200 South
Salt Lake City, UT 84102-2044

Dear Members of the Retirement Systems:

As board members and trustees of the Utah Retirement Systems (URS) we have the responsibility to provide retirement benefits to eligible members for the valuable services they have rendered to the public. We serve to insure that members' interests are properly safeguarded. Thanks to prudent funding principles established over several decades by governors, legislatures and boards, I can confidently report that the outlook for the Systems is positive.

Investment Performance in 2010

Financial markets rebounded in 2010 and restored positive investment performance for the year for a return of 13.7%, which exceeded the actuarial assumption of 7.75%. This translated into net investment income of $2.3 billion. Assets of the systems increased by $2.0 billion ending 2010 with total assets of $19.8 billion. These figures reflect the Systems' diversified investment strategy which seeks to maximize long-term total returns consistent with prudent levels of risk.

Defined Contribution Assets Exceed $3 Billion

Members have benefited from the market recovery in a personal way. Net assets of the URS Defined Contribution Retirement Savings Plans continue to grow. Members contributed $263 million and at year end, defined contribution assets were $3.3 billion. While participants' individual rates of return varied according to their choices among the available investment options, I believe most participants were rewarded with investment gains in 2010. I encourage members to continue contributing to these valuable retirement savings plans. I also encourage members to increase their knowledge of what they are investing in by taking advantage of the educational opportunities URS offers through the website and other means.

Excellent Leadership Keeps Systems Sound

Members also benefit from the Membership Advisory Council, a valued body that keeps the Board and the Legislature abreast of the interests and concerns of members, so they can be properly addressed.

I express my appreciation for the breadth and depth of experience possessed by members of the Board, each of whom makes a valuable contribution to the success of the Utah Retirement Systems. The Board meets numerous times during the year and also spends considerable time preparing for those meetings.

As we enter a new decade, I want to emphasize that the Systems remain sound. Our retirees will continue to receive their monthly pension payments. Our working members will upon retirement receive their promised pension payments. I express the Board's confidence in and appreciation to Executive Director Robert Newman and his staff for their excellent management of the Systems. I am optimistic about the future.

Kathy Jones-Price

Kathy Jones-Price, President, Utah State Retirement Board

Retirement Board

Pictured Left to Right

David B. Winder
Appointed Dec. 1, 2003
Term Expires July 1, 2011
Represents Investment Community

Sheri K. Nelson
Appointed Sept. 15, 2010
Term Expires July 1, 2011
Represents Public Employees

Vice President
Richard K. Ellis
State Treasurer
Member Since Jan. 5, 2009
Ex-officio Member

President
Kathryn D. Jones-Price
Appointed March 5, 2004
Term Expires July 1, 2013
Represents Investment Community

Phillip W. Clinger
Appointed June 21, 2002
Term Expires July 1, 2013
Represents Investment Community

Scott G. Berryessa
Appointed Sept. 15, 2010
Term Expires July 1, 2011
Represents Education Employees

John L. Lunt
Appointed July 20, 2001
Term Expires July 1, 2013
Represents Investment Community

Executive Director

Robert V. Newman

Membership Council

Executive Council Members:

Chairperson
Officer Mike Galieti
Represents Utah Peace Officers' Association

Vice Chairperson
Mr. Dean Drew
Represents Utah Public Employees' Association

Mr. Tom Hardy
Represents Utah League of Cities and Towns

Mr. Michael McDonough
Represents Utah Education Association

Mr. Marty Peterson
Represents Professional Firefighters of Utah

Council Members:

Representative Brad Dee
Represents Utah Association of Counties

Ms. Sharon Gallagher-Fishbaugh
Represents Utah Education Association

Mr. Brian Gough
Represents Utah Public Employees' Association

Mr. Roger Miner
Represents Utah Retired School Employees' Association

Honorable Gregory Orme
Represents Utah Judicial Council

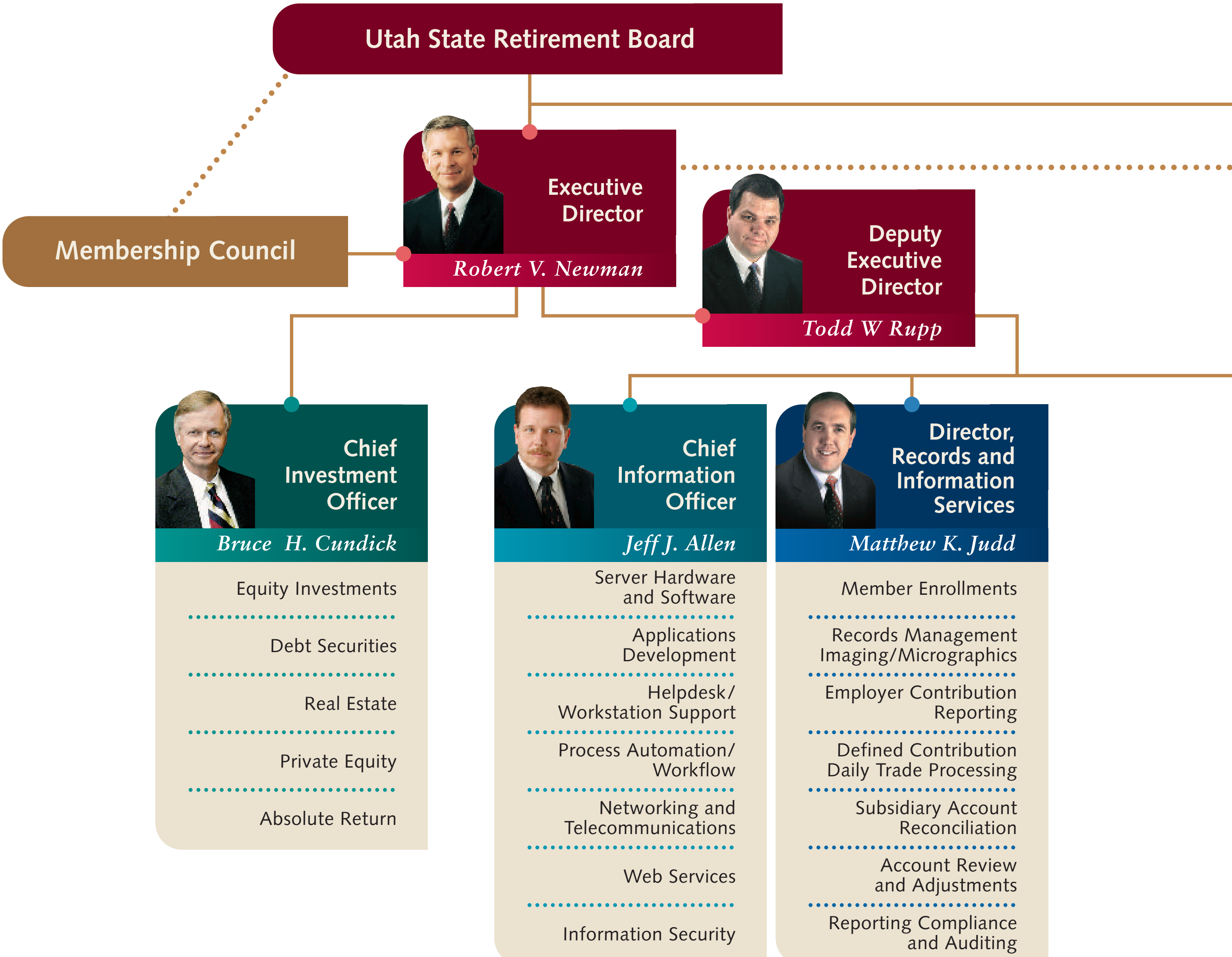
Mr. Jim Thompson
Represents Utah Education Association

Ms. Lori Todd
Represents Utah School Employees' Association

Mr. Barry Vincent
Represents Utah Association of Retired Public Employees

Utah Retirement Systems

Organization Chart



Administrative Staff

Robert V. Newman, CPA
Executive Director

Todd W Rupp, CPA
Deputy Executive Director

Steven M. West, CPA, CFE
Director, Internal Audit

Bruce H. Cundick, CFA
Chief Investment Officer

Jeff J. Allen
Chief Information Officer

Matthew K. Judd
Director, Records and Information Services

Robert K. Kellersberger, CGFM
Finance Director

Jeana L. Woffinden, SPHR
Director, Human Resources

Judy C. Lund
Director, Retirement

Craige D. Stone
Director, Defined Contribution Savings Plans

Director, Internal Audit

Steven M. West

Investment Compliance

Professional Services

Actuary • Auditor • Legal • Consultants
Investment Advisors • Medical Director

Detail for professional service providers is shown below. Investment professionals are presented on pages 110 and 115.

Director, Finance

Robert K. Kellersberger

- Financial Reporting and Accounting
- Budgets
- Tax Reporting
- Cash Receipts and Disbursement
- Cash Management
- Accounts Payable
- Payroll
- Risk Management

Director, Defined Contribution Savings Plans

Craige D. Stone

- 401(k) Plan
- 457 Plan
- Traditional IRA
- Roth IRA
- Health Reimbursement Arrangement (HRA)

Director, Human Resources

Jeana L. Woffinden

- Human Resources
- Safety/Security

Director, Retirement

Judy C. Lund

- Retirement Benefits
- Death Benefits
- Redeposits, Purchases and Adjustments
- Refunds
- Branch Office

Professional Consultants

Actuary
Gabriel, Roeder, Smith & Company
2001 Ross Avenue, Suite 4200
Dallas, TX 75201

Auditor
Deloitte & Touche LLP
Certified Public Accountants
Suite 1900, 299 South Main
Salt Lake City, UT 84111

Legal Counsel
Howard, Phillips & Andersen
560 East 200 South, Suite 300
Salt Lake City, UT 84102

Groom Law Group
1701 Pennsylvania Ave. NW
Washington DC. 20006

Ice Miller, LLP
One American Square
Suite 3100
Indianapolis, IN 46282

Other Consultants
Advanced Risk Management
Techniques Inc.
1901 Main Street, Suite 300
Irvine, CA 92614

Utah Retirement Systems

Noncontributory System Highlights

Composite Picture

Total Membership	160,365
Active	92,392
Terminated vested	31,834
Retired	36,139
2010 Active Members	92,392
Average age	45.4
Average years of service	10.5
Average annual salary	$41,854

2010 Retirees	
Number	2,697
Average age	62.8
Average years of service	22.0
Final average annual salary	$48,642
Average annual benefit	$20,681
Average annual benefit — all retirees	$20,432

Pictured: DIANA MASON, Weber County Animal Shelter, Ogden

Noncontributory System Highlights

The Public Employees Noncontributory Retirement System includes eligible public employees of the State of Utah and its political subdivisions and public education employees of those entities covered by the System.

Service Retirement

Age	Years of Service	Allowance Reduction
Any age	30	None
Any age	25	Full actuarial before age 60
60-61	20	3% each year before age 65
62-64	10	3% each year before age 65
65	4	None

Service Benefit Formula

Number of years of service x 2.00% x FAS.*

**FAS (Final Average Salary) = highest three years' earnings converted to a monthly average. Yearly salary increases are limited to 10% plus a COLA determined by the CPI.*

Cost of Living Allowance

Up to 4% annually on original retirement benefit.

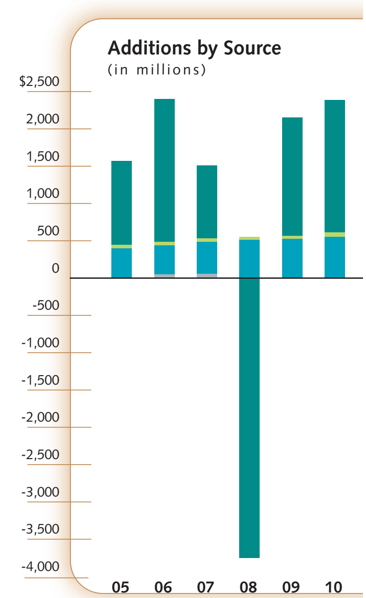
Contribution Rates

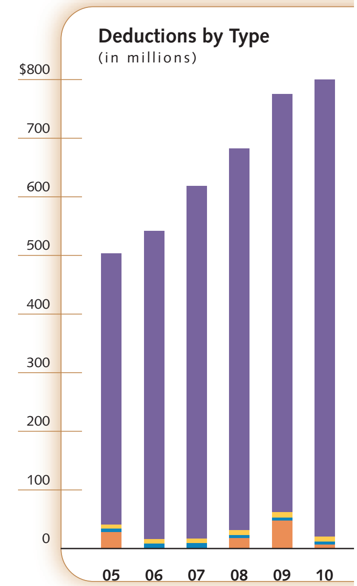
(as of 12-31-2010)

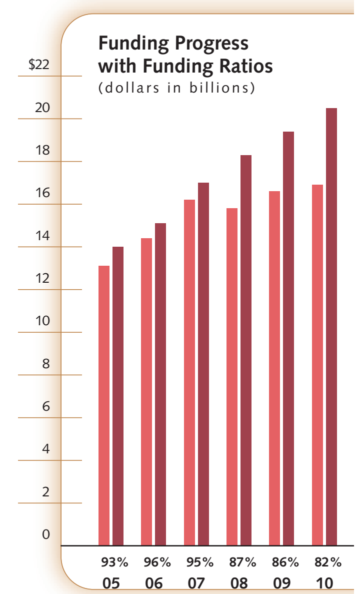
Employer rate for the State and School Division (Level A) is 16.32% of covered salary and 13.37% for the Local Government Division (Level B).

For more detail see Summary of Plan Provisions on page 135.

	2005	2006	2007	2008	2009	2010
Additions by Source (in millions)						
Investment Income (Loss)	$1,185.1	2,006.7	1,041.4	(3,888.6)	1,667.5	1,861.0
Member Contributions	19.8	22.6	18.2	14.1	14.1	33.5
Employer Contributions	406.8	440.4	487.8	522.7	535.3	564.2
Transfers from Systems	—	0.1	7.2	—	—	—
Totals	$1,611.7	2,469.8	1,554.6	(3,351.8)	2,216.9	2,458.7
Deductions by Type (in millions)						
Benefit Payments	$ 469.7	533.2	609.5	659.8	723.1	793.8
Administrative Expense	7.6	7.9	8.3	8.8	8.3	8.4
Refunds	3.2	2.8	3.4	2.5	2.9	3.6
Transfers to Systems	25.0	—	—	14.5	44.4	3.2
Totals	$ 505.5	543.9	621.2	685.6	778.7	809.0
Funding Progress (dollars in billions)						
Actuarial Value of Assets	$ 13.1	14.4	16.2	15.8	16.6	16.9
Accrued Actuarial Liability	$ 14.0	15.1	17.0	18.3	19.4	20.5
Funding Ratios	93%	96%	95%	87%	86%	82%







Utah Retirement Systems

Contributory System Highlights

Composite Picture

Total Membership	8,380
Active	2,330
Terminated vested	1,286
Retired	4,764
2010 Active Members	2,330
Average age	52.2
Average years of service	20.7
Average annual salary	$47,620

2010 Retirees	
Number	218
Average age	60.9
Average years of service	26.9
Final average annual salary	$48,009
Average annual benefit	$23,696
Average annual benefit — all retirees	$12,890

Pictured: KENNETH J. SPENCER, Secondary Water Supervisor, Davis and Weber Counties Canal Company, Sunset

Contributory System Highlights

The Public Employees Contributory Retirement System includes eligible public employees of the State of Utah and its political subdivisions and public education employees of those entities covered by the System.

Service Retirement

Age	Years of Service	Allowance Reduction
Any age	30	None
60-61	20	3% each year before age 65
62-64	10	3% each year before age 65
65	4	None

Service Benefit Formula

1. Number of years of service before 7-1-75 x 1.25% x FAS.*
2. Number of years of service after 6-30-75 x 2.00% x FAS.*
3. Plan 1 allowance = total of 1 and 2.

**FAS (Final Average Salary) = highest five years' earnings converted to a monthly average. Yearly salary increases are limited to 10% plus a COLA determined by the CPI.*

Cost of Living Allowance

Up to 4% annually on original retirement benefit.

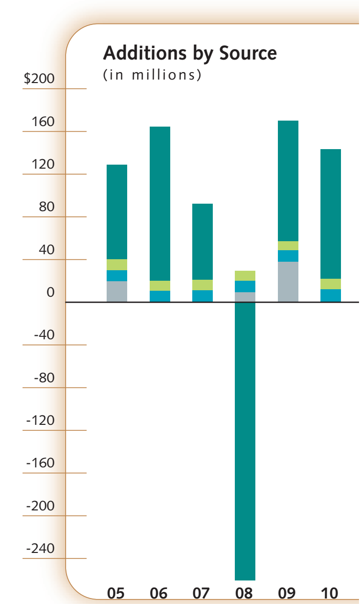
Contribution Rates

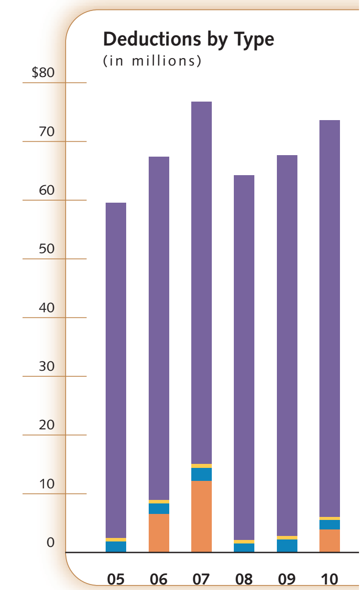
(as of 12-31-2010)

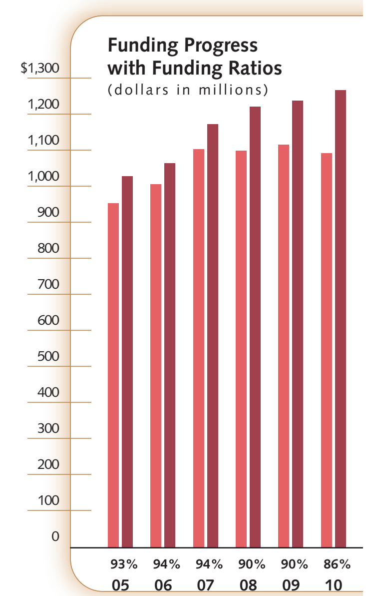
Member rate is 6.00% of covered salary. Employer rate for State and School Division (Level A) is 11.83% of covered salary and 9.36% for the Local Government Division (Level B).

For more detail see Summary of Plan Provisions on page 136.

	2005	2006	2007	2008	2009	2010
Additions by Source (in millions)						
Investment Income (Loss)	$ 88.4	144.0	71.6	(261.2)	112.6	121.2
Member Contributions	10.3	9.5	9.7	9.4	8.7	10.3
Employer Contributions	10.4	10.7	11.2	11.0	10.9	11.9
Transfers from Systems	19.6	—	—	9.0	37.6	—
Totals	$ 128.7	164.2	92.5	(231.8)	169.8	143.4
Deductions by Type (in millions)						
Benefit Payments	$ 57.1	58.5	61.7	62.1	64.8	67.6
Administrative Expense	0.6	0.6	0.6	0.6	0.6	0.5
Refunds	1.8	1.8	2.3	1.5	2.2	1.6
Transfers to Systems	—	6.5	12.1	—	—	3.9
Totals	$ 59.5	67.4	76.7	64.2	67.6	73.6
Funding Progress (dollars in millions)						
Actuarial Value of Assets	$ 951.5	1,004.5	1,102.1	1,097.7	1,116.7	1,090.3
Accrued Actuarial Liability	$1,027.3	1,063.0	1,170.3	1,218.6	1,236.0	1,265.1
Funding Ratios	93%	94%	94%	90%	90%	86%







Utah Retirement Systems

Public Safety System Highlights

Composite Picture

Total Membership	14,037
Active	7,624
Terminated vested	2,401
Retired	4,012
2010 Active Members	7,624
Average age	39.5
Average years of service	9.0
Average annual salary	$46,898

2010 Retirees	
Number	212
Average age	54.3
Average years of service	22.8
Final average annual salary	$59,320
Average annual benefit	$31,262
Average annual benefit — all retirees	$26,497

Pictured: (Left to right) BILL MANZANARES and AMMON MAUGA, Police Officers, Salt Lake City Police Department

Public Safety System Highlights

The Public Safety Retirement System includes eligible state and local government employees directly involved in law enforcement. The Public Safety System consists of the Noncontributory and Contributory divisions.

Service Retirement

Age	Years of Service	Allowance Reduction
Any age	20	None
60	10	None
65	4	None

Service Benefit Formula

1. 2.5% x FAS* x years of service up to 20 years.
2. 2.0% x FAS* x years of service over 20 years.
3. Monthly benefit = total of 1 and 2.

**FAS (Final Average Salary) = highest three years' earnings converted to a monthly average. Yearly salary increases are limited to 10% plus a COLA determined by the CPI.*

Cost of Living Allowance

Up to 2.5% or 4% (depending on employer) annually on original retirement benefit.

Contribution Rates

(as of 12-31-2010)

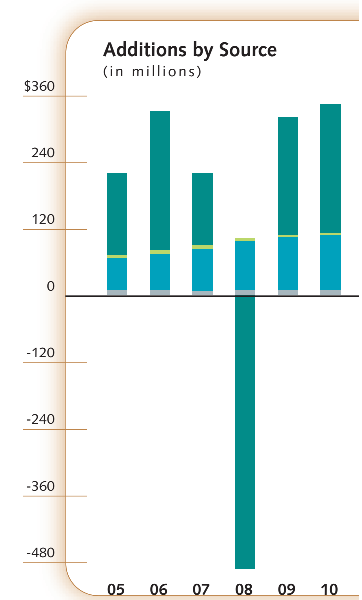
Noncontributory —
Employer rates range from 26.13% to 36.31% of covered salary.

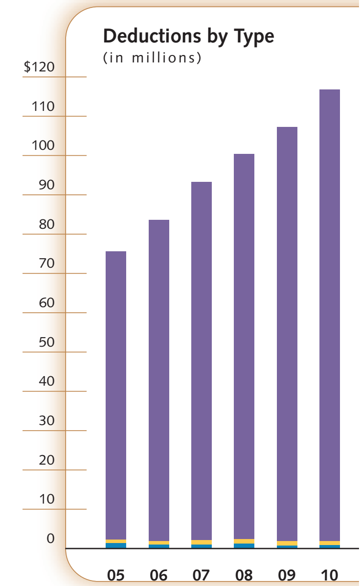
Contributory —
Member rates range from 10.50% to 12.29% of covered salary.

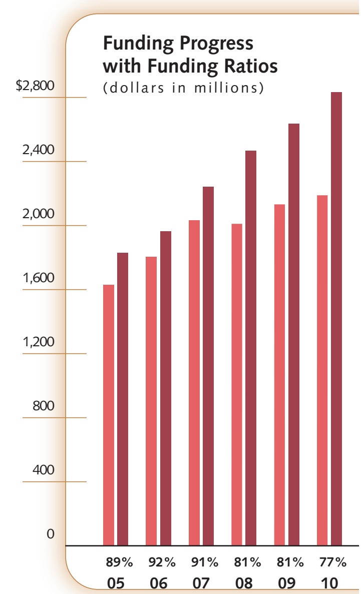
Employer rates range from 14.86% to 23.22% of covered salary.

For more detail see Summary of Plan Provisions on page 137.

	2005	2006	2007	2008	2009	2010
Additions by Source (in millions)						
Investment Income (Loss)	$ 148.1	250.8	130.7	(491.0)	213.6	241.2
Member Contributions	4.8	4.6	4.3	2.2	1.6	1.7
Employer Contributions	61.3	70.5	81.2	93.9	98.7	103.6
Transfers from Systems	4.3	3.3	2.3	3.7	4.6	4.2
Totals	$ 218.5	329.2	218.5	(391.2)	318.5	350.7
Deductions by Type (in millions)						
Benefit Payments	$ 74.0	82.5	91.9	98.9	106.3	115.8
Administrative Expense	1.0	1.0	1.1	1.2	1.1	1.1
Refunds	1.0	0.6	0.7	0.9	0.4	0.5
Totals	$ 76.0	84.1	93.7	101.0	107.8	117.4
Funding Progress (dollars in millions)						
Actuarial Value of Assets	$1,633.0	1,809.2	2,038.6	2,015.0	2,137.0	2,194.0
Accrued Actuarial Liability	$1,834.5	1,969.0	2,247.8	2,474.0	2,650.7	2,840.4
Funding Ratios	89%	92%	91%	81%	81%	77%







Utah Retirement Systems

Firefighters System Highlights

Composite Picture

Total Membership	3,167
Active	1,887
Terminated vested	131
Retired	1,149
2010 Active Members	1,887
Average age	39.6
Average years of service	10.3
Average annual salary	$54,741

2010 Retirees	
Number	44
Average age	55.3
Average years of service	28.1
Final average annual salary	$70,576
Average annual benefit	$42,731
Average annual benefit — all retirees	$31,044

Pictured: RYAN KIMBALL, Firefighter/Paramedic, Lehi Fire Department

Firefighters System Highlights

The Firefighters System includes eligible state and local government employees directly involved in fire fighting and whose duties are classified as hazardous.

Service Retirement

Age	Years of Service	Allowance Reduction
Any age	20	None
60	10	None
65	4	None

Service Benefit Formula

1. 2.5% x FAS* x years of service up to 20 years.
2. 2.0% x FAS* x years of service over 20 years.
3. Monthly benefit = total of 1 and 2.

**FAS (Final Average Salary) = highest three years' earnings converted to a monthly average. Yearly salary increases are limited to 10% plus a COLA determined by the CPI.*

Cost of Living Allowance

Up to 4% annually on original retirement benefit.

Contribution Rates

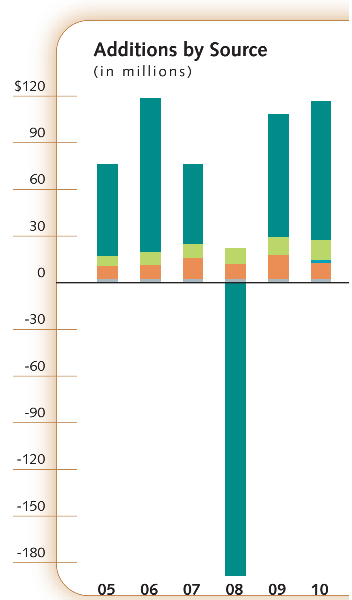
(as of 12-31-2010)

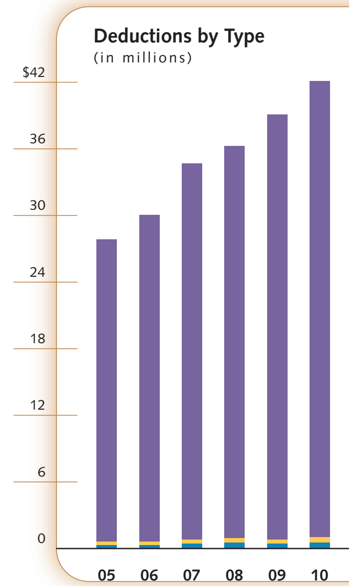
Member rate for Division A (with Social Security) is 15.05% of covered salary and 16.18% for Division B (without Social Security).

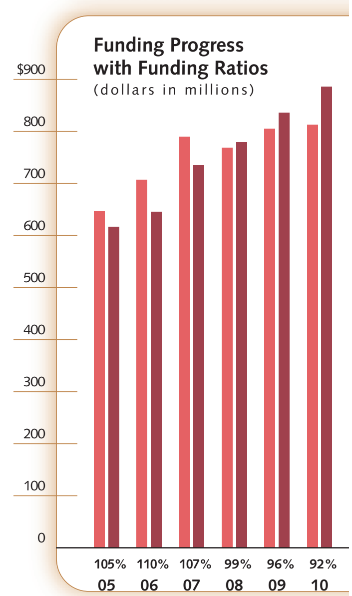
Employer rate for Division A is 1.72% of covered salary and 0.00% for Division B.

For more detail see Summary of Plan Provisions on page 139.

	2005	2006	2007	2008	2009	2010
Additions by Source (in millions)						
Investment Income (Loss)	$ 58.8	98.6	50.7	(188.1)	79.8	89.1
Member Contributions	6.7	7.8	9.2	10.4	11.3	14.1
Employer Contributions	—	—	—	—	—	0.2
Fire Insurance Tax	9.6	9.5	13.8	10.2	16.2	10.7
Transfers from Systems	0.6	1.8	1.7	1.5	1.2	1.8
Totals	$ 75.7	117.7	75.4	(166.0)	108.5	115.9
Deductions by Type (in millions)						
Benefit Payments	$ 27.3	29.5	33.9	35.4	38.3	41.1
Administrative Expense	0.3	0.3	0.4	0.4	0.4	0.4
Refunds	0.1	0.1	0.2	0.3	0.2	0.4
Totals	$ 27.7	29.9	34.5	36.1	38.9	41.9
Funding Progress (dollars in millions)						
Actuarial Value of Assets	$ 644.5	705.1	787.7	765.9	802.6	810.2
Accrued Actuarial Liability	$ 614.4	643.8	732.8	776.6	833.8	883.6
Funding Ratios	105%	110%	107%	99%	96%	92%







Utah Retirement Systems

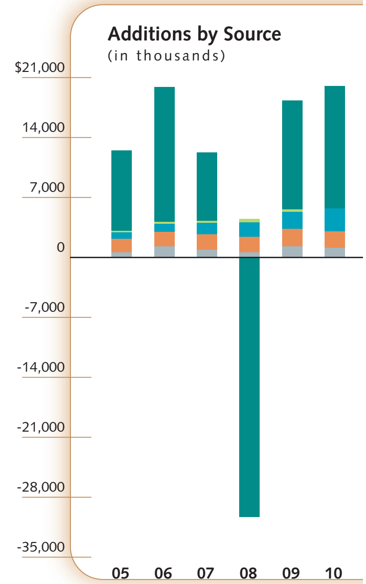
Judges System Highlights

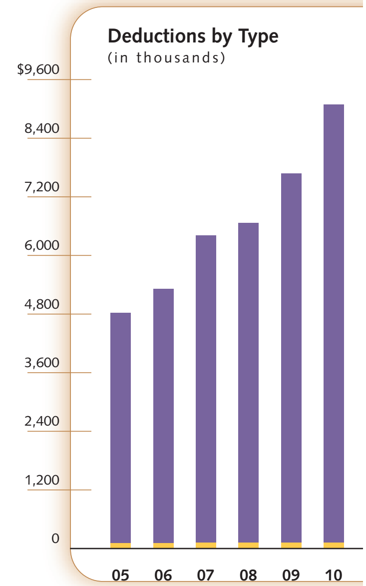
Composite Picture

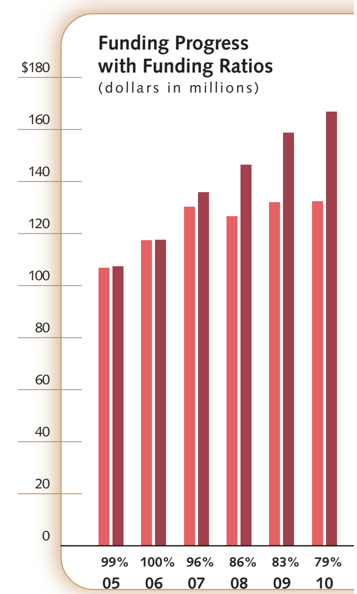
Total Membership	230
Active	109
Terminated vested	6
Retired	115
2010 Active Members	109
Average age	56.6
Average years of service	10.0
Average annual salary	$133,692

2010 Retirees	
Number	9
Average age	63.7
Average years of service	26.2
Final average annual salary	$134,768
Average annual benefit	$97,600
Average annual benefit — all retirees	$68,784

Pictured: CHRISTINE M. DURHAM, Chief Justice, Utah Supreme Court, Salt Lake City







Judges System Highlights

The Judges Retirement System includes justices and judges of the courts of record as authorized in state statutes.

Service Retirement

Age	Years of Service	Allowance Reduction
Age	25	None
55	20	Full actuarial reduction
62	10	None
65	6	None

Service Benefit Formula

1. 5.00% x FAS* x years of service up to 10 years.
2. 2.25% x FAS* x years of service between 10 and 20 years.
3. 1.00% x FAS* x years of service over 20 years.
4. Monthly benefit = total of 1, 2 and 3.

**FAS (Final Average Salary) = highest two years' earnings converted to a monthly average. Yearly salary increases are limited to 10% plus a COLA determined by the CPI.*

Cost of Living Allowance

Up to 4% compounded annually.

Contribution Rates

(as of 12-31-2010)

Employer rate is 23.72% of covered salary.

For more detail see Summary of Plan Provisions on page 141.

	2005	2006	2007	2008	2009	2010
Additions by Source (in thousands)						
Investment Income (Loss)	$ 9,762	16,287	8,401	(31,053)	13,214	14,597
Member Contributions	8	10	13	138	67	—
Employer Contributions	792	995	1,360	1,730	2,083	2,771
Court Fees	1,605	1,723	1,850	2,072	2,101	1,944
Transfers from Systems	518	1,242	841	294	1,027	1,078
Totals	$12,685	20,257	12,465	(26,819)	18,492	20,390
Deductions by Type (in thousands)						
Benefit Payments	$ 4,755	5,251	6,335	6,580	7,595	9,010
Administrative Expense	60	60	65	70	66	69
Totals	$ 4,815	5,311	6,400	6,650	7,661	9,079
Funding Progress (dollars in millions)						
Actuarial Value of Assets	$ 106.4	116.9	129.8	126.1	131.5	131.9
Accrued Actuarial Liability	$ 107.0	117.1	135.4	146.0	158.3	166.3
Funding Ratios	99%	100%	96%	86%	83%	79%

Utah Retirement Systems

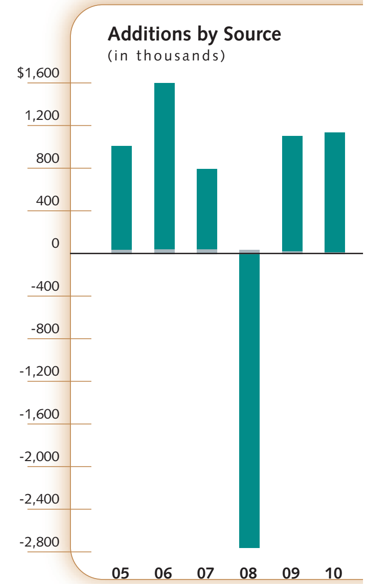
Utah Governors and Legislators Retirement Plan Highlights

Composite Picture

Total Membership	421
Active	125
Terminated vested	76
Retired	220
2010 Active Members	125
Average age	53.6
Average years of service	6.4
Average annual salary	NA

2010 Retirees	
Number	5
Average age	65.5
Average years of service	11.2
Final average annual salary	NA
Average annual benefit	$3,142
Average annual benefit — all retirees	$3,076

Pictured: BRADLEY G. LAST, Utah State Representative, District 71, Washington County



Utah Governors and Legislators Retirement Plan

The Utah Governors and Legislators Retirement Plan includes only governors and legislators of the State of Utah.

Service Retirement

Age	Years of Service	Allowance Reduction
65	4	None
62	10	3% each year before age 65

Service Benefit Formula

Governors —
$500*per month per term.

**Increased semi-annually up to 2% based on the CPI. The amount as of 12-31-10 is $1,240 per term.*

Legislators —
$10**per month each year of service as a legislator.

***Increased semi-annually up to 2% based on the CPI. The amount as 12-31-10 is $27.20 per term.*

Cost of Living Allowance

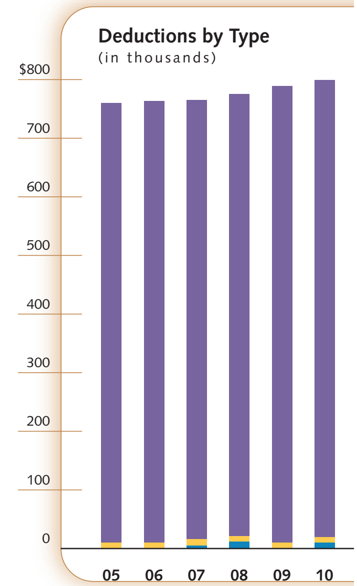
Up to 4% annually on original retirement benefit.

Contribution Rates

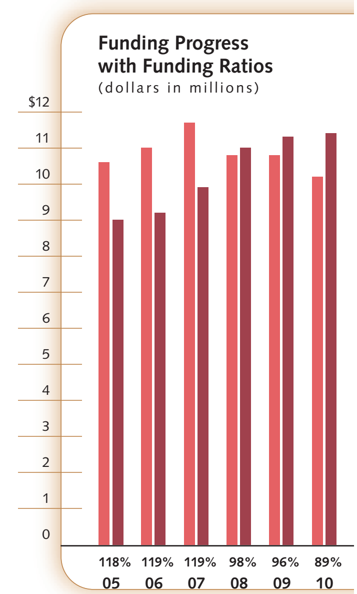
(as of 12-31-2010)

There are currently no required contributions.

For more detail see Summary of Plan Provisions on page 142.



	2005	2006	2007	2008	2009	2010
Additions by Source (in thousands)						
Investment Income (Loss)	$ 997	1,589	780	(2,763)	1,098	1,142
Transfers from Systems	16	18	18	17	9	2
Totals	$1,013	1,607	798	(2,746)	1,107	1,144
Deductions by Type (in thousands)						
Benefit Payments	$ 755	758	758	763	784	790
Administrative Expense	5	5	5	5	5	5
Refunds	—	—	2	7	—	5
Totals	$ 760	763	765	775	789	800
Funding Progress (dollars in millions)						
Actuarial Value of Assets	$ 10.6	11.0	11.7	10.8	10.8	10.2
Accrued Actuarial Liability	$ 9.0	9.2	9.9	11.0	11.3	11.4
Funding Ratios	118%	119%	119%	98%	96%	89%



Defined Contribution
Savings Plans Highlights

The purpose of the Defined Contribution Savings Plans (401(k), 457, Roth and traditional IRAs) is to allow public employees throughout Utah to adequately prepare themselves for retirement by investing a portion of their income in one or more of these supplemental retirement plans.

It has long been recognized that for employees to experience the comfortable and rewarding retirement they desire, they cannot rely entirely upon Social Security and their employer-provided retirement. Employees should take the initiative to personally put aside a portion of their salary into some type of long term savings plan.

Each year the number of employees participating in these plans increases. Individuals may participate in more than one plan. As of December 31, 2010, the number of participants by investment plan is shown below.

Annualized rates of returns for the Investment Funds are shown on page 113.

The Plans provide the following benefits:

- Convenient, automatic payroll deduction
- Eleven investment options
- Brokerage window option
- Tax deferred and/or tax free savings
- Increase or decrease contributions as often as every pay period
- Flexible payout options when eligible.
- Upon death, funds transfer to beneficiaries (except HRA)
- Immediate vesting
- No sales commissions
- Low investment and administrative fees
- Plan Loans (401(k) and 457)
- Hardship and emergency withdrawals

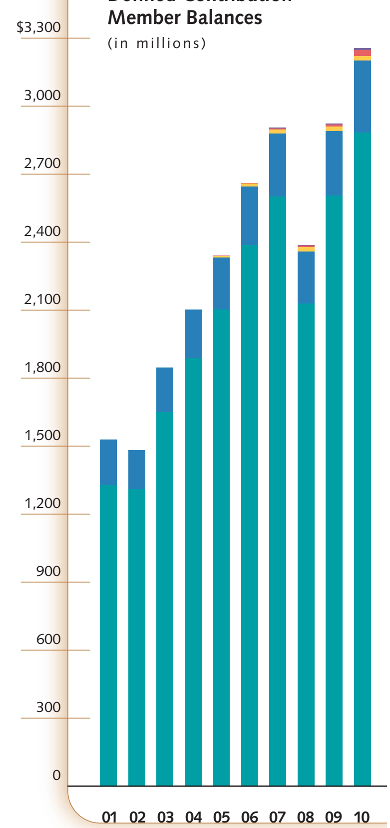
Membership Information
at December 31, 2010

	401(k)	457	Roth IRA	Traditional IRA	HRA
Number of active employees eligible to participate	100,617	87,461	104,467	104,467	1,452
Employee contributions (excluding employer contributions):					
Number of employees contributing	43,228	8,630	1,813	107	NA
Percent of eligible employees contributing	43.0%	9.9%	1.7%	0.1%	NA
Average percent of salary deferred by employees	5.9%	6.6%	3.9%	2.9%	NA
Total participants	143,807	16,586	2,542	595	1,452
Average participant account balance	$20,073	19,105	8,092	44,119	4,322

Defined Contributions Member Balances

(in millions)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
HRA	$ —	—	—	—	—	—	1	2	3	6
Roth IRA	—	—	—	—	1	4	6	7	12	21
Traditional IRA	—	—	—	—	7	12	18	19	22	26
457	200	172	196	213	230	259	277	229	284	317
401(k)	1,330	1,313	1,653	1,891	2,104	2,389	2,604	2,132	2,608	2,887
Totals	$1,530	1,485	1,849	2,104	2,342	2,664	2,906	2,389	2,929	3,257

Defined Contribution Member Balances
(in millions)



Financial
SECTION

Independent Auditors' Report

Deloitte.

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INDEPENDENT AUDITORS' REPORT

Utah State Retirement Board:

We have audited the accompanying basic financial statements of Utah Retirement Systems, a component unit of the State of Utah, administered by the Utah State Retirement Board, as of and for the year ended December 31, 2010, listed in the foregoing table of contents. These financial statements are the responsibility of the management of Utah Retirement Systems. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Utah Retirement Systems' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such basic financial statements present fairly, in all material respects, the fiduciary net assets of the pension (and other employee benefit) trust funds of Utah Retirement Systems, administered by the Utah State Retirement Board, as of December 31, 2010, and the changes in fiduciary net assets of the pension (and other employee benefit) trust funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2 to the financial statements, the financial statements include investments that are not listed on national exchanges or for which quoted market prices are not available. These investments include limited partnerships, absolute return strategies, and investments in real estate. Such investments totaled $7.8 billion (29.7% of total assets) at December 31, 2010. Where a publicly listed price is not available, the management of Utah Retirement Systems uses alternative sources of information including audited financial statements, unaudited interim reports, independent appraisals, and similar evidence to determine the fair value of the investments.

Management's Discussion and Analysis and the Schedules of Funding Progress and of Employer Contributions, listed in the foregoing table of contents, are not required parts of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. This supplementary information is the responsibility of the management of Utah Retirement Systems. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary financial supporting schedules listed in the foregoing table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary financial supporting schedules are the responsibility of the management of Utah Retirement Systems. Such additional information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The Introductory Section, Investment Section, Actuarial Section, and Statistical Section listed in the foregoing table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements of Utah Retirement Systems. Such additional information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

In accordance with *Government Auditing Standards,* we have also issued our report dated April 12, 2011 on our consideration of Utah Retirement Systems' internal control over financial reporting and on our tests of their compliance with certain provisions of laws, regulations and contracts and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Deloitte & Touche LLP

April 12, 2011

Deloitte.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Utah State Retirement Board:

We have audited the basic financial statements of Utah Retirement Systems, a component unit of the State of Utah, administered by the Utah State Retirement Board, as of and for the year ended December 31, 2010, and have issued our report thereon dated April 12, 2011, which included an explanatory paragraph regarding the fair value of investments where a publically listed price is not available. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Utah Retirement Systems' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of Utah Retirement Systems' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Utah Retirement Systems' internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Utah Retirement System's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we noted other matters involving internal control over financial reporting that we have reported to the management of Utah Retirement Systems in a separate letter dated April 12, 2011.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Utah Retirement Systems' basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and the Utah Retirement Systems' policies regarding purchasing, personnel, budgeting, and investments, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board, management, and others within the Utah Retirement Systems, and applicable State officials and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche LLP

April 12, 2011

Management's Discussion and Analysis

Introduction

This section presents management's discussion and analysis of the Utah Retirement Systems' (URS) financial position and performance for the year ended December 31, 2010. It is presented as a narrative overview and analysis. Please read it in conjunction with the Letter of Transmittal included in the Introductory Section, the financial statements and other information which are presented in the Financial Section of this Comprehensive Annual Financial Report.

URS is responsible for administering retirement and defined contribution benefits for State, local government and public education employees in the State of Utah. URS is composed of six defined benefit pension systems (Systems) and five defined contribution plans (Plans). The six defined benefit pension systems are the Public Employees Noncontributory Retirement System (Noncontributory System), the Public Employees Contributory Retirement System (Contributory System), the Public Safety Retirement System (Public Safety System), the Firefighters Retirement System (Firefighters System), the Judges Retirement System (Judges System) and the Utah Governors and Legislators Retirement Plan (Governors and Legislative Plan). The five defined contribution plans (Plans) are the 401(k), 457, Roth and Traditional IRA Plans, and Health Reimbursement Arrangement. All of these Systems and Plans are defined as pension (and other employee benefit) trust funds, which are fiduciary funds. Throughout this discussion and analysis units of measure (i.e. billions, millions, thousands) are approximate, being rounded up or down to the nearest tenth of the respective unit value.

Financial Highlights

- The URS Defined Benefit Pension Systems' combined total net assets increased by $2.0 billion, or 11.5 percent during calendar year 2010. The increase was primarily due to the increase in the markets.
- The URS Defined Benefit Pension Systems' rate of return on investments during calendar year 2010 was 13.73 percent compared with the calendar year 2009 rate of return of 12.88 percent. The increase in rate of return was due primarily to the increase in market performance in 2010.
- The URS Defined Benefit Pension Systems were actuarially funded at an average of 85.8 percent as of January 1, 2010, a decrease from the comparative average of 86.6 percent as of January 1, 2009. During 2010 the funded ratio decreased from 85.8 percent at the beginning of the year to 82.2 percent at December 31, 2010, due to lower than expected investment results over the previous five years.
- The Defined Contribution Plans' net assets increased $328 million during calendar year 2010 primarily due to investment gains.
- The Defined Contribution Plans' rates of return for investment options ranged from a high of 30.4 percent to a low of 0.0 percent compared to prior year investment option returns of a high of 36.0 percent and a low of 0.1 percent.

Management's Discussion and Analysis

(Continued)

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the URS financial reporting which is comprised of the following components:

1) basic financial statements,

2) notes to the basic financial statements,

3) required supplementary information, and

4) other supplementary schedules.

Collectively, this information presents the combined net assets held in trust for pension benefits for each of the funds administered by URS as of December 31, 2010. This financial information also summarizes the combined changes in net assets held in trust for pension benefits for the year then ended. The information in each of these components is briefly summarized as follows:

1) Basic Financial Statements

For the calendar year ended December 31, 2010, basic financial statements are presented for the fiduciary funds administered by URS. Fiduciary funds are used to account for resources held for the benefit of the participants outside of URS. The fiduciary funds are comprised of eleven pension (and other employee benefit) trust funds which consist of six defined benefit systems and five defined contribution plans.

- The Statements of Fiduciary Net Assets are presented for the pension trust funds at December 31, 2010, with combined total comparative information at December 31, 2009. These financial statements reflect the resources available to pay benefits to members, including retirees and beneficiaries, at the end of the years reported.
- The Statements of Changes in Fiduciary Net Assets are presented for the pension trust funds for the year ended December 31, 2010, with combined total comparative information for the year ended December 31, 2009. These financial statements reflect the changes in the resources available to pay benefits to members, including retirees and beneficiaries, for calendar years 2010 and 2009.

Management's Discussion and Analysis
(Continued)

2) Notes to the Basic Financial Statements

The Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. Information in the Notes to the Basic Financial Statements is described below.

- Note 1 provides a general description of URS as well as a description of each of the Systems and Plans administered by URS and a summary of benefits. Information regarding employer and member participation in the Systems and Plans administered by URS is also provided.
- Note 2 provides a summary of significant accounting policies including the basis of accounting, investment accounting policies, management's use of estimates, information regarding the implementation of new accounting pronouncements, and other significant accounting policies.
- Note 3 describes deposits, investment risk disclosures, and additional information about cash, securities lending, and derivatives.
- Note 4 explains property and equipment of URS including depreciation and net carrying amounts.
- Note 5 provides information about actuarial values and methods for the defined benefit systems administered by URS.
- Note 6 provides information about contributions to the defined benefit systems administered by URS.
- Note 7 provides information about the funded status of the systems administered by URS.
- Note 8 explains transfers to or from affiliated systems.
- Note 9 describes supplemental benefits.
- Note 10 provides information about litigation.
- Note 11 describes commitments for investment funding.
- Note 12 provides information about pension plan participation.
- Note 13 provides information about URS post employment benefits.
- Note 14 describes compensated absences and insurance reserves.
- Note 15 describes required supplementary information.
- Note 16 provides information about risk management of URS.
- Note 17 provides information about real estate liabilities.

3) Required Supplementary Information

The required supplementary information consists of two schedules and related notes concerning actuarial information, funded status and required contributions of the defined benefit pension systems administered by URS.

4) Other Supplementary Schedules

Other schedules include more detailed information pertaining to the Systems and Plans as well as schedules of administrative expenses.

Management's Discussion and Analysis
(Continued)

Financial Analysis of the Systems — Defined Benefit Plans

Investments

Investments of the URS Defined Benefit Systems are combined in a commingled investment pool as authorized by state statute. Each system owns an equity position in the pool and receives proportionate investment income from the pool in accordance with each respective ownership percentage.

Each system's allocated share of each type of investment in the pool is shown in the Statement of Net Assets of each respective system. Investment gains or losses are reported in the Statement of Changes in Fiduciary Net Assets of each retirement system. The rate of return on investments is therefore approximately the same for each of the systems.

Systems' Total Investments

At December 31, 2010, URS Defined Benefit Systems had total net assets of $19.8 billion, an increase of $2.0 billion from calendar year 2009 investment totals. The combined investment portfolio experienced a return of 13.73 percent compared with the URS investment benchmark return of 13.54 percent. Investment results over time compared with URS benchmarks are presented on page 108 in the Investment Section.

Since the investment gain in all of the retirement systems was about 13.73 percent of net assets, further investment performance will not be evaluated in each respective system.

Equities

At December 31, 2010, URS Defined Benefit Systems held $7.5 billion in U.S. and international equity securities, an increase of $416.8 million from year 2009. U.S. equity and international equity securities had returns of 18.36 percent and 13.84 percent respectively for calendar year 2010, compared to URS benchmark returns of 16.93 percent and 10.81 percent respectively.

Debt Securities

At December 31, 2010, URS Defined Benefit Systems held $4.4 billion in U.S. debt and international debt securities, a decrease of $114.5 million from year 2009. U.S. debt securities returned 9.65 percent while international debt securities returned 5.73 percent in calendar year 2010 compared with URS benchmark returns of 6.54 percent and 5.54 percent respectively.

Real Estate

At December 31, 2010, URS Defined Benefit Systems held $3.0 billion in real estate investments, an increase of $225 million from year 2009. Real estate investments returned 14.68 percent in calendar year 2010 compared with URS benchmark return of 15.37 percent.

Private Equity

At December 31, 2010, URS Defined Benefit Systems held $1.8 billion in private equity investments, an increase of $428.6 million from year 2009. Private equity investments returned 14.6 percent in calendar year 2010. The URS benchmark for private equity investments was 20.3 percent.

Management's Discussion and Analysis

(Continued)

Short Term

At December 31, 2010, URS Defined Benefit Systems held $1.1 billion in short term investments, an increase of $252.3 million from year 2009. Short term investments returned 0.21 percent in calendar year 2010, which compared to the URS benchmark return of 0.13 percent.

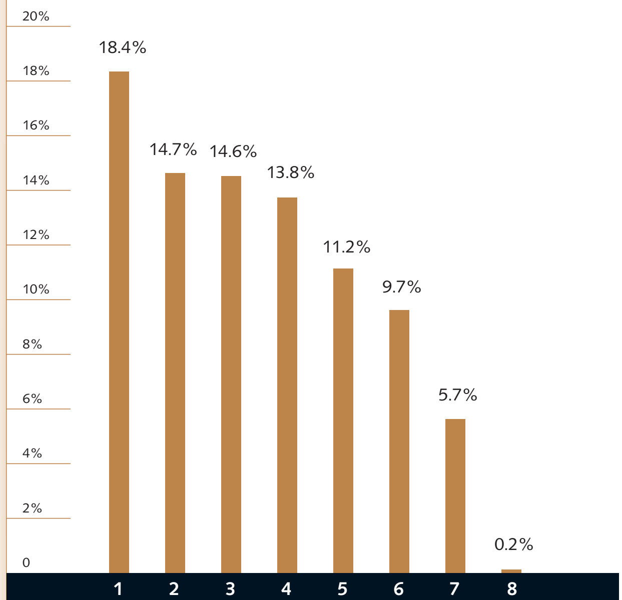
Absolute Return

At December 31, 2010, URS Defined Benefit Systems held $3.1 billion in absolute return investments, an increase of 726.2 million from year 2009. Absolute return investments returned 11.18 percent in calendar year 2010 compared with URS benchmark return of 5.13 percent.

Security Lending

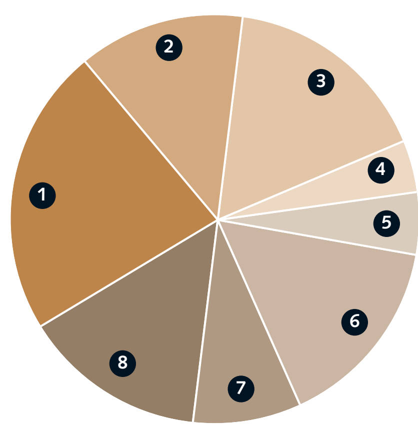
The Systems earn additional investment income by lending investment securities to brokers. This is done on a pooled basis by URS' custodial bank, The Northern Trust Company (TNT). The brokers provide collateral to TNT and generally use the borrowed securities to cover short sales and failed trades. TNT invests the cash collateral received from the brokers in order to earn interest. At December 31, 2010, the Systems had $1.23 billion on loan secured by collateral of $1.26 billion. For calendar year 2010, net securities lending income to the Systems amounted to $3.7 million, a decrease of $3.4 million over calendar year 2009. The decrease in security lending revenue for year 2010 represents mainly a decrease in demand by brokers to borrow available securities.

Defined Benefit Systems Investment Rates of Return by Investment Type for 2010
(in percents)



1 Equities, Domestic
2 Real Estate
3 Private Equity
4 Equities, International
5 Absolute Return
6 Debt Securities, Domestic
7 Debt Securities, International
8 Short Term Securities

Defined Benefit Systems Investments at Fair Value



1 Equities, Domestic (22.6%)
2 Equities, International (13.2%)
3 Debt Securities, Domestic (16.8%)
4 Debt Securities, International (4.2%)
5 Short Term Securities (5.0%)
6 Absolute Return (15.0%)
7 Private Equity (8.8%)
8 Real Estate (14.4%)

Management's Discussion and Analysis

(Continued)

Analysis of the Defined Benefit Systems

Noncontributory System

The Noncontributory System provides retirement benefits to covered State of Utah, local government and public education employees. Benefits of the system are funded by employer contributions and by earnings on investments. The system net assets held in trust for benefits at December 31, 2010, totaled $15.8 billion, an increase of $1.6 billion (11.7 percent) from $14.2 billion at December 31, 2009.

Additions to the Noncontributory System net assets held in trust for benefits include employer contributions, investment income and transfers. For the calendar year 2010, member and employer contributions increased from $549.4 million for calendar year 2009 to $597.7 million, an increase of $48.3 million (8.8 percent). Contributions increased because salaries and contribution rates increased. The system recognized a net investment gain of $1.9 billion for calendar year 2010 compared with net investment gain of $1.7 billion for calendar year 2009. The increase in investment gain for 2010 compared to 2009 was due to the higher rate of return realized in 2010.

Deductions from the Noncontributory System net assets held in trust for benefits include retirement benefits, administrative expenses and transfers. For the calendar year 2010, benefits amounted to $797.4 million, an increase of $71.5 million (9.8 percent) over calendar year 2009. The increase in benefit payments was due to an increased number of benefit recipients and benefit increases. For the calendar year 2010, the costs of administering the system totaled $8.4 million, an increase of $49 thousand (0.6 percent) from calendar year 2009.

An actuarial valuation of the Noncontributory System assets and benefit obligations is performed annually. At the date of the most recent actuarial valuation, January 1, 2010, the funded status of the system decreased to 85.7 percent from 86.5 percent at January 1, 2009. The amount by which the Noncontributory System actuarial assets were under actuarial benefit liabilities was $2.8 billion at January 1, 2010, compared with being underfunded by $2.5 billion at January 1, 2009. The decrease in funded status as of the last actuarial valuation was a result of lower than expected investment results over the previous five years.

Contributory System

The Contributory system provides retirement benefits to covered State of Utah, local government and public education employees. Benefits of the system are funded by member and employer contributions and by earnings on investments. The system net assets held in trust for benefits at December 31, 2010, totaled $1.0 billion, an increase of $69.7 million (7.4 percent) from $937.6 million at December 31, 2009.

Additions to the Contributory System net assets held in trust for benefits include employer and member contributions, investment income and transfers. For calendar year 2010, member and employer contributions increased from $19.5 million for calendar year 2009 to $22.2 million, an increase of $2.6 million (13.5 percent). Contributions increased because salaries and contribution rates increased. For the most part the Contributory System is a closed system. For this reason both the numbers of active members and retired individuals are declining. The system recognized a net investment gain

Management's Discussion and Analysis
(Continued)

of $121.2 million for calendar year 2010 compared with net investment gain of $112.6 million for the calendar year 2009. The increase in investment gain for 2010 compared to 2009 was due to the higher rate of return realized in 2010.

Deductions from the Contributory System net assets held in trust for benefits include retirement benefits, administrative expenses and transfers. For calendar year 2010, benefits amounted to $69.2 million, an increase of $2.2 million (3.3 percent) from calendar year 2009. The increase in benefit payments was due to the increase in the number of retired members in the system. For calendar year 2010, the costs of administering the system totaled $535 thousand, a decrease of $20 thousand (3.6 percent) from calendar year 2009.

An actuarial valuation of the Contributory System assets and benefit obligations is performed annually. At the date of the most recent actuarial valuation, January 1, 2010, the funded status of the system increased to 90.4 percent from 90.1 percent at January 1, 2009. The amount by which the Contributory System actuarial assets were under actuarial benefit liabilities was $119.3 million at January 1, 2010, compared with $120.9 million at January 1, 2009.

Public Safety System

The Public Safety System provides retirement benefits to eligible public safety employees of the State of Utah, local governments and higher education. Benefits of the system are funded by member and employer contributions and by earnings on investments. The system net assets held in trust for benefits at December 31, 2010, amounted to $2.1 billion, an increase of $233.3 million (12.8 percent) from $1.8 billion at December 31, 2009.

Additions to the Public Safety System net assets held in trust for benefits include employer contributions, investment income and transfers. For calendar year 2010, member and employer contributions increased from $100.3 million for calendar year 2009 to $105.3 million, an increase of $5.0 million (5.0 percent). Contributions increased because salaries and contribution rates increased. The system recognized a net investment gain of $241.2 million for calendar year 2010 compared with net investment gain of $213.6 million for calendar year 2009. The increase in investment gain for 2010 compared to 2009 was due to the higher rate of return realized in 2010.

Deductions from the Public Safety System net assets held in trust for benefits include retirement benefits and administrative expenses. For calendar year 2010, benefits amounted to $116.3 million, an increase of $9.7 million (9.1 percent) over calendar year 2009. The increase in benefit payments was due to an increased number of benefit recipients and benefit increases. For calendar year 2010, the costs of administering the system totaled $1.1 million, an increase of $19 thousand (1.7 percent) from calendar year 2009.

An actuarial valuation of the Public Safety System assets and benefit obligations is performed annually. At the date of the most recent actuarial valuation, January 1, 2010, the funded status of the system decreased to 80.6 percent from 81.6 percent at January 1, 2009. The amount by which the Public Safety System actuarial assets were under actuarial benefit liabilities was $513.6 million at January 1, 2010, compared with being underfunded by $456.1 million at January 1, 2009. The decrease in funded status as of the last actuarial valuation was a result of lower than expected investment returns over the previous five years.

Management's Discussion and Analysis

(Continued)

Firefighters System

The Firefighters System provides retirement benefits to covered firefighters of the State of Utah and local governments. Benefits of the system are funded by member and employer contributions and by earnings on investments. The system net assets held in trust for benefits at December 31, 2010, amounted to $756.3 million, an increase of $74.0 million (10.9 percent) from $682.2 million at December 31, 2009.

Additions to the Firefighters System net assets held in trust for benefits consist of employer contributions, including insurance premium taxes, investment income and transfers. For calendar year 2010, member and employer contributions decreased from $27.4 million for calendar year 2009 to $25.0 million, a decrease of $2.4 million (8.8 percent). Contributions decreased because insurance premium taxes decreased. The system recognized a net investment gain of $89.1 million for calendar year 2010 compared with net investment gain of $79.8 million for calendar year 2009. The increase in investment gain for 2010 compared to 2009 was due to the higher rate of return realized in 2010.

Deductions from the Firefighters System net assets held in trust for benefits include retirement benefits and administrative expenses. For calendar year 2010, benefits amounted to $41.5 million, an increase of $3.0 million (7.8 percent) over calendar year 2009. The increase in benefit payments was due to an increased number of benefit recipients and benefit increases. For calendar year 2010, the costs of administering the system totaled $361 thousand, an increase of $7 thousand (2.0 percent) from calendar year 2009.

An actuarial valuation of the Firefighters System assets and benefit obligations is performed annually. At the date of the most recent actuarial valuation, January 1, 2010, the funded status of the system decreased to 96.3 percent from 98.6 percent at January 1, 2009. The amount by which the Firefighters System actuarial assets were under actuarial benefit liabilities was $31.3 million at January 1, 2010, compared to being underfunded by $10.8 million at January 1, 2009. The decrease in funded status as of the last actuarial valuation was a result of lower than expected investment returns over the previous five years.

Judges System

The Judges System provides retirement benefits to judges in the State of Utah who are eligible to participate in the system. Benefits of the system are funded by employer contributions and by earnings on investments. The system net assets held in trust for benefits at December 31, 2010, amounted to $123.0 million, an increase of $11.3 million (10.1 percent) from $111.7 million at December 31, 2009.

Additions to the Judges System net assets held in trust for benefits consist of employer contributions, including court fees, investment income and transfers. For calendar year 2010, employer contributions increased from $4.3 million for calendar year 2009 to $4.7 million, an increase of $464 thousand (10.9 percent). Contributions increased because the contribution rate and court fees increased. The system recognized a net investment gain of $14.6 million for the calendar year 2010 compared with net investment gain of $13.2 million for calendar year 2009. The increase in investment gain for 2010 compared to 2009 was due to the higher rate of return realized in 2010.

Deductions from the Judges System net assets held in trust for benefits include retirement benefits and administrative expenses. For calendar year 2010, benefits

Management's Discussion and Analysis

(Continued)

Fiduciary Net Assets Pension Trust Funds — Defined Benefit Plans

December 31

(dollars in thousands)

	Noncontributory System			Contributory System			Public Safety System		
	2010	2009	2008	2010	2009	2008	2010	2009	2008
Assets:									
Cash and receivables	$ 559,028	263,733	337,079	34,325	16,231	20,836	71,716	33,656	41,920
Investments at fair value	16,787,457	15,229,900	14,055,461	1,071,466	1,010,051	924,711	2,187,483	1,963,527	1,784,794
Invested securities lending collateral	1,005,149	1,149,384	884,518	64,154	76,227	58,192	130,975	148,184	112,318
Property and equipment	688	256	421	44	17	28	90	34	52
Total assets	18,352,322	16,643,273	15,277,479	1,169,989	1,102,526	1,003,767	2,390,264	2,145,401	1,939,084
Liabilities:									
Securities lending liability	1,005,149	1,149,384	884,518	64,154	76,227	58,192	130,975	148,184	112,318
Investment accounts and other payables	1,544,968	1,341,327	1,678,590	98,587	88,712	110,205	201,270	172,459	212,709
Total liabilities	2,550,117	2,490,711	2,563,108	162,741	164,939	168,397	332,245	320,643	325,027
Total net assets	$15,802,205	14,152,562	12,714,371	1,007,248	937,587	835,370	2,058,019	1,824,758	1,614,057

Changes in Fiduciary Net Assets Pension Trust Funds — Defined Benefit Plans

Year Ended December 31

(dollars in thousands)

	Noncontributory System			Contributory System			Public Safety System		
	2010	2009	2008	2010	2009	2008	2010	2009	2008
Additions:									
Contributions	$ 597,682	549,407	536,843	22,150	19,520	20,447	105,299	100,285	96,058
Investment income (loss)	1,860,976	1,667,478	(3,888,624)	121,153	112,626	(261,227)	241,203	213,627	(491,024)
Transfers from affiliated systems	—	—	—	—	37,633	9,008	4,248	4,578	3,727
Total additions	2,458,658	2,216,885	(3,351,781)	143,303	169,779	(231,772)	350,750	318,490	(391,239)
Deductions:									
Pension benefits	793,804	723,052	659,792	67,565	64,849	62,096	115,831	106,272	98,944
Refunds	3,620	2,882	2,514	1,632	2,158	1,473	512	390	899
Administrative expenses	8,389	8,340	8,809	535	555	605	1,146	1,127	1,163
Transfers to affiliated systems	3,202	44,420	14,537	3,910	—	—	—	—	—
Total deductions	809,015	778,694	685,652	73,642	67,562	64,174	117,489	107,789	101,006
Increase (decrease) in net assets	$1,649,643	1,438,191	(4,037,433)	69,661	102,217	(295,946)	233,261	210,701	(492,245)

Management's Discussion and Analysis
(Continued)

Firefighters System			Judges System			Utah Governors and Legislators Retirement Plan			Total Defined Benefit Pension Plans			2010 Percent Change	2009 Percent Change
2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008		
25,744	21,646	15,006	4,345	2,102	2,629	311	148	208	695,469	337,516	417,678	106.1%	(19.2)%
804,505	724,163	678,539	130,714	120,178	111,560	9,940	9,696	9,612	20,991,565	19,057,515	17,564,677	10.1	8.5
48,170	54,652	42,701	7,827	9,070	7,020	595	732	605	1,256,870	1,438,249	1,105,354	(12.6)	30.1
33	13	21	5	2	3	—	—	—	860	322	525	167.1	(38.7)
878,452	800,474	736,267	142,891	131,352	121,212	10,846	10,576	10,425	22,944,764	20,833,602	19,088,234	10.1	9.1
48,170	54,652	42,701	7,827	9,070	7,020	595	732	605	1,256,870	1,438,249	1,105,354	(12.6)	30.1
74,022	63,603	80,867	12,027	10,556	13,297	914	851	1,145	1,931,788	1,677,508	2,096,813	15.2	(20.0)
122,192	118,255	123,568	19,854	19,626	20,317	1,509	1,583	1,750	3,188,658	3,115,757	3,202,167	2.3	(2.7)
756,260	682,219	612,699	123,037	111,726	100,895	9,337	8,993	8,675	19,756,106	17,717,845	15,886,067	11.5%	11.5%

Firefighters System			Judges System			Utah Governors and Legislators Retirement Plan			Total Defined Benefit Pension Plans			2010 Percent Change	2009 Percent Change
2010	2009	2008	2010	2009	2008	2010	2009	2008	2010	2009	2008		
25,027	27,432	20,647	4,715	4,251	3,940	—	—	—	754,873	700,895	677,935	7.7%	3.4%
89,122	79,811	(188,095)	14,597	13,214	(31,053)	1,142	1,098	(2,763)	2,328,193	2,087,854	(4,862,786)	11.5	(142.9)
1,784	1,173	1,491	1,078	1,027	294	2	9	17	7,112	44,420	14,537	(84.0)	205.6
115,933	108,416	(165,957)	20,390	18,492	(26,819)	1,144	1,107	(2,746)	3,090,178	2,833,169	(4,170,314)	9.1	(167.9)
41,130	38,311	35,355	9,010	7,595	6,580	790	784	763	1,028,130	940,863	863,530	9.3	9.0
401	231	284	—	—	—	5	—	7	6,170	5,661	5,177	9.0	9.3
361	354	379	69	66	70	5	5	5	10,505	10,447	11,031	0.6	(5.3)
—	—	—	—	—	—	—	—	—	7,112	44,420	14,537	(84.0)	205.6
41,892	38,896	36,018	9,079	7,661	6,650	800	789	775	1,051,917	1,001,391	894,275	5.0	12.0
74,041	69,520	(201,975)	11,311	10,831	(33,469)	344	318	(3,521)	2,038,261	1,831,778	(5,064,589)	11.3%	(136.2)%

Management's Discussion and Analysis
(Continued)

amounted to $9.0 million, an increase of $1.4 million (18.6 percent) over calendar year 2009. The increase in benefit payments was due to an increased number of benefit recipients and benefit increases. For calendar year 2010, the costs of administering the system totaled $69 thousand, a slight increase over the preceding year.

An actuarial valuation of the Judges System assets and benefit obligations is performed annually. At the date of the most recent actuarial valuation, January 1, 2010, the funded status of the system decreased to 83.1 percent from 86.4 percent at January 1, 2009. The amount by which the Judges System actuarial assets were under actuarial benefit liabilities was $26.8 million at January 1, 2010, compared with $19.8 million at January 1, 2009. The decrease in funded status as of the last actuarial valuation was a result of lower than expected investment returns over the previous five years.

Utah Governors and Legislators Retirement Plan

The Governors and Legislators Retirement Plan provides retirement benefits to governors and legislators of the State of Utah. Benefits of the system are funded by employer contributions and by earnings on investments. The system net assets held in trust for benefits at December 31, 2010, amounted to $9.3 million, an increase of $344 thousand (3.8 percent) from $9.0 million at December 31, 2009.

Additions to the Governors and Legislators Retirement Plan net assets held in trust for benefits include investment income and transfers. No employer contributions were needed for this plan because of the current funded status. The system recognized a net investment gain of $1.1 million for calendar year 2010 compared with net investment gain of $1.1 million for calendar year 2009. The increase in investment gain for 2010 compared to 2009 was due to the higher rate of return realized in 2010.

Deductions from the Governors and Legislators Retirement Plan net assets held in trust for benefits include retirement benefits and administrative expenses. For calendar year 2010, retirement benefits amounted to $795 thousand, an increase of $11 thousand (1.4 percent) from calendar year 2009. The increase in benefit payments was due to an increase in the number of benefit recipients. For calendar year 2010, the costs of administering the system totaled $5 thousand, a slight increase over the preceding year.

An actuarial valuation of the Governors and Legislators Retirement Plan assets and benefit obligations is performed annually. At the date of the most recent actuarial valuation, January 1, 2010, the funded status of the system decreased to 95.3 percent from 98.7 percent at January 1, 2009. The amount by which the Governors and Legislators Retirement Plan actuarial assets were under actuarial benefit liabilities was $536 thousand at January 1, 2010, compared with being underfunded by $141 thousand at January 1, 2009. The decrease in funded status as of the last actuarial valuation was a result of lower than expected investment returns over the previous five years.

Actuarial Valuations and Funding Progress

Actuarial valuation of each defined benefit system is performed annually. At January 1, 2010, the date of the most recent actuarial valuation, the average funded ratio of the Systems was 85.8 percent. This was a decrease from the Systems' January 1, 2009, valuation average funded ratio of 86.6 percent, a decrease in funded status of 0.8 percent. As of December 31, 2010, the Systems' average funded ratio had decreased to 82.2 percent. This was a decrease in the Systems' funded ratio of 3.6 percent for calendar year 2010. The funded ratio decrease for all systems was the result of lower than expected investment returns over the previous five years.

At December 31, 2010, the Systems' underfunded actuarial accrued liability was $4.6 billion. This was a net increase in the unfunded position of $1.1 billion for the year. At December 31, 2010, the difference between the actuarial value of assets and market value of assets was $1.4 billion in actuarially deferred losses. This was a decrease of $1.7 billion in actuarially deferred losses from the $3.1 billion in actuarially deferred losses at January 1, 2010. These actuarially deferred losses will be recognized by the actuary over the next four years.

In 2009 two changes were made to the actuarial valuation. The first change was to increase the amortization period for amortizing the unfunded actuarial accrued liability (UAAL) from 20 years to 25 years. This funding period will be closed (i.e. the funding period will decrease by one year each year) until the funding period reaches 20 years, at which time the period will once again revert to an open 20 year amortization period. The second change was to widen the corridor used to determine the actuarial value of assets from 80% – 120% to 75% –125% of market value. This change allows more of the 2008 investment losses to be smoothed into the actuarial value of assets over the next four years rather than being recognized in this valuation.

Analysis of the Defined Contribution Savings Plans

401(k) Defined Contribution Plan

The 401(k) Plan is established under section 401(k) of the Internal Revenue Code. This plan provides supplemental retirement benefits for plan participants. The plan is funded by contributions and by investment earnings. The plan net assets held in trust for benefits at December 31, 2010, amounted to $2.9 billion, an increase of $279.4 million (10.7 percent) over net assets at December 31, 2009.

Additions to the 401(k) Plan net assets held in trust for benefits include contributions, rollovers, and investment income. For calendar year 2010, contributions increased from those of calendar year 2009 from $222.4 million to $222.5 million, an increase of $105 thousand (0.0 percent). Contributions increased because of increased participation. The plan recognized a net investment gain of $254.3 million for calendar year 2010 compared with a net investment gain of $387.0 million for calendar year 2009.

Deductions from the 401(k) Plan net assets include participant and beneficiary refunds, and administrative expenses. For calendar year 2010, refunds amounted to $191.0 million, an increase of $63.3 million (49.6 percent) over calendar year 2009. The increase in refunds was due to an increase in withdrawals for calendar year 2010. For calendar year 2010, the costs of administering the plan amounted to $6.4 million, an increase of $69 thousand over calendar year 2009.

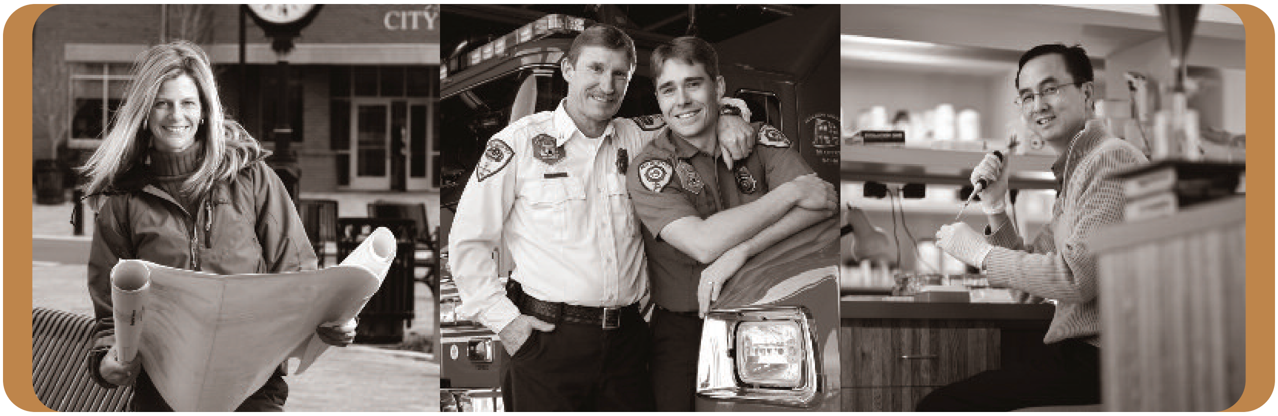
Benefit obligations of the 401(k) Defined Contribution Plan are equal to the member account balances, which are equal to net assets of the plan.

457 Defined Contribution Plan

The 457 Plan is established under Section 457(b) of the Internal Revenue Code. This plan provides supplemental retirement benefits for plan participants. The plan is funded by contributions and by investment earnings. The plan net assets held in trust for benefits at December 31, 2010, amounted to $316.9 million, an increase of $33.3 million (11.7 percent) over net assets at December 31, 2009.

Additions to the 457 Plan net assets held in trust for benefits include contributions and investment income. For calendar year 2010, contributions decreased from those of calendar year 2009 from $26.6 million to $26.5 million or a decrease of $95 thousand (0.4 percent). Contributions decreased because of decreased participation. The plan recognized a net investment gain of

Management's Discussion and Analysis
(Continued)



$27.6 million for calendar year 2010 compared with a net investment gain of $41.6 million for the calendar year 2009.

Deductions from the 457 Plan net assets include participant and beneficiary refunds and administrative expenses. For calendar year 2010, refunds amounted to $20.2 million, an increase of $6.8 million (51.2 percent) over calendar year 2009. The increase in refunds was due to an increase in withdrawals for calendar year 2010. For calendar year 2010, the costs of administering the plan amounted to $711 thousand, an increase of $12 thousand over calendar year 2009.

Benefit obligations of the 457 Defined Contribution Plan are equal to the member account balances, which are equal to net assets of the plan.

Roth IRA Plan

The Roth IRA is a "deemed IRA" authorized by section 408(q) of the Internal Revenue Code, and governed by section 408A of the code. This plan allows participants to make after-tax contributions, while the earnings may be withdrawn tax-free (for qualified distributions). The plan net assets held in trust for benefits at December 31, 2010, amounted to $20.6 million, an increase of $8.3 million (68.0 percent) over net assets at December 31, 2009.

Additions to the Roth IRA Plan include contributions, transfers from other Roth IRAs, conversions from traditional IRAs, and investment earnings. For calendar year 2010, contributions increased from those of calendar year 2009 from $3.6 million to $8.1 million (124.0 percent). Contributions increased because of increased participation. The plan recognized a net investment gain of $1.8 million for calendar year 2010 compared with a net investment gain of $2.0 million for calendar year 2009.

Deductions from the Roth IRA Plan net assets include participant and beneficiary refunds and administrative expenses. For calendar year 2010, refunds amounted to $1.6 million, an increase of $1.1 million (255.5 percent) over calendar year 2009. For calendar year 2010, the costs of administering the plan amounted to $38 thousand, an increase of $12 thousand over calendar year 2009.

Traditional IRA Plan

The traditional IRA is a "deemed IRA" authorized by section 408(q) of the Internal Revenue Code, and governed by section 408 of the code. This plan allows participants to make after-tax contributions and possibly deduct all or a portion of the contributions from their current taxable income. This plan also allows participants to consolidate many other eligible plan assets when they become eligible for rollover (such as 401(k), 457, and other IRAs). Participants may also convert traditional IRA funds into a Roth IRA. The plan net assets held in trust for benefits at December 31, 2010, amounted to $26.3 million, an increase of $3.8 million (16.8 percent) over net assets at December 31, 2009.

Additions to the traditional IRA Plan include contributions, rollovers, and investment earnings. For calendar year 2010, contributions increased from those of calendar year 2009 from $3.2 million to $6.1 million (92.9 percent). Contributions increased because of increased rollovers. The plan recognized a net investment gain of $1.7 million for calendar year 2010 compared with a net investment gain of $2.8 million for calendar year 2009.

Deductions from the traditional IRA Plan net assets include participant and beneficiary refunds and administrative expenses. For calendar year 2010, refunds

Management's Discussion and Analysis

(Continued)

amounted to $4.0 million, an increase of $1.3 million (50.1 percent) over calendar year 2009. For calendar year 2010, the costs of administering the plan amounted to $55 thousand, an increase of $3 thousand over calendar year 2009.

Health Reimbursement Arrangement

The Health Reimbursement Arrangement (HRA) is a tax-advantaged health savings plan for state employees funded by employer contributions to pay for qualified health care expenses incurred after retirement. No employee contributions are permitted. The plan net assets held in trust for benefits at December 31, 2010, amounted to $6.3 million, an increase of $3.3 million (110.0 percent) over the net assets at December 31, 2009.

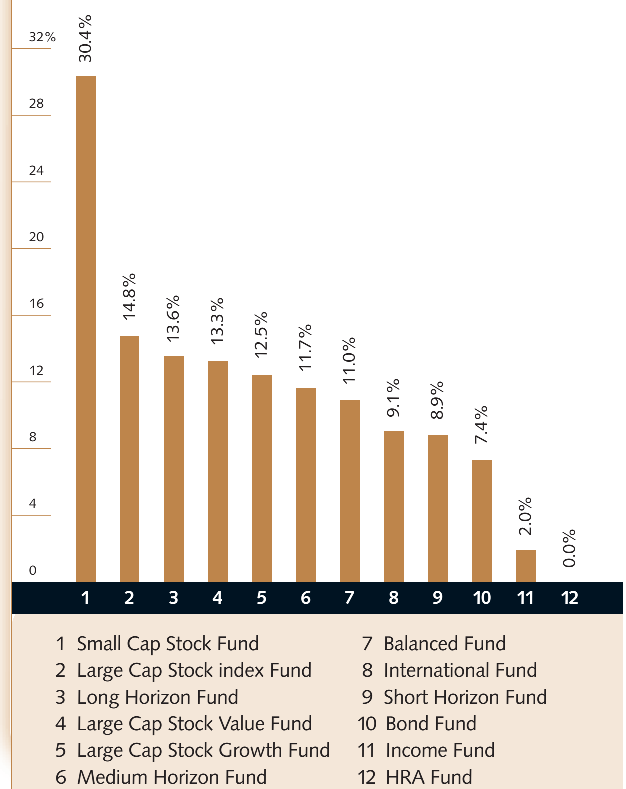
Additions to the HRA include contributions and investment earnings. For calendar year 2010, contributions increased from those of calendar year 2009 from $2.0 million to $4.3 million (116.5 percent). Contributions increased because of the number of state retirees and an increase in the average amount deposited by the employer in behalf of the retiree.

Deductions from the HRA Plan net assets include participant and beneficiary refunds and administrative expense. For calendar year 2010 refunds amounted to $987 thousand, an increase of $454 thousand (85.2 percent) over calendar year 2009. The increase in refunds was due to an increase in withdrawals for calendar year 2010.

Benefit obligations of the HRA plan are equal to the member account balance, which are equal to net assets of the plan.

Defined Contribution Savings Plans Investment Option Rates of Return for 2010

(in percents)



Defined Contribution Comparative Annualized Rates of Return

December 31, 2010

Investment Option	2010	2009
Income Fund	2.0	2.5%
Bond Fund	7.4	16.3
Balanced Fund	11.0	27.3
Large Cap Stock Value Fund	13.3	31.1
Large Cap Stock Index Fund	14.8	26.2
Large Cap Stock Growth Fund	12.5	35.1
International Fund	9.1	29.6
Small Cap Stock Fund	30.4	36.0
Short Horizon Fund	8.9	19.3
Medium Horizon Fund	11.7	24.4
Long Horizon Fund	13.6	27.7
HRA Fund	0.0	0.1

Management's Discussion and Analysis

(Continued)

Fiduciary Net Assets — Defined Contribution Savings Plans

December 31 (dollars in thousands)

	401(k) Plan			457 Plan			Roth IRA Plan		
	2010	2009	2008	2010	2009	2008	2010	2009	2008
Assets:									
Cash and receivables	$ 71,691	62,732	57,445	6,679	5,266	4,224	134	44	12
Investments at fair value	2,820,395	2,548,843	2,080,078	310,783	278,698	225,591	20,455	12,210	7,083
Invested securities lending collateral	—	104,636	78,336	—	11,603	8,191	—	671	393
Total assets	2,892,086	2,716,211	2,215,859	317,462	295,567	238,006	20,589	12,925	7,488
Liabilities:									
Securities lending liability	—	104,636	78,336	—	11,603	8,191	—	671	393
Investment accounts and other payables	5,409	4,288	5,578	588	345	346	18	6	7
Total liabilities	5,409	108,924	83,914	588	11,948	8,537	18	677	400
Total net assets	$2,886,677	2,607,287	2,131,945	316,874	283,619	229,469	20,571	12,248	7,088

Changes in Fiduciary Net Assets — Defined Contribution Savings Plans

Year Ended December 31 (dollars in thousands)

	401(k) Plan			457 Plan			Roth IRA Plan		
	2010	2009	2008	2010	2009	2008	2010	2009	2008
Additions:									
Contributions	$222,474	222,369	229,981	26,522	26,617	29,021	8,116	3,623	3,346
Investment income (loss)	254,289	386,989	(554,176)	27,628	41,581	(57,267)	1,827	2,008	(2,051)
Total additions	476,763	609,358	(324,195)	54,150	68,198	(28,246)	9,943	5,631	1,295
Deductions:									
Refunds	190,963	127,675	141,904	20,184	13,349	18,683	1,582	445	524
Administrative expenses	6,410	6,341	6,104	711	699	665	38	26	19
Total deductions	197,373	134,016	148,008	20,895	14,048	19,348	1,620	471	543
Increase (decrease) in net assets	$279,390	475,342	(472,203)	33,255	54,150	(47,594)	8,323	5,160	752

Management's Discussion and Analysis
(Continued)

Traditional IRA Plan			Health Reimbursement Arrangement (HRA)			Total Defined Contribution Plans			2010 Percent Change	2009 Percent Change
2010	2009	2008	2010	2009	2008	2010	2009	2008		
9	14	60	903	—	—	79,416	68,056	61,741	16.7%	10.2%
26,312	22,470	19,251	5,389	2,994	1,546	3,183,334	2,865,215	2,333,549	11.1	22.8
—	758	559	—	—	—	—	117,668	87,479	(100.0)	34.5
26,321	23,242	19,870	6,292	2,994	1,546	3,262,750	3,050,939	2,482,769	6.9	22.9
—	758	559	—	—	—	—	117,668	87,479	(100.0)	34.5
70	13	117	17	6	—	6,102	4,658	6,048	31.0	(23.0)
70	771	676	17	6	—	6,102	122,326	93,527	(95.0)	30.8
26,251	22,471	19,194	6,275	2,988	1,546	3,256,648	2,928,613	2,389,242	11.2%	22.6%

Traditional IRA Plan			Health Reimbursement Arrangement (HRA)			Total Defined Contribution Plans			2010 Percent Change	2009 Percent Change
2010	2009	2008	2010	2009	2008	2010	2009	2008		
6,097	3,161	7,433	4,274	1,974	1,129	267,483	257,744	270,910	3.8%	(4.9)%
1,692	2,803	(3,488)	11	7	23	285,447	433,388	(616,959)	(34.1)	(170.2)
7,789	5,964	3,945	4,285	1,981	1,152	552,930	691,132	(346,049)	(20.0)	(299.7)
3,954	2,635	2,545	987	533	288	217,670	144,637	163,944	50.5	(11.8)
55	52	46	11	6	3	7,225	7,124	6,837	1.4	4.2
4,009	2,687	2,591	998	539	291	224,895	151,761	170,781	48.2	(11.1)
3,780	3,277	1,354	3,287	1,442	861	328,035	539,371	(516,830)	(39.2)%	(204.4)%

Basic Financial Statements

Statements of Fiduciary Net Assets — Pension (and Other Employee Benefit) Trust Funds

December 31, 2010
With Comparative Totals
for December 31, 2009

(in thousands)

	Noncontributory System	Contributory System	Public Safety System	Firefighters System	Judges System	Utah Governors and Legislators Retirement Plan
Assets:						
Cash	$ 321	2	20	2	1	1
Receivables:						
Member contributions	—	321	29	632	—	—
Employer contributions	34,977	575	3,422	—	133	—
Court fees and fire insurance tax	—	—	—	12	133	—
Investments	523,730	33,427	68,245	25,098	4,078	310
Total receivables	558,707	34,323	71,696	25,742	4,344	310
Investments at fair value:						
Short term securities, domestic	824,763	52,641	107,471	39,526	6,422	488
Short term securities, international	20,037	1,279	2,610	960	156	12
Debt securities, domestic	2,818,949	179,921	367,321	135,092	21,949	1,669
Debt securities, international	704,920	44,992	91,854	33,782	5,489	417
Equity investments, domestic	3,804,248	242,808	495,713	182,310	29,621	2,253
Equity investments, international	2,210,651	141,095	288,058	105,941	17,213	1,309
Absolute return	2,509,212	160,151	326,962	120,250	19,538	1,486
Private equity	1,471,054	93,890	191,686	70,497	11,454	871
Real estate	2,418,148	154,340	315,095	115,885	18,829	1,432
Mortgage loans	5,475	349	713	262	43	3
Total investments	16,787,457	1,071,466	2,187,483	804,505	130,714	9,940
Invested securities lending collateral	1,005,149	64,154	130,975	48,170	7,827	595
Property and equipment at cost, net of accumulated depreciation	688	44	90	33	5	—
Total assets	18,352,322	1,169,989	2,390,264	878,452	142,891	10,846
Liabilities:						
Securities lending liability	1,005,149	64,154	130,975	48,170	7,827	595
Disbursements in excess of cash balance	9,560	610	1,246	458	74	6
Compensated absences, post employment benefits and insurance reserve	13,292	849	1,731	637	103	8
Investment accounts payable	733,926	46,821	95,589	35,155	5,712	434
Real estate liabilities	788,190	50,307	102,704	37,772	6,138	466
Total liabilities	2,550,117	162,741	332,245	122,192	19,854	1,509
Net assets held in trust for pension benefits	$15,802,205	1,007,248	2,058,019	756,260	123,037	9,337

The accompanying notes are an integral part of the financial statements.

Defined Benefit Pension Plans	Defined Contribution Plans						Total Pension Trust Funds	
Total Defined Benefit Pension Plans	401(k) Plan	457 Plan	Roth IRA Plan	Traditional IRA Plan	Health Reimbursement Arrangement	Total Defined Contribution Plans	2010	2009
347	4,085	365	134	9	—	4,593	4,940	7,355
982	—	—	—	—	—	—	982	898
39,107	—	—	—	—	—	—	39,107	33,279
145	—	—	—	—	—	—	145	10,345
654,888	67,606	6,314	—	—	903	74,823	729,711	353,695
695,122	67,606	6,314	—	—	903	74,823	769,945	398,217
1,031,311	—	—	—	—	5,389	5,389	1,036,700	794,501
25,054	—	—	—	—	—	—	25,054	12,593
3,524,901	1,258,542	138,437	7,342	15,922	—	1,420,243	4,945,144	5,090,010
881,454	—	—	—	—	—	—	881,454	782,717
4,756,953	1,258,874	138,487	10,169	7,997	—	1,415,527	6,172,480	5,671,893
2,764,267	302,979	33,859	2,944	2,393	—	342,175	3,106,442	2,942,902
3,137,599	—	—	—	—	—	—	3,137,599	2,411,419
1,839,452	—	—	—	—	—	—	1,839,452	1,410,809
3,023,729	—	—	—	—	—	—	3,023,729	2,799,042
6,845	—	—	—	—	—	—	6,845	6,844
20,991,565	2,820,395	310,783	20,455	26,312	5,389	3,183,334	24,174,899	21,922,730
1,256,870	—	—	—	—	—	—	1,256,870	1,555,917
860	—	—	—	—	—	—	860	322
22,944,764	2,892,086	317,462	20,589	26,321	6,292	3,262,750	26,207,514	23,884,541
1,256,870	—	—	—	—	—	—	1,256,870	1,555,917
11,954	696	323	1	40	—	1,060	13,014	20,355
16,620	—	—	—	—	—	—	16,620	15,214
917,637	4,713	265	17	30	17	5,042	922,679	562,036
985,577	—	—	—	—	—	—	985,577	1,084,561
3,188,658	5,409	588	18	70	17	6,102	3,194,760	3,238,083
19,756,106	2,886,677	316,874	20,571	26,251	6,275	3,256,648	23,012,754	20,646,458

Utah Retirement Systems
Basic Financial Statements *(Continued)*

Statements of Changes in Fiduciary Net Assets — Pension (and Other Employee Benefit) Trust Funds

Year Ended December 31, 2010
With Comparative Totals for
Year Ended December 31, 2009

(in thousands)

	Noncontributory System	Contributory System	Public Safety System	Firefighters System	Judges System	Utah Governors and Legislators Retirement Plan
Additions:						
Contributions:						
Member	$ 33,528	10,299	1,713	14,112	—	—
Employer	564,154	11,851	103,586	238	2,771	—
Court fees and fire insurance tax	—	—	—	10,677	1,944	—
Total contributions	597,682	22,150	105,299	25,027	4,715	—
Investment income:						
Net appreciation in fair value of investments	1,538,942	100,187	199,465	73,700	12,071	944
Interest, dividends and other investment income	358,338	23,329	46,445	17,161	2,811	220
Total income from investment activity	1,897,280	123,516	245,910	90,861	14,882	1,164
Less investment expenses	39,296	2,558	5,094	1,882	308	24
Net income from investment activity	1,857,984	120,958	240,816	88,979	14,574	1,140
Income from security lending activity	2,992	195	387	143	23	2
Net investment income	1,860,976	121,153	241,203	89,122	14,597	1,142
Transfers from affiliated systems	—	—	4,248	1,784	1,078	2
Total additions	2,458,658	143,303	350,750	115,933	20,390	1,144
Deductions:						
Retirement benefits	661,718	50,823	96,330	32,487	7,317	625
Cost of living benefits	132,086	16,389	19,068	8,242	1,693	165
Supplemental retirement benefits	—	353	433	401	—	—
Refunds	3,620	1,632	512	401	—	5
Administrative expenses	8,389	535	1,146	361	69	5
Transfers to affiliated systems	3,202	3,910	—	—	—	—
Total deductions	809,015	73,642	117,489	41,892	9,079	800
Increase from operations	1,649,643	69,661	233,261	74,041	11,311	344
Net assets held in trust for pension benefits beginning of year	14,152,562	937,587	1,824,758	682,219	111,726	8,993
Net assets held in trust for pension benefits end of year	$15,802,205	1,007,248	2,058,019	756,260	123,037	9,337

The accompanying notes are an integral part of the financial statements.

	Defined Benefit Pension Plans	Defined Contribution Plans						Total Pension Trust Funds	
	Total Defined Benefit Pension Plans	401(k) Plan	457 Plan	Roth IRA Plan	Traditional IRA Plan	Health Reimbursement Arrangement	Total Defined Contribution Plans	2010	2009
	59,652	222,474	26,522	8,116	6,097	—	263,209	322,861	291,430
	682,600	—	—	—	—	4,274	4,274	686,874	648,949
	12,621	—	—	—	—	—	—	12,621	18,260
	754,873	222,474	26,522	8,116	6,097	4,274	267,483	1,022,356	958,639
	1,925,309	253,881	27,664	1,849	1,719	11	285,124	2,210,433	2,094,371
	448,304	3,337	275	—	—	—	3,612	451,916	464,443
	2,373,613	257,218	27,939	1,849	1,719	11	288,736	2,662,349	2,558,814
	49,162	3,158	337	22	27	—	3,544	52,706	45,419
	2,324,451	254,060	27,602	1,827	1,692	11	285,192	2,609,643	2,513,395
	3,742	229	26	—	—	—	255	3,997	7,847
	2,328,193	254,289	27,628	1,827	1,692	11	285,447	2,613,640	2,521,242
	7,112	—	—	—	—	—	—	7,112	44,420
	3,090,178	476,763	54,150	9,943	7,789	4,285	552,930	3,643,108	3,524,301
	849,300	—	—	—	—	—	—	849,300	772,169
	177,643	—	—	—	—	—	—	177,643	167,374
	1,187	—	—	—	—	—	—	1,187	1,320
	6,170	190,963	20,184	1,582	3,954	987	217,670	223,840	150,298
	10,505	6,410	711	38	55	11	7,225	17,730	17,571
	7,112	—	—	—	—	—	—	7,112	44,420
	1,051,917	197,373	20,895	1,620	4,009	998	224,895	1,276,812	1,153,152
	2,038,261	279,390	33,255	8,323	3,780	3,287	328,035	2,366,296	2,371,149
	17,717,845	2,607,287	283,619	12,248	22,471	2,988	2,928,613	20,646,458	18,275,309
	19,756,106	2,886,677	316,874	20,571	26,251	6,275	3,256,648	23,012,754	20,646,458

Notes to the Basic Financial Statements

December 31, 2010

Note 1
Description of Systems and Plans

A brief description of the Utah Retirement Systems (Systems) and 401(k), 457, Roth and Traditional IRA Plans (Plans), and Health Reimbursement Arrangement (HRA) follows. For a more complete description of plan provisions, membership and benefit statistics, see the Systems Highlights on pages 12 through 24 and Summaries of Plan Provisions on pages 135 through 146.

A) General Information and Reporting Entity

GENERAL — The Utah Retirement Systems are comprised of the following pension trust funds:

i) the **Public Employees Noncontributory Retirement System (Noncontributory System)**; the **Public Employees Contributory Retirement System (Contributory System)**; and the **Firefighters Retirement System** which are multiple-employer, cost sharing, public employee retirement systems;

ii) the **Public Safety Retirement System** which is a mixed agent and cost-sharing, multiple-employer retirement system;

iii) the **Judges Retirement System** and the **Utah Governors and Legislators Retirement Plan** which are single-employer service-employee retirement systems; and

iv) five defined contribution plans comprised of the **401(k) Plan, 457 Plan, Roth** and **Traditional IRA Plans**, and **HRA**.

These Systems and Plans cover employees of the State of Utah and participating local government and public education entities.

REPORTING ENTITY — These basic financial statements cover all of the foregoing retirement systems and defined contribution plans administered by the Utah State Retirement Board (Board), the sole governing body for these Systems and Plans.

The Systems are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems and Plans under the direction of the Board, whose members are appointed by the Governor. The Plans are established under the authority of the same sections of the Utah Code Annotated 1953, as amended, as well as under Sections 401(k), 457, 408 and 408A of the Internal Revenue Code. The Plans may be amended by the Board within the parameters of the Internal Revenue Code. The Systems and Plans are fiduciary funds defined as pension (and other employee benefit) trust funds. Utah Retirement Systems are a component unit of the State of Utah.

B) Retirement and Death Benefits

Retirement Systems' benefits are specified by the statute listed in note 1(A). The Retirement Systems are defined benefit plans wherein benefits are based on age

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010

Summary of Benefits by System

	Noncontributory System	Contributory System	Public Safety System	Firefighters System	Judges System
Final average salary is	Highest 3 years	Highest 5 years	Highest 3 years		Highest 2 years
Years of service required and/or age eligible for benefit	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	30 years any age 20 years age 60* 10 years age 62* 4 years age 65	20 years any age 10 years age 60 4 years age 65		25 years any age 20 years age 55* 10 years age 62 6 years age 70
Benefit percent per year of service**	2.0% per year all years	1.25% per year to June 1975 2.00% per year July 1975 to present	2.5% per year up to 20 years 2.0% per year over 20 years		5.00% first 10 years 2.25% second 10 years 1.00% over 20 years

Note: The Utah Governors and Legislators Retirement Plan benefits are explained in the second paragraph of section B) above.
**With actuarial reductions.*
***For members and retirees in the systems, prior to January 1, 1990, there may be a 3% benefit enhancement.*

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010

Participating Membership by System

	Noncontributory System	Contributory System	Public Safety System	Firefighters System	Judges System	Utah Governors and Legislators Retirement Plan
Number of participating:						
Employers	419	159	130	56	1	1
Members:						
Active	92,392	2,330	7,624	1,887	109	125
Terminated vested	31,834	1,286	2,401	131	6	76
Retirees and beneficiaries:						
Service benefits	36,139	4,762	4,002	1,067	115	220
Disability benefits	—	2	10	82	—	—

and/or years of service and highest average salary. Various plan options within the Systems may be selected by retiring members. Some options require actuarial reductions based on attained age, age of spouse and similar actuarial factors. A brief summary of eligibility and benefits of the various Systems is shown in the table on page 49.

The Utah Governors and Legislators Retirement Plan provides the following benefits. Former governors at age 65 receive $1,240 per month per term. Legislators receive a benefit at age 65 with four or more years of service at the rate of $27.20 per month per year of service. Retirement at age 62 with ten or more years of service will receive an actuarial reduction. Both the governors' and legislators' benefits are adjusted based on the CPI limited to 4% of the base benefit per year.

Death benefits for active and retired employees are in accordance with retirement statutes. Upon termination of employment, members of the Systems may leave their retirement account intact for future benefits based on vesting qualification or withdraw the accumulated funds in their individual member account and forfeit service credits and rights to future benefits upon which the contributions were based.

C) Defined Contribution Plans

The 401(k), 457, Roth and Traditional IRA Plans, and HRA administered by the Board are defined contribution plans. These Plans are available as supplemental plans to the basic retirement benefits of the Retirement Systems. Contributions may be made into the Plans subject to plan and Internal Revenue Code limitations by employees of employers sponsoring the Plans. Employer contributions may be made into the 401(k) and 457 Plans at rates determined by the employers and according to Utah Title 49. There are 365 employers participating in the 401(k) Plan and 152 employers participating in the 457 Plan. There are 143,807 plan participants in the 401(k) Plan, 16,586 participants in the 457 Plan, 2,542 participants in the Roth IRA Plan, 595 participants in the Traditional IRA Plan, and 1,452 in the HRA.

After termination of employment, benefits are paid out to individuals in lump-sum, or as periodic benefit payments, at the option of the participant based on individual account balances and plan provisions. The defined contribution Plans account balances are fully vested to the participants at the time of deposit.

Investments in the defined contribution Plans are individually directed and controlled by plan participants who direct the investment of their funds among several investment options of varying degrees of risk and earnings potential. Participants may transfer their funds between these options no more frequently than every seven days. There is also a 2% trading fee for investment transfers between core fund options more frequently than every thirty days. Investments of the Plans are reported at fair value.

D) Contributions

As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salaries and wages as authorized by statute and specified by the Board. Employee contributions may be paid in part or in whole by the employer. Contributions in some Systems are also augmented by fees or insurance premium taxes. Contribution rates are listed in note 6.

Employee (member) contributions are placed into member accounts, and in systems where it is authorized, interest is credited to member accounts. Upon termination of employment, a member may withdraw their

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010

account balance, including interest which has been credited. Upon withdrawal a member forfeits the service credit which corresponds to the member contributions withdrawn. The noncontributory retirement systems have no member contributions flowing into them. However, where members had a balance transferred in or purchased service credit in the system, these balances and on-going interest, where authorized, are credited to individual member accounts which may be withdrawn upon the termination of employment.

In the 401(k) and 457 defined contribution plans, voluntary deferral of compensation within the limits of plan provisions may be made by employees. In addition to employee voluntary deferrals, employer contributions may be made into the Plans in behalf of employees. The recognition of deferred compensation, employer contributions and earnings on the accounts are deferred for income tax purposes until actually paid to the participant or beneficiary. The employee may also contribute to the Roth and traditional deemed IRAs where earnings may grow tax deferred and possibly tax free.

E) Covered Employees

The **Public Employees Noncontributory Retirement System (Noncontributory System)** was established on July 1, 1986. All eligible employees of the State and school entities hired subsequent to that date are automatically members of the Noncontributory System. Local government entities had the option of adopting the new System or remaining with the Contributory System. All Contributory System members whose employers adopted the Noncontributory System were given the opportunity to transfer to the new System during limited window periods. All eligible new hires subsequent to adoption of the noncontributory plans are automatically members of that plan.

The **Public Employees Contributory Retirement System (Contributory System)** includes eligible public employees of the State of Utah and its political subdivisions including public education employees of those entities covered by the System. Members of this System are those who did not elect to transfer to the Public Employees Noncontributory Retirement System during the period when they were eligible to transfer or whose employers are not participants in the Noncontributory System.

The **Public Safety Retirement System** includes eligible state and local government employees directly involved in law enforcement (e.g., game wardens, prison guards, police officers and highway patrol officers). The Public Safety System consists of both contributory and noncontributory divisions. The noncontributory divisions were authorized by the Legislature effective July 1, 1989.

The **Firefighters Retirement System** includes eligible state and local government employees directly involved in fire fighting.

The **Judges Retirement System** includes justices and judges of the court as authorized by State Statutes.

The **Utah Governors and Legislators Retirement Plan** includes only governors and legislators of the State.

The **Defined Contribution Plans** may be utilized by employers adopting the Plans and by their employees.

At December 31, 2010, participating members by System are included in the table on page 50.

Note 2
Summary of Significant Accounting Policies

The following are the significant accounting policies followed by the Systems and Plans:

A) Method of Accounting

The Systems maintain records and accounts, and prepare financial statements using fund accounting principles and the accrual basis of accounting, under which benefits and expenses are recognized when due and payable and revenues are recorded in the accounting period in which they are earned and become measurable in accordance with the terms of each system and plan.

Utah Retirement Systems adhere to Governmental Accounting Standards Board (GASB) Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans,* GASB Statement No. 34, *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments,* GASB Statement No. 37, *Basic Financial Statements — and Management's Discussion and Analysis — or State and Local Governments: Omnibus,* GASB Statement No. 38, Certain Financial Statement Note Disclosures, GASB Statement No. 40, *Deposit and Investment Risk Disclosures,* GASB Statement No. 44, *Economic Condition Reporting: The Statistical Section,* GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions,* GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets,*and GASB No. 53, *Accounting and Financial Reporting for Derivative Instruments*. Investments are presented at fair value. The actuarial accrued liability under the entry age actuarial funding method is presented in the Required Supplementary Information on page 76.

B) Investments

By state statute all of the investment assets of the various Systems are pooled and invested in the common Utah State Retirement Investment Fund (Investment Fund). Each of the Systems has equity in the Investment Fund based on funds contributed and earnings allocated. Earnings of the Investment Fund are allocated based on the average month-end balances of each of the respective Systems. Individual investments in the Investment Fund are not specifically identified to the respective Systems (see note 3). For financial statement presentation, the Investment Fund assets, liabilities, revenues and expenses have been allocated to and presented in each respective system in the basic financial statements as required for investment pools.

Investments are presented at fair value. The defined contribution investments are classified by investment manager classification. The fair value of investments is based on published market prices and quotations from major investment brokers at current exchange rates, as available. Many factors are considered in arriving at that value. Corporate debt securities are valued based on yields currently available on comparable securities of issuers with similar credit ratings.

Mortgages have been valued on an amortized cost basis which approximates market or fair value. The fair value of real estate investments has been estimated based on independent appraisals. Short term investments are reported at market value when published market prices and quotations are available, or at cost plus accrued interest, which approximates market or fair value. For alternative investments (private equity, absolute return, and real estate) where no readily ascertainable market value exists, management, in consultation with their investment advisors, values these investments in good faith based upon audited financials, cash flow analysis, purchase and sales of similar investments, other practices used within the industry, or other information provided by the underlying investment advisors. The estimated fair value of these investments may differ significantly from values that would have been used had a ready market existed.

Approximately 10% of the net assets held in trust for pension benefits are invested in debt securities of the U.S. Government and its instrumentalities. Of the 10%, approximately 4% are U.S. Government debt securities and approximately 6% are debt securities of the U.S. Government instrumentalities. The Systems and Plans have no investments of any commercial or industrial organization whose market value equals 5% or more of the Systems' net assets held in trust for pension benefits.

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010

C) Property and Equipment

Property and equipment are recorded at cost (see note 4), are depreciated utilizing the straight-line method, and are included in the assets of the Investment Fund. The schedule below summarizes the estimated useful life by class. The Systems policy is to capitalize all acquisitions of furniture and equipment with a unit cost of $5,000 or more.

Buildings	40 years
Building improvements	10 years
Furniture and equipment	3-10 years
Computer software	5 years

D) Administrative Expenses

Expenses for the administration of the Systems and Plans are budgeted and approved by the Board. Systems expenses are paid from investment earnings. Plan expenses are paid from Plan assets.

E) Federal Tax Status

The Systems and Plans are exempt from Federal income taxes under the Internal Revenue Code.

F) Use of Estimates

Management of the Systems and Plans have made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ from these estimates.

G) Subsequent Events

The Systems have performed an evaluation of subsequent events through April 12, 2011, the date the basic financial statements were available to be issued. No material events were identified by the Systems.

Note 3
Deposits and Investment Risk Disclosures

A) Deposits

Custodial Credit Risk for Deposits is the risk that in the event of a bank failure, the Systems' and Plans' deposits may not be returned to them. The deposits are held in one financial institution with an insured balance of $250,000. Deposits in the bank in excess of $250,000 are uninsured and uncollateralized, because they are not required to be by state statute. The Systems and Plans do not have a deposit policy for custodial credit risk. Deposits are presented in the basic financial statements at cost plus accrued interest which is also the market or fair value. At December 31, 2010, the carrying amount of deposits totaled approximately $(8,074,000) and the corresponding bank balance was $2,782,015 of which $2,532,015 was exposed to custodial credit risk.

Cash Deposits

	(in thousands)
Cash	$ 4,940
Disbursements in excess of cash balances	(13,014)
Total	$ (8,074)

B) Investments

The table below shows the Systems' and Plans' investments by type.

(in thousands)	12/31/2010	12/31/2009
Private equity	1,839,452	$1,410,809
Absolute return	3,137,599	2,411,419
Real estate	2,814,306	2,629,760
	$7,791,357	$6,451,988

The following investments are not listed on national exchanges, over-the-counter markets, nor do they have quoted market prices available.

The Systems and Plans value these investments in good faith at the Systems' and Plans' pro-rata interest in the net assets of these investments based upon audited financial statements or other information provided to the Systems and Plans by the underlying investment managers. The estimated fair value of these investments may differ significantly from values that would have been used had a ready market existed.

C) Credit Risk Debt Securities:

The Systems and Plans expect their domestic debt securities investment managers to maintain diversified portfolios by sector and by issuer by using the following guidelines:

- U.S. Government and Agency Securities — no restriction.
- Total portfolio quality shall maintain a minimum overall rating of "A" (S&P) or equivalent rating.
- Securities with a quality rating of below BBB- are considered below investment grade. No more than 5% of an investment manager's assets at market with a single issuer of 1% of the total portfolio can be below investment grade.

Investments

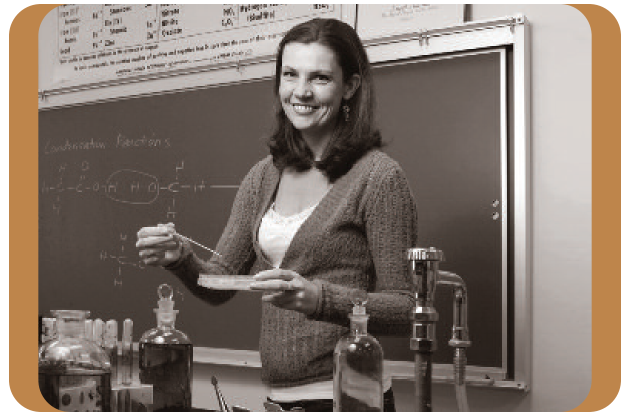
(in thousands)	Fair Value		
at December 31, 2010	Defined Benefit	Defined Contribution	Total All Systems and Plans
Debt securities, domestic	$ 2,947,967	1,420,243	4,368,210
Debt securities, international	785,312	—	785,312
Equity securities, domestic	4,297,293	832,632	5,129,925
Equity securities, international	2,670,689	305,797	2,976,486
Short-term securities pools	1,056,365	5,389	1,061,754
Mortgage loans:			
Real estate notes	6,845	—	6,845
Real estate	3,023,729	—	3,023,729
Alternative investments (venture capital)	1,839,452	—	1,839,452
Absolute return	3,137,599	—	3,137,599
Mutual fund, domestic	—	582,895	582,895
Collective investment trust, international	—	36,378	36,378
Investments held by broker-dealers under securities lending program:			
U.S. Government and agency securities	489,025	—	489,025
Corporate debt securities, domestic	87,909	—	87,909
Debt securities, international	96,142	—	96,142
Equities securities, domestic	459,660	—	459,660
Equities securities, international	93,578	—	93,578
Total investments	$20,991,565	3,183,334	24,174,899
Securities lending collateral pool (not categorized)	$ 1,256,870	—	1,256,870

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010

- Upon approval, a domestic debt securities investment manager may invest up to 10% of the portfolio in non-U.S. dollar denominated bonds.
- Upon approval, the international debt securities investment managers may hold up to 25% of the market value of their portfolios in securities rated below investment grade (S&P index below BBB- or Moody's index below Baa3). The remaining assets shall have on average an investment grade rating.

The weighted quality rating average of the domestic debt securities, excluding pooled investments, at December 31, 2010, is AAA, and the fair value of below grade investments is $341,495,443 or 9.69% of the domestic portfolio. The weighted quality rating average of the international debt securities investments, at December 31, 2010, is AA+ and the fair value of below grade investments is $20,122,644 or 2.28% of the international portfolio.



Credit Risk Debt Securities at Fair Value

at December 31, 2010 (in thousands)

	Quality Rating	Defined Benefit Plans Domestic	Defined Benefit Plans International	Defined Benefit Plans Total	Defined Contribution Plans Domestic	Total All Systems and Plans
	AAA	$1,157,191	418,394	1,575,585	183,923	1,759,508
	AA+	100,439	15,329	115,768	5,340	121,108
	AA	29,707	30,861	60,568	11,115	71,683
	AA-	58,741	60,956	119,697	12,442	132,139
	A+	52,419	116,183	168,602	58,246	226,848
	A	177,753	72,120	249,873	24,909	274,782
	A-	121,745	49,173	170,918	36,315	207,233
	BBB+	100,210	23,117	123,327	129,681	253,008
	BBB	67,988	38,534	106,522	27,640	134,162
	BBB-	74,724	36,665	111,389	43,641	155,030
	BB+	18,297	—	18,297	17,079	35,376
	BB	16,618	—	16,618	1,418	18,036
	BB-	18,864	11,703	30,567	13,141	43,708
	B+	7,007	—	7,007	—	7,007
	B	11,469	1,032	12,501	14,748	27,249
	B-	41,430	4,915	46,345	22,886	69,231
	CCC	38,472	—	38,472	—	38,472
	CCC-	6,159	—	6,159	—	6,159
	CC	6,779	—	6,779	—	6,779
	D	4,643	—	4,643	—	4,643
	NR	171,755	2,472	174,227	14,998	189,225
Total credit risk debt securities		2,282,410	881,454	3,163,864	617,522	3,781,386
U.S. Government and Agencies		1,242,491		1,242,491	802,721	2,045,212
Total debt securities investments		$3,524,901	881,454	4,406,355	1,420,243	5,826,598

Implicitly guaranteed government agencies and instrumentalities are included in the quality rating above.

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010

Debt Securities Investments, Domestic

at December 31, 2010

(dollars in thousands)

Investment	Defined Benefit Plans Fair Value	Defined Benefit Plans Effective Weighted Duration	Defined Contribution Plans Fair Value	Defined Contribution Plans Effective Weighted Duration	Total All Systems and Plans
Asset backed securities	$ 124,935	0.49	$ 18,323	1.26	$ 143,258
Commercial mortgage-backed	100,660	2.73	131,179	2.72	231,839
Corporate bonds	860,739	4.92	339,559	4.56	1,200,298
Fixed income derivatives — futures	(680,645)	3.78	—	—	(680,645)
Fixed income futures	680,645	NA	—	—	680,645
Government agencies	138,698	4.09	216,520	2.04	355,218
Government bonds	643,595	6.84	43,783	0.26	687,378
Government mortgage backed securities	1,227,975	3.44	313,055	1.98	1,541,030
Gov't-issued commercial mortgage-backed	299	4.62	—	—	299
Guaranteed fixed income	18,180	1.75	—	—	18,180
Index linked government bonds	142,985	5.65	—	—	142,985
Municipal/Provincial bonds	40,111	12.71	21,287	10.37	61,398
Non-government backed C.M.O.s	229,695	1.78	—	—	229,695
Other fixed income	—	NA	57,935	NA	57,935
Other liabilities	(1,460)	NA	—	—	(1,460)
Other options	(6,127)	NA	—	—	(6,127)
Swap liabilities	(243)	NA	—	—	(243)
Swaps	4,859	NA	—	—	4,859
Treasury inflation protected securities	—	NA	14,483	4.05	14,483
Treasury notes	—	NA	255,158	4.32	255,158
Whole loan C.M.O.s	—	NA	8,961	0.52	8,961
Total	$3,524,901	4.62	$1,420,243	2.94	$4,945,144

Debt Securities Investments, International

at December 31, 2010

(dollars in thousands)

Investment	Defined Benefit Plans Fair Value	Defined Benefit Plans Effective Weighted Duration
Asset backed securities	$ 2,112	1.06
Corporate bonds	251,289	4.85
Fixed income derivative — futures	(19,481)	6.29
Fixed income futures	19,481	NA
Government agencies	39,595	2.82
Government bonds	369,710	5.10
Guaranteed fixed income	1,537	1.15
Index linked government bonds	186,112	8.03
Municipal/Provincial bonds	17,991	3.75
Non-government backed C.M.O.s	13,108	0.10
Total	$881,454	5.39

D) Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty, the Systems and Plans will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. URS does have an investment policy regarding custodial credit risk. At December 31, 2010, the table below represents the investments that have custodial credit risk. The $15,391,000 frictional cash and cash equivalents subject to custodial credit risk are in foreign banks in the Systems and Plans name. Because it is in foreign banks, it is subject to custodial credit risk. URS does not have an investment policy regarding custodial credit risk for frictional cash in foreign banks.

Custodial Credit Risk

Exposed to Custodial Credit Risk

Type of Investment	(in thousands) Fair Value
Cash and cash equivalents	$ 15,391

Exposure to Custodial Credit Risk Not Determined

Type of Investment	(in thousands) Fair Value
Cash and cash equivalents	$ 2,220
Other assets	90,650

E) Concentrations of Credit Risk

The Systems and Plans expect investment managers to maintain diversified portfolios by sector and by issuer using the following guidelines:

- AAA/Aaa Debt Securities — no more than 5% of an investment manager's assets at market with a single issuer
- AA-/Aa3 Debt Securities or higher — no more than 4% of an investment manager's assets at market with a single issuer
- A-/A3 Debt Securities or higher — no more than 3% of an investment manager's assets at market with a single issuer
- BBB-/Baa3 Debt Securities or higher — no more than 2% of an investment manager's assets at market with a single issuer
- For Debt Securities — no individual holding shall constitute more than 10% of the market value of outstanding debt of a single issuer with the exception of the U.S. Government or its agencies, or collateralized mortgage obligations.
- For Domestic Equity Securities — no individual holdings shall constitute more than 4% of the securities of any single issuer. Also, no more than 8% of an investment manager's assets shall be invested in the equity or REIT securities of any single issuer at market; or if specifically authorized in the manager's contract, the exposure of the portfolio to any single issuer shall not exceed the greater of 5% of the portfolio value or 2% of the portfolio value plus the benchmark weight measured at the time of purchase.
- For International Equity Securities — no more than 8% of an investment manager's assets shall be invested in the equity or REIT securities of any single issuer at market; or if specifically authorized in the manager's contract, the exposure of the portfolio to any single issuer shall not exceed the greater of 5% of the portfolio value or 2% of the portfolio value plus the benchmark weight measured at the time of purchase.

At December 31, 2010, there were no single issuer investments that exceeded the above guidelines.

F) Interest Rate Risk

The Systems and Plans manage their exposure to fair value loss arising from increasing interest rates by complying to the following policy:

- For domestic debt securities managers, an individual debt securities investment manager's portfolio shall have an effective duration between 75 – 125% of the effective duration of the appropriate index.
- The international debt securities investment managers shall maintain an effective duration of their portfolio between 50 – 150% of the appropriate index.

Duration is a measure of a debt investment's exposure to fair value changes arising from changes in interest rates. It uses the present value of cash flows, weighted for those cash flows as a percentage of the investments full price.

The Systems and Plans compare an investment's effective duration against the Barclays Capital Aggregate Index for domestic debt securities, the Barclays Capital Global Aggregate Index for international debt securities, and the Barclays Capital Global Inflation Bond Index (USD hedged) for inflation-linked debt securities. The index range at December 31, 2010, is 3.74 – 6.23 for domestic debt securities, 2.85 – 8.55 for international debt securities, and 7.97 – 11.95 for inflation-linked debt securities. At December 31, 2010, no individual debt

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010

Foreign Currency Risk

International Investment Securities
at Fair Value at December 31, 2010

(in thousands)

Currency	Short Term	Debt	Equity	Total	Defined Contribution Plans	Total All Systems and Plans
	Defined Benefit Plans					
					Equity	
ADR* US dollar	$ —	13,047	723,847	736,894	—	736,894
Argentine peso	—	—	1,994	1,994	—	1,994
Australian dollar	868	33,117	80,849	114,834	17,224	132,058
Bahraini — US dollar	—	1,650	—	1,650	—	1,650
Bermuda — US dollar	—	2,117	—	2,117	—	2,117
Brazilian real	464	11,979	6,938	19,381	—	19,381
British pound sterling	7,717	184,216	357,294	549,227	28,882	578,109
Canadian dollar	3,942	47,052	126,839	177,833	6,725	184,558
Cayman Islands dollar	—	4,937	—	4,937	—	4,937
Chilean peso	—	1,533	—	1,533	—	1,533
Chinese yuan renminbi	—	—	33,669	33,669	—	33,669
Croatian kuna	—	5,442	—	5,442	—	5,442
Czech koruna	—	—	77	77	—	77
Danish krone	2	16,627	6,685	23,314	2,389	25,703
Euro	1,864	269,714	572,883	844,461	56,321	900,782
Hong Kong dollar	602	4,044	58,464	63,110	8,855	71,965
Hungarian forint	—	7,594	—	7,594	—	7,594
Icelandic krona	—	1,818	—	1,818	—	1,818
Indian rupee	83	2,961	10,591	13,635	—	13,635
Japanese yen	7,144	57,636	479,469	544,249	53,880	598,129
Kazakhstiana tenge	—	5,566	—	5,566	—	5,566
Korean won	—	21,873	40,942	62,815	—	62,815
Malaysian ringgit	—	25,785	8,225	34,010	—	34,010
Mauritian — US dollar	—	—	35	35	—	35
Mexican peso	—	29,468	—	29,468	—	29,468
Netherlands antillean gulden	—	—	2,824	2,824	—	2,824
New Israeli shekel	—	—	—	—	362	362
New Zealand dollar	3	—	694	697	98	795
Norwegian krone	—	2,653	9,337	11,990	4,216	16,206
Panamanian balboa	—	1,845	11,213	13,058	—	13,058
Philippines peso	—	—	1,214	1,214	—	1,214
Polish zloty	—	28,177	—	28,177	—	28,177
Qatari riyal	—	3,785	—	3,785	—	3,785
Russian Federation ruble	—	12,026	—	12,026	—	12,026
Singaporan dollar	21	26,299	23,656	49,976	1,774	51,750
Swedish krona	30	31,832	31,946	63,808	3,465	67,273
Swiss franc	—	20,647	167,808	188,455	17,834	206,289
Taiwanese new dollar	2,314	—	2,039	4,353	—	4,353
Thai baht	—	3,726	751	4,477	—	4,477
Turkish Lira	—	—	838	838	—	838
United Arab Emirates dirham	—	2,288	3,146	5,434	—	5,434
Pooled international investments	—	—	—	—	140,150	140,150
Total securities subject to foreign currency risk	$25,054	881,454	2,764,267	3,670,775	342,175	4,012,951

**American Depository Receipts*

security investment manager's portfolio was outside of the policy guidelines. At December 31, 2010, the tables on page 56 show the investments by investment type, amount and the effective weighted duration.

G) Foreign Currency Risk

The Systems and Plans expect the International Securities Investment Managers to maintain diversified portfolios by sector and by issuer using the following guidelines:

- International investment managers invest in fixed income instruments and equity instruments of corporations headquartered outside of the United States unless specifically authorized within the investment managers' contract.
- Domestic investment managers are allowed to invest in international corporations traded in American Depository Receipts (ADR).
- Portfolios should be adequately diversified to limit foreign currency and security risk.

Risk of loss arises from changes in currency exchange rates. The Systems' and Plans' exposure to foreign currency risk is shown on page 58.

H) Security Lending

The Systems and Plans participate in a security lending program as authorized by Board policy, whereby securities are transferred to an independent broker or dealer in exchange for collateral in the form of cash, government securities and irrevocable bank letters of credit equal to approximately 102% of the market value of the domestic securities on loan and 104% of the market value of the international securities on loan, with a simultaneous agreement to return the collateral for the same securities in the future. The custodial bank is the agent for the securities lending program. Securities under loan are maintained in the financial records, and corresponding liabilities are recorded for the market value of the collateral received.

At year end there was no credit risk exposure to borrowers because the collateral exceeded the amount borrowed. The securities on loan at year end were $1,226,313,000 and the collateral received for those securities on loan was $1,256,870,000. Under the terms of the lending agreement, the Systems and Plans are indemnified against loss should the lending agent be unable to recover borrowed securities and distributions due to borrower insolvency or failure of the lending

agent to properly evaluate the creditworthiness of the borrower. In addition, the Systems and Plans are indemnified against loss should the lending agent fail to demand adequate and appropriate collateral on a timely basis. All securities loaned can be terminated on demand by either the Systems and Plans or the borrower. Cash collateral is invested in the lending agent's short term investment pool.

The short term investment pool guidelines specify that a minimum of 20% of the invested cash collateral is to be available each business day and the dollar weighted average maturity of holdings should not exceed 60 days. The relationship between the maturities of the short term investment pool and the Systems' and Plans' loans is affected by the maturities of the securities loans made by other entities that use the agent's pool, which the Systems and Plans cannot determine. Since the securities lending collateral is in a pool maintained by the custodial bank, the Systems and Plans do not have the ability to pledge or sell the securities, and it is not necessary to report the total income and expenses of securities lending.

I) Derivative Financial Instruments

The Systems and Plans invest in derivative financial investments as authorized by Board policy. Derivatives are financial arrangements between two parties whose payments are based on, or "derived" from, the performance of some agreed-upon benchmark. All derivatives are considered investments. The fair value of all derivative financial instruments are reported in the Statements of Fiduciary Net Assets — Pension (and Other Employee Benefit) Trust Funds. By policy, portfolio liabilities associated with investments shall be backed by cash equivalents or deliverable securities. URS does not have a policy regarding master netting arrangements. At December 31, 2010, the Systems and Plans had five types of derivative

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010

financial instruments: futures, currency forwards, options, swaps and Synthetic Guaranteed Investment Contracts.

FUTURES

Futures represent commitments to purchase (asset) or sell (liability) securities at a future date and at a specified price. Futures contracts are traded on organized exchanges (exchange traded) thereby minimizing the Systems' and Plans' credit risk. The net change in the futures contracts value is settled daily in cash with the exchanges. Net gains or losses resulting from the daily settlements are included with trading account securities gains (losses) in the Statement of Changes in Fiduciary Net Assets. At December 31, 2010, the Systems' and Plans' investments had the notional future balances as shown to the right.

Futures

	Notional Value 2010	Notional Value 2009
Cash & Cash Equivalent		
Derivative Futures		
Long	$ —	32,135,513
Short	—	(6,704,100)
Equity		
Derivatives Futures		
Long	810,941,600	363,220,572
Short	(539,317,620)	(189,852,770)
Fixed Income		
Derivatives Futures		
Long	230,454,611	150,236,789
Short	(930,579,828)	(392,586,547)
Total Futures	$(428,501,237)	$ (43,550,543)

Currency Forwards

Currency	Notional Cost	Pending Foreign Exchange Purchases	Pending Foreign Exchanging Sales	Defined Benefit Fair Value 2010	Defined Benefit Fair Value 2009
Australian dollar	$ (4,076,349)	13,404,702	(17,236,043)	(3,831,341)	(3,251,595)
Brazilian real	—	—	—	—	(3,443,532)
British pound sterling	(82,610,450)	49,557,519	(131,288,607)	(81,731,088)	(37,636,717)
Canadian dollar	(7,687,898)	—	(7,801,293)	(7,801,293)	(14,778,783)
Danish krone	(2,061,380)	—	(2,091,778)	(2,091,778)	—
Euro	(107,180,497)	124,503,906	(230,001,837)	(105,497,931)	60,017,447
Hong Kong dollar	(44,184)	4,247,622	(4,299,382)	(51,760)	—
Japanese yen	58,451,885	136,380,568	(75,694,670)	60,685,898	33,147,849
Malaysian ringgit	—	—	—	—	20,302
Mexican peso	(800,835)	—	(808,342)	(808,342)	(4,182,313)
Norwegian krone	4,600,000	4,904,839	—	4,904,839	3,874,410
Singapore dollar	1,545,000	1,580,529	—	1,580,529	(24,738)
South Korean won	(6,952,954)	3,023	(7,104,447)	(7,101,424)	13,766
Swedish krona	(8,567,814)	—	(8,639,008)	(8,639,008)	(2,482,713)
Swiss franc	—-	—	—	—	(3,334,886)
United States dollar	155,385,476	447,463,403	(292,077,927)	155,385,476	(30,800,344)
Total forwards subject to foreign currency risk				$ 5,002,777	$ (2,861,847)

Currency	Notional Cost	Pending Foreign Exchange Purchases	Pending Foreign Exchanging Sales	Defined Contribution Fair Value 2010	Defined Contribution Fair Value 2009
Australian dollar	$ 141,897	143,507	—	143,507	—
British pound sterling	(385,588)	—	(391,412)	(391,412)	40,524
Danish krone	57,370	58,422	—	58,422	—
Euro	—	—	—	—	138,635
United States dollar	186,321	385,588	(199,267)	186,321	(180,452)
Total forwards subject to foreign currency risk				$ (3,162)	$ (1,293)

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010

CURRENCY FORWARDS

Currency forwards represent forward foreign exchange contracts that are entered into in order to hedge the exposure to changes in foreign currency exchange rate on the foreign currency dominated portfolio holdings. A forward foreign exchange contract is a commitment to purchase or sell a foreign currency at a future date at a negotiated forward rate. The gain or loss arising from the difference between the original contracts and the closing of such contracts is included in the net realized gains or losses on foreign currency related transactions in the Statement of Changes in Fiduciary Net Assets. At December 31, 2010, the Systems' and Plans' investments included the currency forwards balances on page 60.

OPTIONS

Options represent or give buyers the right, but not the obligation, to buy (call) or sell (put) an asset at a preset price over a specified period. The option's price is usually a small percentage of the underlying asset's value. As a writer of financial options, the Systems and Plans receive a premium at the outset of the agreement and bear the risk of an unfavorable change in the price of the financial instrument underling the option. As a purchaser of financial options, the Systems and Plans pay a premium at the outset of the agreement and the counterparty bears the risk of an unfavorable change in the price of the financial instrument underlying the option.

Options

	Notional Market Value	
	2010	2009
Cash & Cash Equivalent Options		
Call	$ —	(332,650)
Put	—	(209,150)
Equity Options		
Call	—	(7,675)
Put	—	(271,394)
Fixed Income		
Call	—	65,250
Put	—	—
Swaptions		
Call	(4,132,044)	1,380,584
Put	(1,994,935)	(618,209)
Total Options	$(6,126,979)	$ 6,756

At December 31, 2010, the Systems' and Plans' investments had the option balances shown at the lower left.

SWAPS

The Systems and Plans have entered into various inflation and interest rate swap agreements in an attempt to manage their exposure to inflation and interest rate risk. Inflation risk represents the exposure to fair value losses arising from inflation, while interest rate risk represents the exposure to fair value losses arising from the future changes in prevailing market interest rates. Swaps represent an agreement between two or more parties to exchange sequences of cash flows over a period in the future. In the most common type of interest rate swap arrangement, one party agrees to pay fixed interest payments on designated dates to a counterparty, who in turn agrees to make return interest payments that float with some reference rate. In an inflation swap one party pays a fixed rate on a notional principal amount to a counterparty, who in turn agrees to make return payments associated with a floating rate linked to an inflation index. Most of the interest rate swaps were purchased in connection with variable real estate debt. Those interest rate swaps allowed the Systems to effectively convert most of their long term variable interest rate credit facility loans into fixed interest rate loans, thereby mitigating some of their interest rate risk. All swap instruments contain collateral clauses. As of December 31, 2010, only the Goldman Sachs swap has collateral held for $1,460,000. Gains and losses on swaps are determined based on market values and are recorded in the Statement of Changes in Plan Net Assets. Swap market values are determined by an independent third party. At December 31, 2010, the Systems' investments had the swap market value balances as shown in the table on pages 62 and 63.

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010

Real Estate Portfolio Interest Rate Swaps

Counterparty	Notional Amount	Utah Rate	Counterparty Rate	Maturity Date	Credit Rating	Fair Value 2010	Fair Value 2009
Morgan Stanley	$ 63,150,000	4.6790%	LIBOR*	2/1/2011	A	$ (240,231)	(2,789,815)
National Australia Bank	37,300,000	5.3320%	LIBOR*	10/3/2011	A	(1,424,064)	(2,764,986)
National Australia Bank	20,000,000	5.3250%	LIBOR*	10/3/2011	AA	(762,505)	(1,480,096)
Merrill Lynch	27,500,000	5.4480%	LIBOR*	10/3/2011	AA	(1,074,246)	(2,094,821)
National Australia Bank	6,218,500	4.9000%	LIBOR*	12/1/2011	AA	(261,781)	(437,272)
Merrill Lynch	68,281,500	4.9220%	LIBOR*	12/1/2011	A	(2,888,368)	(4,830,328)
Morgan Stanley	61,800,000	4.1630%	LIBOR*	12/1/2011	A	(2,179,810)	(3,469,499)
Merrill Lynch	3,400,000	4.8740%	LIBOR*	3/1/2012	A	(178,733)	(255,324)
Bayerische Landesbank	12,464,948	4.5600%	LIBOR*	3/1/2012	A	(609,174)	(851,131)
Morgan Stanley	19,000,000	4.8195%	LIBOR*	3/1/2012	A	(986,610)	(1,404,340)
Merrill Lynch	40,677,000	4.9890%	LIBOR*	6/1/2012	A	(2,623,611)	(3,357,702)
National Australia Bank	7,512,000	5.0025%	LIBOR*	6/1/2012	AA	(485,965)	(622,532)
Merrill Lynch	5,000,000	4.9520%	LIBOR*	6/1/2012	A	(319,805)	(408,258)
Morgan Stanley	1,099,248	4.7300%	LIBOR*	10/1/2012	A	(79,997)	(88,844)
Morgan Stanley	8,207,965	4.4050%	LIBOR*	10/1/2012	A	(550,201)	(590,267)
Morgan Stanley	26,467,452	4.4660%	LIBOR*	10/1/2012	A	(1,802,707)	(1,947,599)
Morgan Stanley	29,370,000	4.7385%	LIBOR*	10/1/2012	AA	(2,141,800)	(2,380,395)
National Australia Bank	4,856,670	4.6750%	LIBOR*	11/1/2012	A	(362,397)	(389,544)
Morgan Stanley	4,869,065	4.7480%	LIBOR*	12/31/2012	A	(396,144)	(408,426)
Merrill Lynch	51,917,095	4.8900%	LIBOR*	12/31/2012	A	(4,372,548)	(4,574,403)
National Australia Bank	6,998,214	4.9325%	LIBOR*	3/1/2013	AA	(632,085)	(639,255)
Morgan Stanley	10,350,000	5.1760%	LIBOR*	4/1/2013	A	(1,018,653)	(1,036,195)
Morgan Stanley	15,800,253	5.0175%	LIBOR*	4/1/2013	A	(1,498,358)	(1,501,342)
National Australia Bank	1,170,000	5.4200%	LIBOR*	5/1/2013	AA	(124,937)	(127,752)
National Australia Bank	14,203,150	5.3290%	LIBOR*	5/1/2013	AA	(1,486,351)	(1,508,296)
National Australia Bank	5,128,500	5.3600%	LIBOR*	8/1/2013	AA	(582,143)	(566,450)
Morgan Stanley	1,152,466	4.3075%	LIBOR*	11/1/2013	A	(105,019)	(84,771)
National Australia Bank	20,337,593	5.0770%	LIBOR*	12/1/2013	AA	(2,341,930)	(2,095,456)
Merrill Lynch	928,028	4.9500%	LIBOR*	5/1/2014	A	(111,605)	(93,178)
National Australia Bank	2,443,700	4.9550%	LIBOR*	6/1/2014	AA	(298,239)	(246,789)
Morgan Stanley	8,703,500	4.6940%	LIBOR*	10/1/2014	A	(1,027,577)	(783,899)
Morgan Stanley	13,596,699	4.4470%	LIBOR*	10/20/2014	A	(1,488,659)	(1,069,883)
Morgan Stanley	31,397,826	4.4060%	LIBOR*	11/1/2014	A	(3,394,825)	(2,403,601)
Merrill Lynch	35,309,122	5.2725%	LIBOR*	2/1/2015	A	(5,138,095)	(4,169,881)
Morgan Stanley	32,600,000	5.0460%	LIBOR*	9/1/2015	A	(4,668,776)	(3,532,239)
Morgan Stanley	32,900,000	4.8680%	LIBOR*	1/4/2016	A	(4,520,573)	(3,236,795)
Morgan Stanley	133,704,000	5.2920%	LIBOR*	5/2/2016	A	(21,596,562)	(16,511,428)
Merrill Lynch	7,640,000	5.4300%	LIBOR*	7/1/2016	A	(1,301,476)	(1,010,783)
Morgan Stanley	17,250,000	5.4640%	LIBOR*	7/1/2016	A	(2,969,846)	(2,317,763)
Morgan Stanley	44,276,861	5.3420%	LIBOR*	9/1/2016	A	(7,397,317)	(5,640,975)
National Australia Bank	985,352	5.1100%	LIBOR*	12/1/2016	AA	(153,346)	(111,393)
National Australia Bank	11,801,225	5.1250%	LIBOR*	12/1/2016	AA	(1,846,638)	(1,345,437)
National Australia Bank	5,080,000	4.9700%	LIBOR*	1/1/2017	AA	(751,379)	(528,117)
Morgan Stanley	4,485,385	4.6900%	LIBOR*	3/1/2018	A	(594,551)	(370,363)
Morgan Stanley	71,700,000	4.7220%	LIBOR*	10/1/2020	A	(9,508,537)	(5,586,832)
Morgan Stanley	43,660,000	5.2935%	LIBOR*	11/1/2021	A	(8,201,294)	(5,753,101)
Total Real Estate Interest Rate Swaps	$1,072,693,317					$(106,499,468)	(97,417,556)

**One month London Interbank Offered Rate (LIBOR)*

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010

Fixed Income Portfolio Interest Rate Swaps

Counterparty	Notional Amount	Utah Advisor Rate	Counterparty Rate	Maturity Date	Credit Rating	Fair Value 2010	Fair Value 2009
Goldman Sachs	$ 80,000,000	LIBOR**	5.5030%	7/12/2012	A+	—	9,414,456
Goldman Sachs	32,000,000	5.5030%	LIBOR**	7/12/2012	A	3,197,142	—
Deutsche Bank, AG	10,600,000	0.9375%	LIBOR**	12/20/2012	A+	(34,686)	—
Goldman Sachs	57,100,000	LIBOR**	3.4163%	4/16/2013	A+	—	2,589,565
Credit Suisse First Boston	700,000	1.3600%	LIBOR**	11/8/2015	A+	23,398	—
Goldman Sachs	36,100,000	4.9720%	LIBOR**	9/12/2017	A+	—	(3,817,160)
Credit Suisse First Boston	66,800,000	4.5850%	LIBOR**	1/7/2018	A+	—	(5,662,355)
Credit Suisse First Boston	29,900,000	3.6000%	LIBOR**	9/12/2019	A+	—	812,547
Credit Suisse First Boston	5,000,000	3.6000%	LIBOR**	12/9/2019	A+	(169,846)	—
Deutsche Bank, AG	11,400,000	LIBOR**	3.6700%	12/21/2019	A+	—	(260,717)
Goldman Sachs	14,200,000	2.7200%	LIBOR**	9/20/2020	A	624,946	—
Deutsche Bank, AG	2,690,000	USCPIU***	2.6500%	12/20/2020	A+	11,476	—
Deutsche Bank, AG	2,320,000	USCPIU***	2.9400%	12/17/2030	A+	14,193	—
Goldman Sachs	5,600,000	3.3700%	LIBOR**	10/5/2040	A	677,394	—
Goldman Sachs	4,500,000	3.6800%	LIBOR**	11/3/2040	A	310,628	—
Goldman Sachs	5,600,000	LIBOR**	4.0575%	12/9/2040	A	(38,485)	—
Total Fixed Income Interest Rate Swaps	$364,510,000					$ 4,616,160	3,076,336

***Three Month London Interbank Offered Rate (LIBOR)*

****US CPI Urban Consumer Non-Seasonally Adjusted Index*

DERIVATIVE CREDIT RISK

Derivatives which are exchange traded are not subject to credit risk. No derivatives held are subject to custodial credit risk. The maximum loss that would be recognized at December 31, 2010, if all counterparties fail to perform as contracted is $787,492,804. This maximum exposure is reduced by $1,460,000 in collateral held and $890,503,478 of liabilities, resulting in no net exposure to credit risk. Credit ratings for the wrap contracts associated with the SGICs are noted on page 64. At December 31, 2010, the counterparties' credit ratings for currency forwards, swaptions and swaps are subject to credit risk.

Credit Risk Derivatives at Fair Value

Quality Rating	Forwards	Options	Swaps	Total
AA	$ 384,449	—	(12,943,345)	(12,558,896)
AA-	492,328	—	—	492,328
A+	2,206,407	(2,631,877)	(155,465)	(580,935)
A	1,916,432	(3,495,102)	(88,784,497)	(90,363,167)
Total subject to credit risk	$4,999,616	(6,126,979)	(101,883,307)	(103,010,670)

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010

SYNTHETIC GUARANTEED INVESTMENT CONTRACTS

In the Utah Retirement Systems Defined Contribution Plans, members are able to participate in Synthetic Guaranteed Investment Contracts (SGICs). The SGICs are fully benefit responsive which means that Utah Retirement Systems is prohibited from assigning and selling the contract or its proceeds to a third party without the consent of the issuer. Prospective interest crediting rate adjustments are provided to plan participants. The SGICs provide assurance that the probability of future rate adjustments resulting in an interest crediting rate less than zero is remote. The underlying investments are high credit quality averaging AA- and therefore credit loss is remote. The terms of the SGICs require all plan participants to initiate transactions within the fund at contract value. The contract value is the fair value (cost plus accrued interest). The fair value of these contracts at December 31, 2010, is $863,573,000 and the market value is $877,259,000.

J) Investment Payables

The investment accounts payable are comprised of investment advisor fees payable of $11,186,000, administrative expenses payable of $5,632,000, investment purchases payable of $900,861,000 and various real estate payables of $5,000,000.

K) Investment Compliance Officer

The Systems and Plans have an investment compliance officer on staff who reports his/her findings directly to the Board. The investment compliance officer monitors all of the investments made by the investment managers to determine that the investments were made in accordance with the investment policies which were approved by the Board.

Synthetic Guaranteed Investment Contracts Underlying Investments

(in thousands)

	1-5 Yr. Government/Credit		Intermediate Government/Credit		Total Underlying Investments	
Underlying Investments	Fair Value	Market Value	Fair Value	Market Value	Fair Value	Market Value
Asset backed securities	$ 3,547	3,567	1,209	1,247	4,756	4,814
Agencies	154,594	155,461	59,916	61,796	214,509	217,257
Corporates	40,637	40,865	48,375	49,893	89,012	90,758
Mortgage back securities	56,598	56,916	19,730	20,349	76,328	77,265
Private placements	8,158	8,204	28,507	29,401	36,664	37,605
Treasuries	134,782	135,538	129,299	133,357	264,081	268,895
Commercial mortgage backed securities	93,080	93,603	28,714	29,615	121,794	123,218
Cash	15,302	15,388	29,785	30,720	45,087	46,108
Total	$506,698	509,542	345,535	356,378	852,231	865,920

Wrap Contracts

(in thousands)

Contract Issuer	Fair Value	Market Value	Rate	Duration	Quality Rating
Bank of America	$101,536	102,341	2.08%	2.48	A+
NATIXIS Financial	63,202	63,566	1.95%	2.48	A+
JP Morgan Chase	65,758	68,014	3.58%	3.67	AA-
MetLife	36,650	38,014	3.63%	3.67	AA-
Monumental Life	90,919	91,192	1.82%	2.48	AA-
Monumental Life	66,188	68,167	3.08%	3.67	AA-
Pacific Life	178,467	179,309	1.98%	2.48	A+
Rabobank	76,112	78,280	3.46%	3.67	AAA
Royal Bank of Canada	100,827	103,903	3.26%	3.67	AA-
State Street Bank	72,574	73,133	1.93%	2.48	AA-
Subtotal wrap contracts	852,233	865,919			
Bank of America repurchase	11,340	11,340	0.60%		
Total	$863,573	877,259			

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010

Note 4
Property and Equipment

Property and equipment consist of the amounts shown in the following table as of December 31, 2010 and 2009. There were no significant leases as of December 31, 2010 or 2009.

Property and Equipment (in thousands)

	2010	2009
Land	$ 1,780	1,780
Buildings and building improvements	11,555	11,448
Furniture and equipment	4,120	4,533
Total property and equipment	17,455	17,761
Less accumulated depreciation:		
Buildings and building improvements	7,500	7,170
Furniture and equipment	3,445	3,522
Total accumulated depreciation	10,945	10,692
Less operating reserves	5,650	6,747
Net property and equipment	$ 860	322

Note 5
Actuarial Valuations and Methods

A) Actuarial Asset Valuation

The actuarial value of assets is used in determining the funding progress of the Retirement Systems. The actuarial value of assets is based on a smoothed expected income investment rate. Beginning with the 2008 actuarial study, the investment rate of return assumption was changed from 8% to 7.75%. Investment income in excess or shortfall of the expected rate on fair value is smoothed over a five-year period with 20% of a year's excess or shortfall being recognized each year beginning with the current year.

In 2009 two changes were made to the actuarial valuation. The first change was to increase the amortization period for amortizing the unfunded actuarial accrued liability (UAAL) from 20 years to 25 years. This funding period will be closed (i.e. the funding period will decrease by one year each year) until the funding period reaches 20 years, at which time the period will once again revert to an open 20 year amortization period. The second change was to widen the corridor used to determine the actuarial value of assets from 80% – 120% to 75% – 125% of market value. This change allows more of the 2008 investment losses to be smoothed into the actuarial value of assets over the next four years rather than being recognized in this valuation.

This smoothed actuarial value of assets utilized by the actuary in determining the actuarial funding status of the retirement systems is also used in establishing the contribution rates necessary to accumulate needed assets to pay benefits when due.

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010

Calculation of Actuarial Value of Assets

January 1, 2010 (dollars in thousands)

1. Fair value of assets				$17,717,845
2. Deferral to smooth asset values based on (excess)/shortfall of expected investment income for:				
Year	Total Excess/ (Shortfall)	Percent Deferred	Amount Deferred	
a. 2009	$ 855,755	80%	$ 684,605	
b. 2008	(6,490,100)	60%	(3,894,059)	
c. 2007	(286,303)	40%	(114,520)	
d. 2006	1,116,942	20%	223,389	
e. 2005	199,197	0%	0	
f. Total deferred gains (losses)			(3,100,585)	
g. Total deferred losses				3,100,585
3. Actuarial value of assets available for benefits				$20,818,430

December 31, 2010 (dollars in thousands)

1. Fair value of assets				$19,756,106
2. Deferral to smooth asset values based on (excess)/shortfall of expected investment income for:				
Year	Total Excess/ (Shortfall)	Percent Deferred	Amount Deferred	
a. 2010	$ 955,382	80%	$ 764,306	
b. 2009	855,755	60%	513,453	
c. 2008	(6,490,100)	40%	(2,596,041)	
d. 2007	(286,303)	20%	(57,262)	
e. 2006	1,116,942	0%	0	
f. Total deferred gains (losses)			(1,375,544)	
g. Total deferred losses				1,375,544
3. Actuarial value of assets available for benefits				$21,131,650

**Actuarial value of assets can not exceed 125% of the fair value of assets or below 75% of the fair value of assets.*

Actuarial Value of Assets by System

January 1, 2010 (in thousands)

Calculation of Net Assets Available Based on Five Year Expected Investment Income	Noncontributory System	Contributory System	Public Safety System	Firefighters System	Judges System	Governors and Legislative	Total All Systems
1. Net assets available for benefits at fair value	$14,150,242	939,907	1,824,758	682,219	111,726	8,993	17,717,845
2. Deferral to smooth asset values based on excess/shortfall of expected investment income on fair value	2,469,589	176,829	312,269	120,357	19,765	1,776	3,100,585
3. Actuarial value of assets available for benefits (1-2)	$16,619,831	1,116,736	2,137,027	802,576	131,491	10,769	20,818,430

The calculations above were utilized in determining the actuarial value of assets as of January 1, 2010, and December 31, 2010, and the next table shows the smoothed actuarial value of assets for each System.

B) Actuarial Accrued Liability

The actuarial accrued liability for the Systems is presented in the Required Supplementary Information Schedule of Funding Progress on page 76 and 77 of this report.

C) Actuarial Cost Method and Assumptions

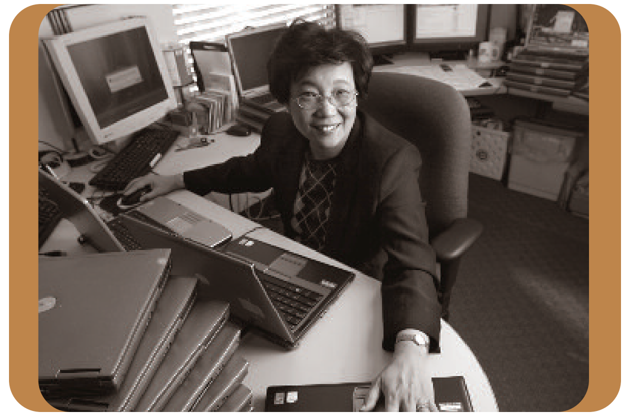
The Board engages an independent firm of actuaries to estimate the present value of actuarial accrued liability for the purpose of determining actuarial accrued liabilities for active and terminated members, retired individuals and beneficiaries, and for the determination of contribution rates (note 6).

Actuarial accrued liabilities are future periodic payments including lump-sum distributions that are attributable to the service employees have rendered to date and the plan provisions of the various systems. The present value of actuarial accrued liabilities are calculated based on the entry age actuarial cost method with benefits based on projected salary increases.

A schedule of the actuarial assumptions used in the actuarial report dated January 1, 2010, is presented in Notes to Required Supplementary Information on page 79.

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010



Actuarial valuations of the ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status and the annual required contributions are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress on page 73, presented as required supplementary information, shows the actuarial value of plan assets compared to the actuarial accrued liabilities for benefits.

Note 6

Actuarially Determined Contribution Requirements and Contributions Made

Employer contribution rates consist of (1) an amount for normal cost, the estimated amount necessary to finance benefits earned by the members during the current year, and (2) an amount for amortization of the unfunded or excess funded actuarial accrued liability over a closed 24 year amortization period. The rates are determined using the entry age actuarial cost method with a supplemental present value and the same actuarial assumptions that were used to calculate the actuarial accrued liability in the Schedules of Funding Progress on pages 76 and 77.

The schedule below summarizes contribution rates in effect at December 31, 2010.

Contribution Rates

December 31, 2010

	Contribution Rates as a Percent of Covered Payroll		
System	Member	Employer	Other
Noncontributory	—	13.37-16.32%	—
Contributory	6.00%	9.36-11.83	—
Public Safety:			
Noncontributory	—	26.13-36.31	—
Contributory	10.50-12.29	14.86-23.22	—
Firefighters:			
Division A	15.05	1.72	11.87%
Division B	16.18	0.00	11.87
Judges:			
Noncontributory	—	23.72	14.08
Governors and Legislators	—	—	—

Contributions made by employers and members were in accordance with actuarially computed funding requirements. Fire insurance premium taxes and court fees are considered as part of employer contributions in the schedule shown on the top of page 68 for the Firefighters and Judges Systems, respectively. These contribution rates also include rates for a 3% benefit enhancement which is funded by the State. For contribution rate purposes the actuary evaluates the assets of the Systems based on a five-year smoothed expected return wherein 20% of a year's excess or shortfall of expected return is recognized each year for five years.

The actuary recommended some increases in contribution rates which became effective July 1, 2010.

Information with regard to contributions to the Retirement Systems for the year ended December 31, 2010, is indicated in the schedule on page 78.

Member contributions in the 401(k), 457, Roth and Traditional IRA Plans, total $263,209,000 which in combination with the member contributions made in the Retirement Systems total $322,861,000.

There are no funding requirements in the 401(k), 457, Roth and Traditional IRA Plans, and HRA other than deposit of employee contributions or contributions for the employee by the employer.

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010

Required Contributions

(dollars in thousands)

System	Contribution Requirements: Normal Cost: Amount	Normal Cost: Percent of Covered Payroll	Unfunded Cost (assets in excess): Amount	Unfunded Cost (assets in excess): Percent of Covered Payroll	Total Required Contributions	Total Actual Contributions	Member: Amount	Member: Percent of Covered Payroll
Noncontributory Retirement System	$514,162	13.22%	$83,520	2.15%	$597,682	$597,682	$33,528	0.86%
Contributory Retirement System	16,859	14.48	5,291	4.55	22,150	22,150	10,299	8.85
Public Safety Retirement System	83,110	22.89	22,189	6.11	105,299	105,299	1,713	0.47
Firefighters Retirement System	26,716	25.38	(1,689)	(1.60)	25,027	25,027	14,112	13.40
Judges Retirement System	3,931	27.62	784	5.51	4,715	4,715	—	0.00
Utah Governors and Legislators Retirement Plan	—	0.00	—	0.00	—	—	—	0.00
Total	$644,778		110,095		754,873	754,873	59,652	

Note 7
Funded Status

The funded status of the Retirement Systems as of January 1, 2010, the most recent actuarial valuation date is as shown below.

Funded Status

System	Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Unfunded AAL (UAAL) (2)-(1)	(4) Funded Ratios (1)/(2)	(5) Annual Covered Payroll	(6) UAAL as a % of Covered Payroll (3)/(5)
Noncontributory Retirement System	1/01/10	$16,619,831	19,384,503	2,764,672	85.7%	$3,955,040	69.9%
Contributory Retirement System	1/01/10	1,116,736	1,236,009	119,273	90.4	127,804	93.3
Public Safety Retirement System	1/01/10	2,137,027	2,650,675	513,648	80.6	373,959	137.4
Firefighters Retirement System	1/01/10	802,576	833,844	31,268	96.3	107,625	29.1
Judges Retirement System	1/01/10	131,491	158,303	26,812	83.1	14,434	185.8
Utah Governors and Legislative Retirement Plan	1/01/10	10,769	11,305	536	95.3	910	58.9

Actuarial valuations of the ongoing plan involve estimates of the value reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded statute and the annual required contributions are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedules of Funding Progress present multi-year trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. These schedules are presented in the Required Supplementary Information section.

Summary of Actuarial Assumptions as of the latest actuarial valuation follows.

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010

Contributions Made Employer Amount	Percent of Covered Payroll	Covered Payroll	Percent Contributed
$564,154	14.51%	$3,888,179	100%
11,851	10.18	116,395	100
103,586	28.53	363,037	100
10,915	10.37	105,276	100
4,715	33.13	14,234	100
—	0.00	910	100
695,221		4,488,031	

Summary of Actuarial Assumptions

	Noncontributory	Contributory	Public Safety	Firefighters	Judges	Governors and Legislators
Valuation date	1/1/10	1/1/10	1/1/10	1/1/10	1/1/10	1/1/10
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll	Level Dollar Amount
Amortization period	Open Group 24 Year Closed Period	Open Group 24 Year Closed Period	Open Group 24 Year Closed Period	Open Group 24 Year Closed Period	Open Group 24 Year Closed Period	Open Group 24 Year Closed Period
Actuarial asset valuation method (All Systems under same method.)	Based on the total fair value income of investments with the excess or shortfall of actual investment income over or under the expected investment return smoothed over five years. One-fifth of the excess or shortfall is recognized each year for five years.					
Actuarial assumptions:						
Investment rate of return	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Projected salary increases	4.00-12.00%	4.00-12.00%	4.00-9.75%	4.00-10.25%	4.0%	None
Inflation rate	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Post retirement cost-of-living adjustment	3.00%	3.00%	2.50% or 3.00% Depending on employer	3.00%	3.00%	3.00%

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.

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010

Note 8

Transfers To of From Affiliated System

Asset transfers to or from affiliated systems are for the purpose of spreading employer contribution costs across same employer and same class of employee group and to record transfers of benefits and corresponding assets where employees transfer from one system to another. Benefit transfers usually are between contributory and noncontributory systems as allowed during authorized transfer windows established by statute or as otherwise authorized.

Note 9

Supplemental Benefits

In the past, the Utah State legislature appropriated funds as supplemental retirement benefits to be paid to qualified participants who have previously retired under the Contributory System. These benefits, already granted, are now and will continue to be funded through contribution rates unless otherwise provided by the legislature.

Note 10

Litigation

The Systems are involved in various claims and legal actions arising in the ordinary course of business in the opinion of management and legal counsel, the ultimate disposition of these matters will not have a material adverse effect on the Systems' financial position as a whole.

Note 11

Commitments

At December 31, 2010, the Systems had committed to fund certain private equity partnerships and real estate projects for an amount of $6,654,473,000. Funding of $4,553,064,000 had been provided by December 31, 2010, leaving an unfunded commitment as of December 31, 2010, of $2,101,409,000 which will be funded over the next five years.

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010

Note 12
Pension Plan Participation

Defined Benefit Plans

Utah Retirement Systems contributes to the State and School Noncontributory Retirement System, a cost-sharing multiple-employer defined benefit pension plan administered by Utah Retirement Systems (Systems). Utah Retirement Systems provides refunds, retirement benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries in accordance with retirement statutes.

The Systems are established and governed by the respective sections of Chapter 49 of the Utah Code Annotated 1953 as amended. The Utah State Retirement Act in Chapter 49 provides for the administration of the Utah Retirement Systems and Plans under the direction of the Utah State Retirement Board (Board) whose members are appointed by the Governor. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the State and School Noncontributory Retirement System. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, UT 84102-2044 or by calling 1-800-365-8772.

Funding Policy: In the State and School Noncontributory Retirement System, the Utah Retirement Systems is required to contribute 16.32% of its annual covered salary. The contribution rates are the actuarial determined rates. The contributions were equal to the requirements of the Systems, are authorized by statute, and specified by the Board.

The Utah Retirement Systems' contributions to the State and School Noncontributory Retirement System for the years ending December 31, 2010, 2009, and 2008 were $1,659,298, $1,543,302, and $1,426,976 respectively. The contributions were equal to the required contributions for each year.

Defined Contribution Plans

Utah Retirement Systems also participates in four defined contribution plans, the 401(k), 457, Roth and Traditional IRA Plans.

401(k) PLAN — The Utah Retirement Systems offers its employees a 401(k) plan to supplement retirement benefits accrued by participants in the Systems. Employees covered by the State and School Noncontributory Retirement System have a contribution of 1.5% of covered salaries automatically made by Utah Retirement Systems. Employees participating in the Systems can make additional contributions through payroll deduction to the 401(k) plan up to specified limits. Contributions and earnings may be withdrawn by the employee upon termination or may be used as supplemental income upon retirement. The employer 401(k) contributions for the years ended December 31, 2010, 2009, 2008 are $382,286, $390,188, and $364,663 respectively; the employee contributions for the years ending December 31, 2010, 2009, 2008 are: $459,476, $486,056, and $506,224 respectively. The 401(k) plan funds are fully vested to the participants at the time of deposit. Plan assets are administered and held by Utah Retirement Systems.

457 PLAN — The Utah Retirement Systems also offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years. Employees are eligible to voluntarily participate from the date of employment and are vested immediately upon participating. Employee contributions to the Section 457 plan for the years ended December 31, 2010, 2009, 2008 are: $251,940, $260,055, and $272,704 respectively.

ROTH AND TRADITIONAL IRAS — Utah Retirement Systems offers its employees two tax-advantaged savings plans authorized by section 408 of the Internal Revenue Code. Employees are eligible to participate from the date of employment and are vested immediately upon participating. For the years ended 2010, 2009 and 2008 the Roth IRA employee contributions were $69,720, $58,719, and $65,490 respectively. For the years ended 2010, 2009 and 2008 the traditional IRA employee contributions were $400, $400, and $1,564 respectively.

Note 13
Post Employment Healthcare Plan

Plan Description

The Utah Retirement Office contributes to a noncontributory defined benefit post employment healthcare plan to provide postemployment insurance benefits for retired employees of the Utah Retirement Office. This plan was established in 2005. The Utah Retirement Employees Post Employment Healthcare Plan, (UREPEHP), is an agent multiple employer post employment healthcare plan administered by The Utah Retirement Office.

Assets and liabilities of the plan are identified separately for each employer. Plan assets may be used only for the payment of benefits to the members of that system, in accordance with the terms of the plan. UREPEHP issues a publicly available financial report that includes financial statements and required supplementary information for UREPEHP. A copy of the report may be obtained by writing the Utah Retirement Office, 540 East 200 South, Salt Lake City, UT 84102-2044 or by calling 1-800-365-8772.

Funding Policy

The contribution requirements of Utah Retirement Employees Post Employment Healthcare Plan are determined by the Plan and approved by the Board. Utah Retirement Office is required to contribute the annual required contribution (ARC), an actuarially determined rate in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over an open twenty year period using the level dollar amount. The current dollar amount is $313,000.

Annual Costs

For the calendar year ending December 31, 2010, the annual cost (expense) of $313,000 for UREPEHP was equal to the ARC. The net Other Post Employment Benefits (OPEB) obligation for 2010 was as follows:

Year Ended	Annual Required Contributions	Percentage Contributed	Net OPEB Obligation
12/31/05	$220,000	100%	$0
12/31/06	294,000	100	0
12/31/07	387,000	100	0
12/31/08	219,000	100	0
12/31/09	220,000	100	0
12/31/10	313,000	100	0

Funded Status and Funding Progress

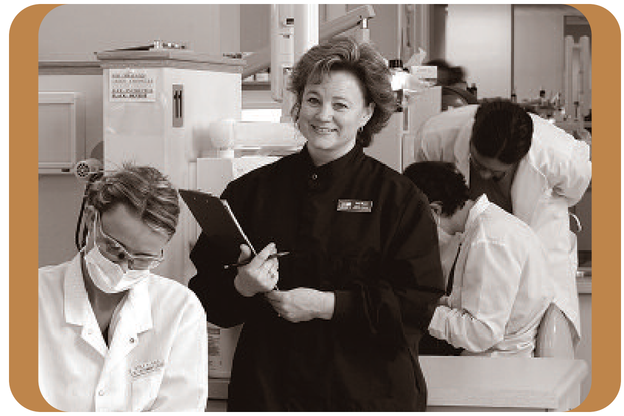
The funded status of the plan as of January 1, 2010, the date of the most recent actuarial valuation, was as follows:

Actuarial accrued liability (AAL)	$7,008
Actuarial value of plan assets	4,206
Unfunded actuarial accrued liability (UAAL)	$2,802
Funded ratio (actuarial value of plan assets/AAL)	60%
Covered salaries and wages (active) (plan members)	$8,673
UAAL as a percentage of covered salaries and wages	32%

Actuarial valuations of the ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status and the annual required contributions are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress below, presented as required supplementary information, shows the actuarial value of plan assets compared to the actuarial accrued liabilities for benefits.

Notes to the Basic Financial Statements *(Continued)*

December 31, 2010



Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation. The actuarial methods and assumptions used include techniques that are designed to reduce short term volatility in actuarial accrued liabilities consistent with the long term perspective of the calculations.

In the January 1, 2009, actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 7.75 percent investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 9.0 percent, reduced by decrements to an ultimate rate of 4.5 percent after 10 years. Both rates include a 3.0 percent inflation assumption. The actuarial value of UREPEHP assets is based on smoothed expected income investment rate. Investment income in excess or shortfall of the expected rate on air value is smoothed over a five-year period with 20% of a year's excess of shortfall being recognized each year beginning with the current year. The actuarial accrued liability was computed using likely health benefits to be paid to retirees and to be paid active employees after their service that were discounted using the investment return, health cost increase and various mortality assumptions.

Schedule of Funding Progress

(dollars in thousands)

Based on fair value of assets

Division	Date*	(1) Actuarial Value of Assets	(2) Accrued Liability (AAL) Entry Age	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Funding Ratios Ratios (1) / (2)	(5) Annual Covered Payroll	(6) UAAL as a % of Covered Payroll (3)/(5)
URS Employees	12/31/06	$4,085	5,495	1,410	74.3%	$8,463	16.7%
	12/31/07	4,559	5,990	1,431	76.1	9,131	15.7
	12/31/08	4,206	7,008	2,802	60.0	8,673	32.3
	12/31/09	4,654	7,539	2,885	61.7	8,678	33.2
	12/31/10	4,810	7,880	3,070	61.0	8,366	36.7

Schedule of Required Contributions

January 1, 2010

(dollars in thousands)

Year Ended*	Annual Required Contributions	Percentage Contributed	Net OPEB Obligation
12/31/06	$294	100%	$0
12/31/07	387	100	0
12/31/08	219	100	0
12/31/09	220	100	0
12/31/10	313	100	0

**Additional years will be added as they become available.*

Notes to the Basic Financial Statements *(Continued)*
December 31, 2010

Note 14
Compensated Absences, Post Employment Benefits and Insurance Reserve

The compensated absences liability for Utah Retirement Office employees at December 31, 2010, is $3,610,000. This represents the amount of unused leave to be paid to employees upon termination. At December 31, 2010 the insurance reserve was $5,000,000. The insurance reserve coverage is explained in Note 16, Risk Management.

Note 15
Required Supplementary Information

The historical trend information designed to provide Information about the Utah Retirement Systems' progress made in accumulating sufficient assets to pay benefits when due is required supplementary information. Required supplementary information is included immediately following the notes to the financial statements on pages 76 through 78. Other supplementary information presented in succeeding sections of this report is for the benefit of statement users and is not a required part of the basic financial statements.

Note 16
Risk Management

Most risks of loss to which the Systems, Plans and Investment Fund are exposed, other than routine investment losses, are covered under commercial insurance policies. Risks in excess of coverage limits or large deductible, and otherwise uninsured losses, are retained by the Systems, Plans or Investment Fund through the insurance reserve. There have been no reductions of insurance coverage from coverages of the previous year in any of the categories of risk. Coverages are increased or decreased commensurate with real estate acquisitions or dispositions. During the past three calendar years, no loss settlements exceeded insurance coverages beyond immaterial deductible amounts. The insurance reserve was established by the board from investment earnings as authorized by statute.

Note 17
Real Estate Liabilities

The real estate liabilities consist of five credit facility (lines of credit) loans, eight private placement notes and two mortgage loans. These loans and notes bear various interest rates and are scheduled to be repaid over the next seven years. The mortgages are secured by real estate. The rest of the liabilities are unsecured. As mentioned in Note 3, page 61, the Systems and Plans entered into various interest rate swap agreements that effectively changed credit facility liabilities from variable interest rates to fixed interest rates. As of December 31, 2010, there are $895 million in credit facility debt, $68.5 million in private placement notes, and $22.1 million in mortgages. Using interest rates as of December 31, 2010, principal and interest requirements of the debt and net swap payments for the terms of the debt and swaps are shown below.

Real Estate Liabilities (in thousands)

	Initial/Affected Balance	Maturity Date	Annual Payment
BNP Paribas Credit Facility	$425,000	3/24/2012	Interest Only
BNP Paribas Credit Facility	100,000	3/31/2012	Interest Only
KBC Bank Credit Facility	50,000	12/15/2012	Interest Only
Landesbank Baden-Wurttemberg	200,000	6/1/2011	Interest Only
The Northern Trust	120,000	8/1/2011	Interest Only
Private Placement Notes:			
Allstate Insurance Co.	5,000	7/1/2011	Interest Only
Allstate Insurance Co.	5,000	7/1/2011	Interest Only
Allstate Insurance Co.	5,000	7/1/2011	Interest Only
Allstate Insurance Co.	5,000	7/1/2011	Interest Only
State Farm Life Insurance Co.	20,969	7/1/2016	$4,296
State Farm Life & Acc. Assur. Co.	538	7/1/2016	110
Northwestern Mutual Life Ins. Co.	20,000	7/1/2014	Interest Only
Modern Woodment of America	7,000	7/1/2014	Interest Only
Northwestern Mutual	15,684	1/15/2018	$1,473
Aegon USA	6,386	10/1/2012	629
Total	**$985,577**		

(in thousands)

Year Ending December 31,	Total Principal Payments	Total Interest Payments*	Total Swap Payments**	Total Payments
2011	$344,193	7,282	46,922	398,397
2012	585,355	4,252	34,331	623,938
2013***	18,353	2,933	26,060	47,346
2014	30,975	1,161	23,795	55,931
2015	4,172	234	19,835	24,241
2016 – 2020	2,529	41	32,280	34,850
2021	0	0	1,862	1,862

**Interest calculated using December 31, 2010 One Month LIBOR for variable interest loans.*

***Interest rate swaps listed on page 63; swap payments calculated using December 31, 2010 One Month LIBOR.*

****Projections assume that the Northwestern Mutual mortgage will be paid off early in 2013 when a prepayment penalty ends.*

Required Supplementary Information

Schedules of Funding Progress

(dollars in thousands)

System	Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Unfunded AAL (UAAL) (2)-(1)	(4) Funded Ratios (1)/(2)	(5) Annual Covered Payroll	(6) UAAL as a % of Covered Payroll (3)/(5)
Noncontributory Retirement System	1/01/02	$11,104,334	10,806,024	(298,310)	102.8%	$2,832,060	(10.5)%
	1/01/03	10,848,586	11,764,353	915,767	92.2	2,926,449	31.3
	1/01/04	11,657,525	12,351,310	693,785	94.4	2,959,347	23.4
	1/01/05	12,212,437	13,235,444	1,023,007	92.3	3,084,317	33.2
	1/01/06	13,069,362	14,018,540	949,178	93.2	3,165,504	30.0
	1/01/07	14,446,928	15,084,061	637,133	95.8	3,326,392	19.2
	1/01/08	16,199,077	17,025,185	826,108	95.1	3,582,495	23.1
	1/01/09	15,839,461	18,306,590	2,467,129	86.5	3,871,636	63.7
	1/01/10	16,619,831	19,384,503	2,764,672	85.7	3,955,040	69.9
	12/31/10	16,895,039	20,544,827	3,649,788	82.2	3,888,179	93.9
Contributory Retirement System	1/01/02	$ 927,523	948,912	21,389	97.7%	$ 142,882	15.0%
	1/01/03	899,290	976,918	77,628	92.1	142,325	54.5
	1/01/04	913,949	982,569	68,620	93.0	139,470	49.2
	1/01/05	933,974	1,013,836	79,862	92.1	139,362	57.3
	1/01/06	951,540	1,027,309	75,769	92.6	137,730	55.0
	1/01/07	1,004,452	1,062,967	58,515	94.5	133,812	43.7
	1/01/08	1,102,107	1,170,251	68,144	94.2	132,899	51.3
	1/01/09	1,097,711	1,218,572	120,861	90.1	133,110	90.8
	1/01/10	1,116,736	1,236,009	119,273	90.4	127,804	93.3
	12/31/10	1,090,313	1,265,137	174,824	86.2	116,395	150.2
Public Safety Retirement System	1/01/02	$ 1,376,466	1,366,134	(10,332)	100.8%	$ 260,783	(4.0)%
	1/01/03	1,349,435	1,458,491	109,056	92.5	268,478	40.6
	1/01/04	1,448,888	1,556,758	107,870	93.1	278,402	38.7
	1/01/05	1,524,904	1,726,785	201,881	88.3	293,797	68.7
	1/01/06	1,633,022	1,834,452	201,430	89.0	298,756	67.4
	1/01/07	1,809,198	1,968,982	159,784	91.9	316,662	50.5
	1/01/08	2,038,613	2,247,826	209,213	90.7	339,187	61.7
	1/01/09	2,017,576	2,473,667	456,091	81.6	365,043	124.9
	1/01/10	2,137,027	2,650,675	513,648	80.6	373,959	137.4
	12/31/10	2,194,016	2,840,359	646,343	77.2	363,037	178.0

See accompanying notes to required supplementary information.

Utah Retirement Systems

Required Supplementary Information

(Continued)

Schedules of Funding Progresss *(Continued)*

(dollars in thousands)

System	Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Unfunded AAL (UAAL) (2)-(1)	(4) Funded Ratios (1)/(2)	(5) Annual Covered Payroll	(6) UAAL as a % of Covered Payroll (3)/(5)
Firefighters Retirement System	1/01/02	$569,151	491,274	(77,877)	115.9%	$ 67,192	(115.9)%
	1/01/03	553,589	521,164	(32,425)	106.2	71,354	(45.4)
	1/01/04	589,502	549,378	(40,124)	107.3	75,619	(53.1)
	1/01/05	610,688	578,891	(31,797)	105.5	79,638	(39.9)
	1/01/06	644,496	614,359	(30,137)	104.9	84,061	(35.9)
	1/01/07	705,051	643,765	(61,286)	109.5	88,682	(69.1)
	1/01/08	787,663	732,829	(54,834)	107.5	95,767	(57.3)
	1/01/09	765,871	776,622	10,751	98.6	102,252	10.5
	1/01/10	802,576	833,844	31,268	96.3	107,625	29.1
	12/31/10	810,216	883,635	73,419	91.7	105,275	69.7
Judges Retirement System	1/01/02	$ 92,649	85,987	(6,662)	107.7%	$ 10,927	(61.0)
	1/01/03	90,904	90,573	(331)	100.4	11,173	(3.0)
	1/01/04	97,412	97,902	490	99.5	10,888	4.5
	1/01/05	100,814	104,210	3,396	96.7	11,646	29.2
	1/01/06	106,374	106,962	588	99.5	11,594	5.1
	1/01/07	116,879	117,127	248	99.8	12,195	2.0
	1/01/08	129,847	135,379	5,532	95.9	13,322	41.5
	1/01/09	126,120	145,965	19,845	86.4	14,404	137.8
	1/01/10	131,491	158,303	26,812	83.1	14,434	185.8
	12/31/10	131,869	166,344	34,475	79.3	14,234	242.2
Utah Governors and Legislators Retirement Plan	1/01/02	$ 11,710	8,182	(3,528)	143.1%	$ 556	(634.5)%
	1/01/03	10,719	8,706	(2,013)	123.1	556	(362.1)
	1/01/04	10,905	8,812	(2,093)	123.8	556	(376.4)
	1/01/05	10,650	8,727	(1,923)	122.0	556	(345.9)
	1/01/06	10,587	8,974	(1,613)	118.0	887	(181.8)
	1/01/07	10,983	9,212	(1,771)	119.2	860	(205.9)
	1/01/08	11,736	9,862	(1,874)	119.0	947	(197.9)
	1/01/09	10,841	10,982	141	98.7	910	15.5
	1/01/10	10,769	11,305	536	95.3	910	58.9
	12/31/10	10,197	11,356	1,159	89.8	910	127.4

See accompanying notes to required supplementary information.

Utah Retirement Systems

Required Supplementary Information

(Continued)

Schedules of Employer Contributions

(dollars in thousands)

System	Year Ended	Employer Contributions: Annual Required Contributions	Employer Contributions: Percentage Contributed
Noncontributory Retirement System	2001	$331,951	100%
	2002	291,256	100
	2003	314,511	100
	2004	369,109	100
	2005	406,795	100
	2006	440,421	100
	2007	487,803	100
	2008	522,733	100
	2009	535,298	100
	2010	564,154	100
Contributory Retirement System	2001	$ 8,480	100%
	2002	6,735	100
	2003	7,297	100
	2004	9,564	100
	2005	10,357	100
	2006	10,737	100
	2007	11,208	100
	2008	11,037	100
	2009	10,865	100
	2010	11,851	100
Public Safety Retirement System	2001	$ 46,113	100%
	2002	42,264	100
	2003	46,655	100
	2004	56,319	100
	2005	61,326	100
	2006	70,466	100
	2007	81,166	100
	2008	93,899	100
	2009	98,729	100
	2010	103,586	100

System	Year Ended	Employer Contributions: Annual Required Contributions	Employer Contributions: Percentage Contributed
Firefighters Retirement System	2001	$ 8,354	100%
	2002	9,454	100
	2003	9,059	100
	2004	8,659	100
	2005	9,601	100
	2006	9,518	100
	2007	13,797	100
	2008	10,219	100
	2009	16,159	100
	2010	10,915	100
Judges Retirement System	2001	$ 3,053	100%
	2002	2,853	100
	2003	2,490	100
	2004	2,531	100
	2005	2,397	100
	2006	2,718	100
	2007	3,210	100
	2008	3,802	100
	2009	4,184	100
	2010	4,715	100
Utah Governors and Legislators Retirement Plan	2001	$ 0	100%
	2002	0	100
	2003	0	100
	2004	0	100
	2005	0	100
	2006	0	100
	2007	0	100
	2008	0	100
	2009	0	100
	2010	0	100

See accompanying notes to required supplementary information.

Utah Retirement Systems

Notes to the Required Supplementary Information

December 31, 2010

Note 1

Schedules of Funding Progress

The information contained in the schedule of funding progress is based on the actuarial study dated January 1, 2010, and calendar year 2010 activity. The actuarial accrued liability is presented based on the report generated by that study conducted by Gabriel, Roeder, Smith & Company. The actuarial value of assets for that date is based on a smoothed expected investment income rate. Beginning with the 2008 actuarial study, the investment rate of return assumption was changed from 8% to 7.75%. Investment income in excess or shortfall of the expected return on fair value is smoothed over a five-year period with 20% of a year's excess or shortfall being recognized each year beginning with the current year. The calculations for this smoothing process are disclosed in note 5 of the notes to the basic financial statements on page 65.

Note 2

Schedules of Employer Contributions

The required employer contributions and percent of those contributions actually made are presented in the schedule.

Note 3

Actuarial Assumptions

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuations follows.

Additional Actuarial Information

	Noncontributory	Contributory	Public Safety	Firefighters	Judges	Governors and Legislators
Valuation date	1/1/10	1/1/10	1/1/10	1/1/10	1/1/10	1/1/10
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll	Level Dollar Amount
Amortization period	Open Group 24 Year Closed Period	Open Group 24 Year Closed Period	Open Group 24 Year Closed Period	Open Group 24 Year Closed Period	Open Group 24 Year Closed Period	Open Group 24 Year Closed Period
Actuarial asset valuation method (All Systems under same method.)	Based on the total fair value income of investments with the excess or shortfall of actual investment income over or under the expected investment return smoothed over five years. One-fifth of the excess or shortfall is recognized each year for five years.					
Actuarial assumptions:						
Investment rate of return	7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
Projected salary increases	4.00-12.00%	4.00-12.00%	4.00-9.75%	4.00-10.25%	4.0%	None
Inflation rate	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Post retirement cost-of-living adjustment	3.00%	3.00%	2.50 or 3.00% Depending on employer	3.00%	3.00%	3.00%

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.

Noncontributory Retirement System

Schedules of Fiduciary Net Assets — Pension Trust Fund by Division

December 31, 2010
With Comparative Totals for December 31, 2009 (in thousands)

	Local Government	State and School	Total All Divisions 2010	Total All Divisions 2009
Assets:				
Cash	$ 1	320	321	3,644
Receivables:				
Employer contributions	4,055	30,922	34,977	28,875
Investments	93,644	430,086	523,730	231,214
Total receivables	97,699	461,008	558,707	260,089
Investments at fair value:				
Short term securities, domestic	147,469	677,294	824,763	632,537
Short term securities, international	3,583	16,454	20,037	10,065
Debt securities, domestic	504,033	2,314,916	2,818,949	2,987,354
Debt securities, international	126,041	578,879	704,920	625,511
Equity investments, domestic	680,206	3,124,042	3,804,248	3,574,763
Equity investments, international	395,268	1,815,383	2,210,651	2,102,782
Absolute return	448,651	2,060,561	2,509,212	1,927,096
Private equity	263,027	1,208,027	1,471,054	1,127,454
Real estate	432,369	1,985,779	2,418,148	2,236,867
Mortgage loans	979	4,496	5,475	5,471
Total investments	3,001,626	13,785,831	16,787,457	15,229,900
Invested securities lending collateral	179,722	825,427	1,005,149	1,149,384
Property and equipment at cost, net of accumulated depreciation	123	565	688	256
Total assets	3,279,171	15,073,151	18,352,322	16,643,273
Liabilities:				
Securities lending liability	179,722	825,427	1,005,149	1,149,384
Disbursements in excess of cash balance	1,709	7,851	9,560	15,810
Compensated absences, post employment benefits and insurance reserve	2,377	10,915	13,292	12,159
Investment accounts payable	131,165	602,761	733,926	446,625
Real estate liabilities	140,930	647,260	788,190	866,733
Total liabilities	455,903	2,094,214	2,550,117	2,490,711
Net assets held in trust for pension benefits	$2,823,268	12,978,937	15,802,205	14,152,562

Noncontributory Retirement System

Schedules of Changes in Fiduciary Net Assets — Pension Trust Fund by Division

December 31, 2010
With Comparative Totals for December 31, 2009

(in thousands)

	Local Government	State and School	Total All Divisions 2010	Total All Divisions 2009
Additions:				
Contributions:				
Member	$ 7,571	25,957	33,528	14,109
Employer	111,654	452,500	564,154	535,298
Total contributions	119,225	478,457	597,682	549,407
Investment income:				
Net appreciation in fair value of investments	273,040	1,265,902	1,538,942	1,329,083
Interest, dividends and other investment income	63,576	294,762	358,338	366,491
Total income from investment activity	336,616	1,560,664	1,897,280	1,695,574
Less investment expenses	6,972	32,324	39,296	33,814
Net income from investment activity	329,644	1,528,340	1,857,984	1,661,760
Income from security lending activity	531	2,461	2,992	5,718
Net investment income	330,175	1,530,801	1,860,976	1,667,478
Total additions	449,400	2,009,258	2,458,658	2,216,885
Deductions:				
Retirement benefits	101,279	560,439	661,718	599,456
Cost of living benefits	18,269	113,817	132,086	123,596
Refunds	967	2,653	3,620	2,882
Administrative expenses	1,429	6,960	8,389	8,340
Transfers to affiliated systems	(4,768)	7,970	3,202	44,420
Total deductions	117,176	691,839	809,015	778,694
Increase from operations	332,224	1,317,419	1,649,643	1,438,191
Net assets held in trust for pension benefits beginning of year	2,491,044	11,661,518	14,152,562	12,714,371
Net assets held in trust for pension benefits end of year	$2,823,268	12,978,937	15,802,205	14,152,562

Noncontributory Retirement System

Schedules of Funding Progress by Division

(dollars in thousands)

Division	Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Unfunded AAL (UAAL) (2)-(1)	(4) Funded Ratios (1)/(2)	(5) Annual Covered Payroll	(6) UAAL as a % of Covered Payroll (3)/(5)
Noncontributory Local Government	1/01/02	$ 1,790,398	1,667,820	(122,578)	107.3%	$ 583,682	(21.0)%
	1/01/03	1,766,403	1,842,886	76,483	95.8	617,784	12.4
	1/01/04	1,916,701	1,985,092	68,391	96.6	648,410	10.5
	1/01/05	2,027,791	2,123,427	95,636	95.5	680,620	14.1
	1/01/06	2,193,880	2,295,475	101,595	95.6	718,228	14.1
	1/01/07	2,455,870	2,456,038	168	100.0	758,583	0.0
	1/01/08	2,780,176	2,833,053	52,877	98.1	815,502	6.5
	1/01/09	2,743,924	3,070,328	326,404	89.4	883,207	37.0
	1/01/10	2,916,719	3,301,679	384,960	88.3	912,173	42.2
	12/31/10	3,006,778	3,544,868	538,090	84.8	878,009	61.3
Noncontributory State and School	1/01/02	$ 9,313,936	9,138,204	(175,732)	101.9%	$2,248,378	(7.8)%
	1/01/03	9,082,183	9,921,467	839,284	91.5	2,308,665	36.4
	1/01/04	9,740,824	10,366,218	625,394	94.0	2,310,937	27.1
	1/01/05	10,184,646	11,112,017	927,371	91.7	2,403,697	38.6
	1/01/06	10,875,482	11,723,065	847,580	92.8	2,447,276	34.6
	1/01/07	11,991,058	12,628,023	636,965	95.0	2,567,809	24.8
	1/01/08	13,418,901	14,192,132	773,231	94.6	2,766,993	27.9
	1/01/09	13,095,537	15,236,262	2,140,725	85.9	2,988,429	71.6
	1/01/10	13,703,112	16,082,824	2,379,712	85.2	3,042,867	78.2
	12/31/10	13,888,261	16,999,959	3,111,698	81.7	3,010,170	103.4
Total Noncontributory Retirement System	1/01/02	$11,104,334	10,806,024	(298,310)	102.8%	$2,832,060	(10.5)%
	1/01/03	10,848,586	11,764,353	915,767	92.2	2,926,449	31.3
	1/01/04	11,657,525	12,351,310	693,785	94.4	2,959,347	23.4
	1/01/05	12,212,437	13,235,444	1,023,007	92.3	3,084,317	33.2
	1/01/06	13,069,362	14,018,540	949,178	93.2	3,165,504	30.0
	1/01/07	14,446,928	15,084,061	637,133	95.8	3,326,392	19.2
	1/01/08	16,199,077	17,025,185	826,108	95.1	3,582,495	23.1
	1/01/09	15,839,461	18,306,590	2,467,129	86.5	3,871,636	63.7
	1/01/10	16,619,831	19,384,503	2,764,672	85.7	3,955,040	69.9
	12/31/10	16,895,039	20,544,827	3,649,788	82.2	3,888,179	93.9

Noncontributory Retirement System

Schedules of Employer Contributions by Division

(dollars in thousands)

Division	Year Ended	Employer Contributions: Annual Required Contributions	Employer Contributions: Percentage Contributed
Noncontributory Local Government	2001	$ 54,274	100%
	2002	52,143	100
	2003	60,097	100
	2004	70,010	100
	2005	79,179	100
	2006	85,715	100
	2007	94,482	100
	2008	100,843	100
	2009	104,494	100
	2010	111,654	100
Noncontributory State and School	2001	$277,677	100%
	2002	239,113	100
	2003	254,414	100
	2004	299,099	100
	2005	327,616	100
	2006	354,706	100
	2007	393,321	100
	2008	421,890	100
	2009	430,804	100
	2010	452,500	100
Total Noncontributory Retirement System	2001	$331,951	100%
	2002	291,256	100
	2003	314,511	100
	2004	369,109	100
	2005	406,795	100
	2006	440,421	100
	2007	487,803	100
	2008	522,733	100
	2009	535,298	100
	2010	564,154	100

Contributory Retirement System

Schedules of Fiduciary Net Assets — Pension Trust Fund by Division

December 31, 2010
With Comparative Totals for December 31, 2009

(in thousands)

	Local Government	State and School	Total All Divisions 2010	Total All Divisions 2009
Assets:				
Cash	$ 1	1	2	2
Receivables:				
Member contributions	137	184	321	366
Employer contributions	213	362	575	529
Investments	11,293	22,134	33,427	15,334
Total receivables	11,643	22,680	34,323	16,229
Investments at fair value:				
Short term securities, domestic	17,784	34,857	52,641	41,950
Short term securities, international	432	847	1,279	668
Debt securities, domestic	60,785	119,136	179,921	198,122
Debt securities, international	15,200	29,792	44,992	41,484
Equity investments, domestic	82,031	160,777	242,808	237,079
Equity investments, international	47,668	93,427	141,095	139,457
Absolute return	54,106	106,045	160,151	127,805
Private equity	31,720	62,170	93,890	74,773
Real estate	52,143	102,197	154,340	148,350
Mortgage loans	118	231	349	363
Total investments	361,987	709,479	1,071,466	1,010,051
Invested securities lending collateral	21,674	42,480	64,154	76,227
Property and equipment at cost, net of accumulated depreciation	15	29	44	17
Total assets	395,320	774,669	1,169,989	1,102,526
Liabilities:				
Securities lending collateral liability	21,674	42,480	64,154	76,227
Disbursements in excess of cash balance	206	404	610	1,048
Compensated absences, post employment benefits and insurance reserve	287	562	849	806
Investment accounts payable	15,818	31,003	46,821	29,376
Real estate liabilities	16,996	33,311	50,307	57,482
Total liabilities	54,981	107,760	162,741	164,939
Net assets held in trust for pension benefits	$340,339	666,909	1,007,248	937,587

Contributory Retirement System

Schedules of Changes in Fiduciary Net Assets — Pension Trust Fund by Division

December 31, 2010
With Comparative Totals for December 31, 2009

(in thousands)

	Local Government	State and School	Total All Divisions 2010	Total All Divisions 2009
Additions:				
Contributions:				
Member	$ 4,604	5,695	10,299	8,655
Employer	5,070	6,781	11,851	10,865
Total contributions	9,674	12,476	22,150	19,520
Investment income:				
Net appreciation in fair value of investments	33,575	66,612	100,187	89,770
Interest, dividends and other investment income	7,818	15,511	23,329	24,753
Total income from investment activity	41,393	82,123	123,516	114,523
Less investment expenses	857	1,701	2,558	2,284
Net income from investment activity	40,536	80,422	120,958	112,239
Income from security lending activity	65	130	195	387
Net investment income	40,601	80,552	121,153	112,626
Transfers from affiliated systems	—	—	—	37,633
Total additions	50,275	93,028	143,303	169,779
Deductions:				
Retirement benefits	15,174	35,649	50,823	47,319
Cost of living benefits	3,664	12,725	16,389	17,086
Supplemental retirement benefits	49	304	353	444
Refunds	749	883	1,632	2,158
Administrative expenses	180	355	535	555
Transfers to affiliated systems	3,391	519	3,910	—
Total deductions	23,207	50,435	73,642	67,562
Increase from operations	27,068	42,593	69,661	102,217
Net assets held in trust for pension benefits beginning of year	313,271	624,316	937,587	835,370
Net assets held in trust for pension benefits end of year	$340,339	666,909	1,007,248	937,587

Contributory Retirement System

Schedules of Funding Progress by Division

(dollars in thousands)

Division	Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Unfunded AAL (UAAL) (2)-(1)	(4) Funded Ratios (1)/(2)	(5) Annual Covered Payroll	(6) UAAL as a % of Covered Payroll (3)/(5)
Contributory Local Government	1/01/02	$ 260,569	266,365	5,796	97.8%	$ 56,444	10.3%
	1/01/03	254,370	280,435	26,065	90.7	57,595	45.3
	1/01/04	263,839	289,001	25,162	91.3	57,965	43.4
	1/01/05	280,286	307,221	26,935	91.2	58,482	46.1
	1/01/06	295,061	322,986	27,925	91.4	60,616	46.1
	1/01/07	319,072	338,625	19,553	94.2	61,441	31.8
	1/01/08	356,014	381,287	25,273	99.2	62,793	40.2
	1/01/09	358,620	404,913	46,293	88.6	64,758	71.5
	1/01/10	367,967	415,810	47,843	88.5	64,060	74.7
	12/31/10	366,036	431,598	65,562	84.8	59,715	109.8
Contributory State and School	1/01/02	$ 666,954	682,547	15,593	97.7%	$ 86,438	18.0%
	1/01/03	644,920	696,483	51,563	92.6	84,730	60.9
	1/01/04	650,110	693,568	43,458	93.7	81,505	53.3
	1/01/05	653,688	706,615	52,927	92.5	80,880	65.4
	1/01/06	656,479	704,323	47,844	93.2	77,114	62.0
	1/01/07	685,380	724,342	38,962	94.6	72,371	53.8
	1/01/08	746,093	788,964	42,871	99.9	70,106	61.2
	1/01/09	739,091	813,659	74,568	90.8	68,352	109.1
	1/01/10	748,769	820,199	71,430	91.3	63,744	112.1
	12/31/10	724,277	833,539	109,262	86.9	56,680	192.8
Total Contributory Retirement System	1/01/02	$ 927,523	948,912	21,389	97.7%	$142,882	15.0%
	1/01/03	899,290	976,918	77,628	92.1	142,325	54.5
	1/01/04	913,949	982,569	68,620	93.0	139,470	49.2
	1/01/05	933,974	1,013,836	79,862	92.1	139,362	57.3
	1/01/06	951,540	1,027,309	75,769	92.6	137,730	55.0
	1/01/07	1,004,452	1,062,967	58,515	94.5	133,812	43.7
	1/01/08	1,102,107	1,170,251	68,144	94.2	132,899	51.3
	1/01/09	1,097,711	1,218,572	120,861	90.1	133,110	90.8
	1/01/10	1,116,736	1,236,009	119,273	90.4	127,804	93.3
	12/31/10	1,090,313	1,265,137	174,824	86.2	116,395	150.2

Contributory Retirement System

Schedules of Employer Contributions by Division

(dollars in thousands)

Division	Year Ended	Employer Contributions: Annual Required Contributions	Employer Contributions: Percentage Contributed
Contributory Local Government	2001	$ 2,926	100%
	2002	2,441	100
	2003	2,881	100
	2004	3,822	100
	2005	4,238	100
	2006	4,509	100
	2007	4,889	100
	2008	4,912	100
	2009	4,870	100
	2010	5,070	100
Contributory State and School	2001	$ 5,554	100%
	2002	4,294	100
	2003	4,416	100
	2004	5,742	100
	2005	6,119	100
	2006	6,228	100
	2007	6,319	100
	2008	6,125	100
	2009	5,995	100
	2010	6,781	100
Total Contributory Retirement System	2001	$ 8,480	100%
	2002	6,735	100
	2003	7,297	100
	2004	9,564	100
	2005	10,357	100
	2006	10,737	100
	2007	11,208	100
	2008	11,037	100
	2009	10,865	100
	2010	11,851	100

Public Safety Retirement System

Schedules of Fiduciary Net Assets — Pension Trust Fund by Division

December 31, 2010
With Comparative Totals for December 31, 2009

(in thousands)

	State of Utah Public Safety	Other Division A (with Social Security)	Salt Lake City
Assets:			
Cash	$ 2	4	2
Receivables:			
Member contributions	1	26	—
Employer contributions	1,430	1,217	393
Investments	24,082	28,541	5,918
Total receivables	25,513	29,784	6,311
Investments at fair value:			
Short term securities, domestic	37,924	44,946	9,319
Short term securities, international	921	1,092	226
Debt securities, domestic	129,620	153,620	31,851
Debt securities, international	32,413	38,415	7,965
Equity investments, domestic	174,926	207,315	42,984
Equity investments, international	101,649	120,471	24,978
Absolute return	115,377	136,741	28,352
Private equity	67,642	80,166	16,621
Real estate	111,190	131,778	27,323
Mortgage loans	252	298	62
Total investments	771,914	914,842	189,681
Invested securities lending collateral	46,218	54,776	11,357
Property and equipment at cost, net of accumulated depreciation	32	37	8
Total assets	843,679	999,443	207,359
Liabilities:			
Securities lending liability	46,218	54,776	11,357
Disbursements in excess of cash balance	440	521	108
Compensated absences, post employment benefits and insurance reserve	611	724	150
Investment accounts payable	33,731	39,977	8,289
Real estate liabilities	36,242	42,953	8,906
Total liabilities	117,242	138,951	28,810
Net assets held in trust for pension benefits	$726,437	860,492	178,549

	Ogden	Provo	Logan	Bountiful	Other Division B (without Social Security)	Total All Divisions 2010	Total All Divisions 2009
	2	2	2	2	4	20	20
	—	—	2	—	—	29	43
	76	—	31	37	238	3,422	3,783
	1,441	1,039	608	497	6,119	68,245	29,810
	1,517	1,039	641	534	6,357	71,696	33,636
	2,269	1,636	958	783	9,636	107,471	81,550
	55	40	23	19	234	2,610	1,297
	7,754	5,592	3,274	2,674	32,936	367,321	385,148
	1,939	1,398	819	669	8,236	91,854	80,646
	10,464	7,547	4,419	3,609	44,449	495,713	460,878
	6,081	4,385	2,568	2,097	25,829	288,058	271,103
	6,902	4,977	2,915	2,381	29,317	326,962	248,453
	4,046	2,918	1,709	1,396	17,188	191,686	145,358
	6,651	4,797	2,809	2,294	28,253	315,095	288,390
	15	11	6	5	64	713	704
	46,176	33,301	19,500	15,927	196,142	2,187,483	1,963,527
	2,765	1,994	1,167	954	11,744	130,975	148,184
	2	1	1	1	8	90	34
	50,462	36,337	21,311	17,418	214,255	2,390,264	2,145,401
	2,765	1,994	1,167	954	11,744	130,975	148,184
	26	19	11	9	112	1,246	2,039
	37	26	15	13	155	1,731	1,567
	2,018	1,455	852	696	8,571	95,589	57,110
	2,168	1,564	915	748	9,208	102,704	111,743
	7,014	5,058	2,960	2,420	29,790	332,245	320,643
	43,448	31,279	18,351	14,998	184,465	2,058,019	1,824,758

Public Safety Retirement System

Schedules of Changes in Fiduciary Net Assets — Pension Trust Fund by Division

December 31, 2010
With Comparative Totals for December 31, 2009

(in thousands)

	State of Utah Public Safety	Other Division A (with Social Security)	Salt Lake City
Additions:			
Contributions:			
Member	$ 572	906	64
Employer	36,029	42,033	10,015
Total contributions	36,601	42,939	10,079
Investment income:			
Net appreciation in fair value of investments	70,560	83,176	17,424
Interest, dividends and other investment income	16,430	19,367	4,057
Total income from investment activity	86,990	102,543	21,481
Less investment expenses	1,802	2,124	445
Net income from investment activity	85,188	100,419	21,036
Income from security lending activity	137	162	34
Net investment income	85,325	100,581	21,070
Transfers from affiliated systems	1,605	14	514
Total additions	123,531	143,534	31,663
Deductions:			
Retirement benefits	36,705	35,172	10,590
Cost of living benefits	7,593	6,404	2,878
Supplemental retirement benefits	240	117	55
Refunds	—	301	—
Administrative expenses	416	455	112
Total deductions	44,954	42,449	13,635
Increase from operations	78,577	101,085	18,028
Net assets held in trust for pension benefits beginning of year	647,860	759,407	160,521
Net assets held in trust for pension benefits end of year	$726,437	860,492	178,549

Ogden	Provo	Logan	Bountiful	Other Division B (without Social Security)	Total All Divisions 2010	Total All Divisions 2009
—	—	60	—	111	1,713	1,556
1,885	1,562	747	485	10,830	103,586	98,729
1,885	1,562	807	485	10,941	105,299	100,285
4,293	3,067	1,790	1,491	17,664	199,465	170,276
1,000	714	417	347	4,113	46,445	46,951
5,293	3,781	2,207	1,838	21,777	245,910	217,227
110	78	46	38	451	5,094	4,332
5,183	3,703	2,161	1,800	21,326	240,816	212,895
8	6	3	3	34	387	732
5,191	3,709	2,164	1,803	21,360	241,203	213,627
(117)	(26)	31	(96)	2,323	4,248	4,578
6,959	5,245	3,002	2,192	34,624	350,750	318,490
2,766	1,749	909	1,018	7,421	96,330	88,632
668	387	172	133	833	19,068	17,186
11	8	1	1	—	433	454
—	44	—	—	167	512	390
26	18	10	8	101	1,146	1,127
3,471	2,206	1,092	1,160	8,522	117,489	107,789
3,488	3,039	1,910	1,032	26,102	233,261	210,701
39,960	28,240	16,441	13,966	158,363	1,824,758	1,614,057
43,448	31,279	18,351	14,998	184,465	2,058,019	1,824,758

Public Safety Retirement System

Schedules of Funding Progress by Division

(dollars in thousands)

Division	Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Unfunded AAL (UAAL) (2)-(1)	(4) Funded Ratios (1)/(2)	(5) Annual Covered Payroll	(6) UAAL as a % of Covered Payroll (3)/(5)
Public Safety State of Utah	1/01/02	$501,970	508,897	6,927	98.6%	$ 88,523	7.8%
	1/01/03	491,499	536,944	45,445	91.5	90,782	50.1
	1/01/04	526,545	565,809	39,264	93.1	91,540	42.9
	1/01/05	554,342	630,095	75,753	88.0	97,654	77.6
	1/01/06	592,472	656,157	63,685	90.3	94,611	67.3
	1/01/07	652,239	706,589	54,350	92.3	100,368	54.2
	1/01/08	730,102	800,385	70,283	91.2	108,127	65.0
	1/01/09	720,114	899,970	179,856	80.0	118,659	151.6
	1/01/10	759,547	962,230	202,683	78.9	120,792	167.8
	12/31/10	775,493	1,025,970	250,477	75.6	114,446	218.9
Public Safety Other Division A (with Social Security)	1/01/02	$564,325	518,791	(45,534)	108.8%	$115,482	(39.4)%
	1/01/03	553,911	558,141	4,230	99.2	118,507	3.6
	1/01/04	594,020	603,281	9,261	98.5	125,617	7.4
	1/01/05	625,506	669,261	43,755	93.5	132,238	33.1
	1/01/06	668,555	718,533	49,978	93.0	136,367	36.6
	1/01/07	743,225	772,956	29,731	96.2	145,274	20.5
	1/01/08	841,852	888,872	47,020	94.7	155,991	30.1
	1/01/09	836,463	972,792	136,329	86.0	165,099	82.6
	1/01/10	888,555	1,051,299	162,744	84.5	169,320	96.1
	12/31/10	916,465	1,126,241	209,776	81.4	166,821	125.7
Public Safety Salt Lake City	1/01/02	$135,031	158,626	23,595	85.1%	$ 18,579	127.0%
	1/01/03	129,690	168,084	38,394	77.2	19,305	198.9
	1/01/04	138,148	176,136	37,988	78.4	20,380	186.4
	1/01/05	142,134	187,740	45,606	75.7	20,672	220.6
	1/01/06	150,347	200,080	49,733	75.1	22,778	218.3
	1/01/07	165,100	206,821	41,721	79.8	24,330	171.5
	1/01/08	184,578	234,139	49,561	78.8	26,114	189.8
	1/01/09	180,841	245,433	64,592	73.7	27,413	235.6
	1/01/10	188,761	257,965	69,204	73.2	27,781	249.1
	12/31/10	191,116	274,667	83,551	69.6	27,865	299.8
Public Safety Ogden	1/01/02	$ 40,505	40,331	(174)	100.4%	$ 4,763	(3.7)%
	1/01/03	38,568	42,649	4,081	90.4	5,059	80.7
	1/01/04	40,214	44,245	4,031	90.9	5,120	78.7
	1/01/05	40,288	47,666	7,378	84.5	5,167	142.8
	1/01/06	41,541	49,440	7,899	84.0	4,842	163.1
	1/01/07	44,077	51,735	7,658	85.2	5,130	149.3
	1/01/08	48,429	57,590	9,161	84.1	5,118	179.0
	1/01/09	46,009	58,480	12,471	78.7	5,602	222.6
	1/01/10	47,334	60,463	13,129	78.3	5,407	242.8
	12/31/10	46,853	66,055	19,202	70.9	5,537	346.8
Public Safety Provo	1/01/02	$ 23,568	25,176	1,608	93.6%	$ 4,365	36.8%
	1/01/03	22,875	26,434	3,559	86.5	4,512	78.9
	1/01/04	24,546	28,009	3,463	87.6	4,482	77.3
	1/01/05	25,302	30,072	4,770	84.1	4,402	108.4
	1/01/06	26,857	32,359	5,502	83.0	4,626	118.9
	1/01/07	29,473	33,773	4,300	87.3	4,504	95.5
	1/01/08	32,601	38,373	5,772	85.0	4,864	118.7
	1/01/09	31,740	41,170	9,430	77.1	5,006	188.4
	1/01/10	33,227	42,432	9,205	78.3	5,105	180.3
	12/31/10	33,504	47,489	13,985	70.6	4,892	285.9

Public Safety Retirement System

Schedules of Funding Progresss by Division *(Continued)*

(dollars in thousands)

Division	Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Unfunded AAL (UAAL) (2)-(1)	(4) Funded Ratios (1)/(2)	(5) Annual Covered Payroll	(6) UAAL as a % of Covered Payroll (3)/(5)
Public Safety Logan	1/01/02	$ 13,375	12,422	(953)	107.7%	$ 2,199	(43.3)%
	1/01/03	13,099	13,685	586	95.7	2,312	25.3
	1/01/04	13,826	14,599	773	94.7	2,372	32.6
	1/01/05	14,510	16,234	1,724	89.4	2,467	69.9
	1/01/06	15,432	16,885	1,453	91.4	2,308	63.0
	1/01/07	16,938	18,012	1,074	94.0	2,434	44.1
	1/01/08	18,949	21,667	2,718	87.5	2,626	103.5
	1/01/09	18,426	22,792	4,366	80.8	2,482	175.9
	1/01/10	19,334	24,095	4,761	80.2	2,890	164.7
	12/31/10	19,635	25,410	5,775	77.3	2,710	213.1
Public Safety Bountiful	1/01/02	$ 11,148	10,484	(664)	106.3%	$ 1,518	(43.7)%
	1/01/03	10,958	11,170	212	98.1	1,601	13.2
	1/01/04	11,809	11,640	(169)	101.5	1,653	(10.2)
	1/01/05	12,384	12,337	(47)	100.4	1,621	(2.9)
	1/01/06	13,392	13,966	574	95.9	1,724	33.3
	1/01/07	14,838	14,750	(88)	100.6	1,649	(5.3)
	1/01/08	16,406	16,801	395	97.6	1,756	22.5
	1/01/09	15,939	17,829	1,890	89.4	1,945	97.2
	1/01/10	16,475	18,951	2,476	86.9	1,909	129.7
	12/31/10	16,140	20,866	4,726	77.4	1,707	276.9
Public Safety Other Division B (without Social Security)	1/01/02	$ 86,544	91,407	4,863	94.7%	$ 25,354	19.2%
	1/01/03	88,835	101,384	12,549	87.6	26,400	47.5
	1/01/04	99,780	113,039	13,259	88.3	27,238	48.7
	1/01/05	110,438	133,380	22,942	82.8	29,576	77.6
	1/01/06	124,426	147,032	22,606	84.6	31,500	71.8
	1/01/07	143,308	164,346	21,038	87.2	32,973	63.8
	1/01/08	165,696	189,999	24,303	87.2	34,591	70.3
	1/01/09	168,044	215,201	47,157	78.1	38,837	121.4
	1/01/10	183,794	233,240	49,446	78.8	40,755	121.3
	12/31/10	194,810	253,661	58,851	76.8	39,059	150.7
Total Public Safety Retirement System	1/01/02	$1,376,466	1,366,134	(10,332)	100.8%	$260,783	(4.0)%
	1/01/03	1,349,435	1,458,491	109,056	92.5	268,478	40.6
	1/01/04	1,448,888	1,556,758	107,870	93.1	278,402	38.7
	1/01/05	1,524,904	1,726,785	201,881	88.3	293,797	68.7
	1/01/06	1,633,022	1,834,452	201,430	89.0	298,756	67.4
	1/01/07	1,809,198	1,968,982	159,784	91.9	316,662	50.5
	1/01/08	2,038,613	2,247,826	209,213	90.7	339,187	61.7
	1/01/09	2,017,576	2,473,667	456,091	81.6	365,043	124.9
	1/01/10	2,137,027	2,650,675	513,648	80.6	373,959	137.4
	12/31/10	2,194,016	2,840,359	646,343	77.2	363,037	178.0

Public Safety Retirement System

Schedules of Employer Contributions by Division

(dollars in thousands)

Division	Year Ended	Employer Contributions: Annual Required Contributions	Employer Contributions: Percentage Contributed
Public Safety State of Utah	2001	$17,990	100%
	2002	16,476	100
	2003	17,406	100
	2004	20,923	100
	2005	21,340	100
	2006	24,269	100
	2007	27,713	100
	2008	34,114	100
	2009	34,862	100
	2010	36,029	100
Public Safety Other Division A (with Social Security)	2001	$16,326	100%
	2002	14,639	100
	2003	16,980	100
	2004	21,426	100
	2005	24,049	100
	2006	28,146	100
	2007	32,961	100
	2008	36,318	100
	2009	39,078	100
	2010	42,033	100
Public Safety Salt Lake City	2001	$ 6,052	100%
	2002	5,633	100
	2003	6,182	100
	2004	6,405	100
	2005	7,424	100
	2006	8,292	100
	2007	9,293	100
	2008	9,747	100
	2009	9,883	100
	2010	10,015	100
Public Safety Ogden	2001	$ 1,070	100%
	2002	976	100
	2003	986	100
	2004	1,158	100
	2005	1,170	100
	2006	1,381	100
	2007	1,557	100
	2008	1,763	100
	2009	1,757	100
	2010	1,885	100
Public Safety Provo	2001	$ 485	100%
	2002	433	100
	2003	455	100
	2004	543	100
	2005	565	100
	2006	634	100
	2007	771	100
	2008	1,477	100
	2009	1,546	100
	2010	1,562	100

Public Safety Retirement System

Schedules of Employer Contributions by Division *(Continued)*

(dollars in thousands)

Division	Year Ended	Employer Contributions: Annual Required Contributions	Employer Contributions: Percentage Contributed
Public Safety Logan	2001	$ 109	100%
	2002	78	100
	2003	132	100
	2004	221	100
	2005	271	100
	2006	366	100
	2007	508	100
	2008	578	100
	2009	715	100
	2010	747	100
Public Safety Bountiful	2001	$ 320	100%
	2002	291	100
	2003	298	100
	2004	310	100
	2005	339	100
	2006	327	100
	2007	373	100
	2008	437	100
	2009	434	100
	2010	485	100
Public Safety Other Division B (without Social Security)	2001	$ 3,761	100%
	2002	3,738	100
	2003	4,216	100
	2004	5,333	100
	2005	6,168	100
	2006	7,051	100
	2007	7,990	100
	2008	9,465	100
	2009	10,454	100
	2010	10,830	100
Total Public Safety Retirement System	2001	$ 46,113	100%
	2002	42,264	100
	2003	46,655	100
	2004	56,319	100
	2005	61,326	100
	2006	70,466	100
	2007	81,166	100
	2008	93,899	100
	2009	98,729	100
	2010	103,586	100

Firefighters Retirement System

Schedules of Fiduciary Net Assets — Pension Trust Fund by Division

December 31, 2010
With Comparative Totals for December 31, 2009

(in thousands)

	Division A (with Social Security)	Division B (without Social Security)	Total All Divisions 2010	Total All Divisions 2009
Assets:				
Cash	$ 1	1	2	2
Receivables:				
Member contributions	107	525	632	489
Fire insurance tax	12	—	12	10,161
Investments	3,548	21,550	25,098	10,994
Total receivables	3,667	22,075	25,742	21,644
Investments at fair value:				
Short term securities, domestic	5,588	33,938	39,526	30,076
Short term securities, international	136	824	960	478
Debt securities, domestic	19,098	115,994	135,092	142,046
Debt securities, international	4,776	29,006	33,782	29,742
Equity investments, domestic	25,773	156,537	182,310	169,976
Equity investments, international	14,977	90,964	105,941	99,985
Absolute return	17,000	103,250	120,250	91,631
Private equity	9,966	60,531	70,497	53,609
Real estate	16,383	99,502	115,885	106,360
Mortgage loans	37	225	262	260
Total investments	113,734	690,771	804,505	724,163
Invested securities lending collateral	6,810	41,360	48,170	54,652
Property and equipment at cost, net of accumulated depreciation	5	28	33	13
Total assets	124,217	754,235	878,452	800,474
Liabilities:				
Securities lending collateral liability	6,810	41,360	48,170	54,652
Disbursements in excess of cash balance	65	393	458	751
Compensated absences, post employment benefits and insurance reserve	90	547	637	578
Investment accounts payable	4,970	30,185	35,155	21,062
Real estate liabilities	5,340	32,432	37,772	41,212
Total liabilities	17,275	104,917	122,192	118,255
Net assets held in trust for pension benefits	$106,942	649,318	756,260	682,219

Firefighters Retirement System

Schedules of Changes in Fiduciary Net Assets — Pension Trust Fund by Division

December 31, 2010
With Comparative Totals for December 31, 2009

(in thousands)

	Division A (with Social Security)	Division B (without Social Security)	Total All Divisions 2010	Total All Divisions 2009
Additions:				
Contributions:				
Member	$ 3,945	10,167	14,112	11,273
Employer	238	—	238	—
Fire insurance tax	2,792	7,885	10,677	16,159
Total contributions	6,975	18,052	25,027	27,432
Investment income:				
Net appreciation in fair value of investments	9,833	63,867	73,700	63,615
Interest, dividends and other investment income	2,290	14,871	17,161	17,542
Total income from investment activity	12,123	78,738	90,861	81,157
Less investment expenses	251	1,631	1,882	1,619
Net income from investment activity	11,872	77,107	88,979	79,538
Income from security lending activity	19	124	143	273
Net investment income	11,891	77,231	89,122	79,811
Transfers from affiliated systems	440	1,344	1,784	1,173
Total additions	19,306	96,627	115,933	108,416
Deductions:				
Retirement benefits	3,059	29,428	32,487	30,097
Cost of living benefits	569	7,673	8,242	7,792
Supplemental retirement benefits	17	384	401	422
Refunds	96	305	401	231
Administrative expenses	50	311	361	354
Total deductions	3,791	38,101	41,892	38,896
Increase from operations	15,515	58,526	74,041	69,520
Net assets held in trust for pension benefits beginning of year	91,427	590,792	682,219	612,699
Net assets held in trust for pension benefits end of year	$106,942	649,318	756,260	682,219

Firefighters Retirement System

Schedules of Funding Progress by Division

(dollars in thousands)

Division	Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Unfunded AAL (UAAL) (2)-(1)	(4) Funded Ratios (1)/(2)	(5) Annual Covered Payroll	(6) UAAL as a % of Covered Payroll (3)/(5)
Firefighters Division A (with Social Security)	1/01/02	$ 54,345	46,108	(8,237)	117.9%	$ 12,070	(68.2)
	1/01/03	55,202	51,170	(4,032)	107.9	13,423	(30.0)
	1/01/04	60,889	56,399	(4,490)	108.0	14,524	(30.9)
	1/01/05	65,260	62,802	(2,458)	103.9	15,490	(15.9)
	1/01/06	72,396	73,109	713	99.0	18,344	3.9
	1/01/07	82,969	81,160	(1,809)	102.2	20,076	(9.0)
	1/01/08	96,207	94,414	(1,793)	101.9	22,589	(7.9)
	1/01/09	97,806	104,568	6,762	93.5	24,641	27.4
	1/01/10	106,035	115,687	9,652	91.7	27,318	35.3
	12/31/10	113,256	127,821	14,565	88.6	27,378	53.2
Firefighters Division B (without Social Security)	1/01/02	$514,806	445,166	(69,640)	115.6%	$ 55,122	(126.3)
	1/01/03	498,387	469,994	(28,393)	106.0	57,931	(49.0)
	1/01/04	528,613	492,979	(35,634)	107.2	61,095	(58.3)
	1/01/05	545,428	516,089	(29,339)	105.7	64,148	(45.7)
	1/01/06	572,100	541,250	(30,850)	105.7	65,717	(46.9)
	1/01/07	622,082	562,605	(59,477)	110.6	68,606	(86.7)
	1/01/08	691,456	638,415	(53,041)	108.3	73,178	(72.5)
	1/01/09	668,065	672,054	3,989	99.4	77,611	5.1
	1/01/10	696,541	718,157	21,616	97.0	80,307	26.9
	12/31/10	696,960	755,814	58,854	92.2	77,897	75.6
Total Firefighters Retirement System	1/01/02	$569,151	491,274	(77,877)	115.9%	$ 67,192	(115.9)
	1/01/03	553,589	521,164	(32,425)	106.2	71,354	(45.4)
	1/01/04	589,502	549,378	(40,124)	107.3	75,619	(53.1)
	1/01/05	610,688	578,891	(31,797)	105.5	79,638	(39.9)
	1/01/06	644,496	614,359	(30,137)	104.9	84,061	(35.9)
	1/01/07	705,051	643,765	(61,286)	109.5	88,682	(69.1)
	1/01/08	787,663	732,829	(54,834)	107.5	95,767	(57.3)
	1/01/09	765,871	776,622	10,751	98.6	102,252	10.5
	1/01/10	802,576	833,844	31,268	96.3	107,625	29.1
	12/31/10	810,216	883,635	73,419	91.7	105,275	69.7

Firefighters Retirement System

Schedules of Employer Contributions by Division

(dollars in thousands)

Division	Year Ended	Employer Contributions: Annual Required Contributions	Employer Contributions: Percentage Contributed
Firefighters Division A (with Social Security)	2001	$ 1,489	100%
	2002	1,791	100
	2003	1,748	100
	2004	1,687	100
	2005	2,098	100
	2006	2,153	100
	2007	3,241	100
	2008	2,471	100
	2009	2,579	100
	2010	3,030	100
Firefighters Division B (without Social Security)	2001	$ 6,865	100%
	2002	7,663	100
	2003	7,311	100
	2004	6,972	100
	2005	7,503	100
	2006	7,365	100
	2007	10,556	100
	2008	7,748	100
	2009	13,580	100
	2010	7,885	100
Total Firefighters Retirement System	2001	$ 8,354	100%
	2002	9,454	100
	2003	9,059	100
	2004	8,659	100
	2005	9,601	100
	2006	9,518	100
	2007	13,797	100
	2008	10,219	100
	2009	16,159	100
	2010	10,915	100

Utah Retirement Systems

Schedules of Administrative and Investment Expenses

Year Ended December 31, 2010

(in thousands)

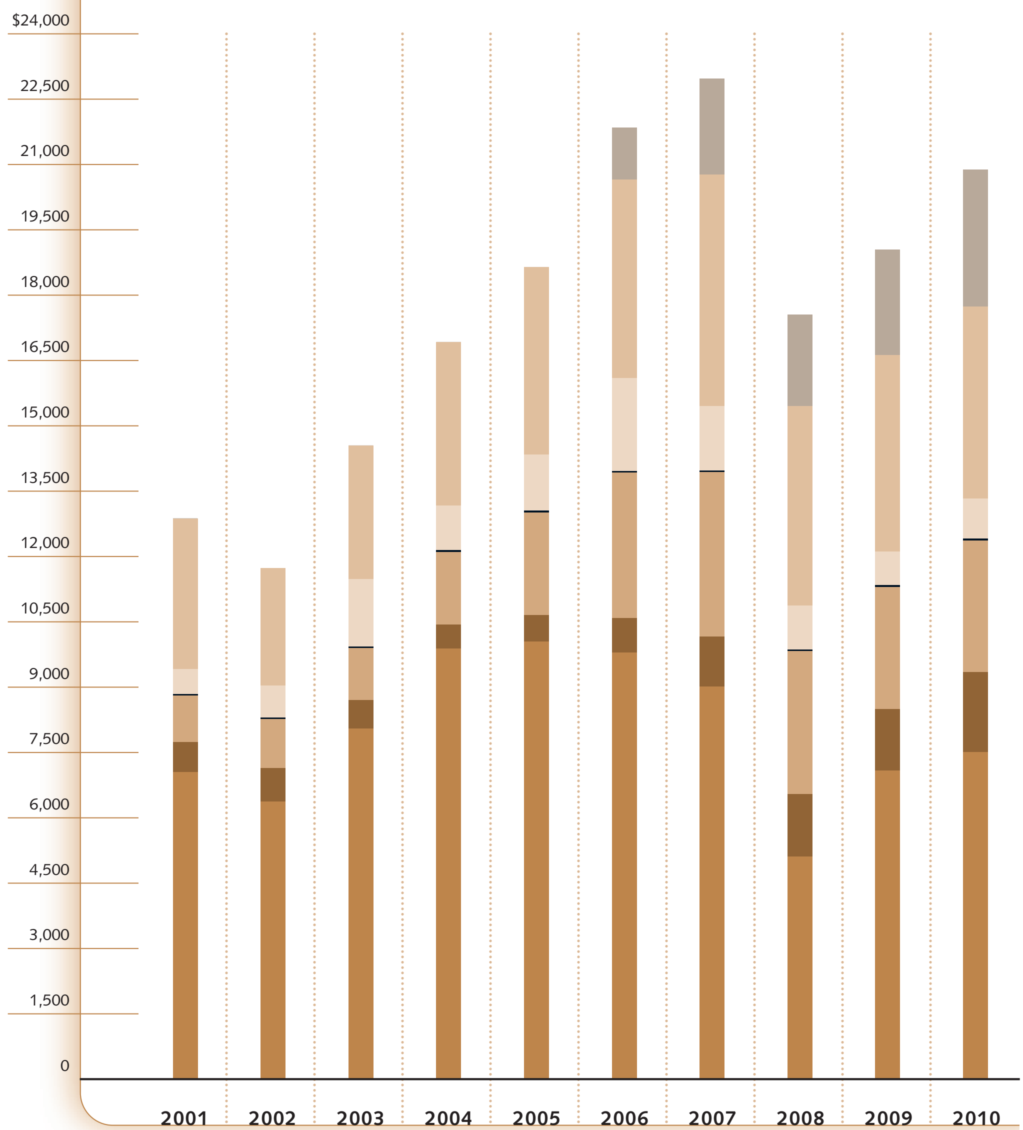
	Total
Personal services:	
Salaries and wages	$ 8,346
Employee benefits	3,862
Total personal services	12,208
Professional services:	
Audit	201
Actuarial services	355
General counsel	1,638
Banking services	68
Security handling expense	1,146
Investment advisor fees	46,423
Other consulting services	1,842
Total professional services	51,673
Communications:	
Telephone	486
Postage	826
Other	4
Total communications	1,316
Rentals:	
Office space	982
Total rentals	982
Miscellaneous:	
Data processing	1,356
Professional development	400
Contractual services	514
Supplies and maintenance	291
Insurance and bonding premiums	472
Subscription expense	16
Office supplies	344
Other	360
Depreciation expense	504
Total miscellaneous	4,257
Total administrative and investment expenses	$70,436
Allocation of administrative expenses:	
Noncontributory Retirement System	$ 8,389
Contributory Retirement System	535
Public Safety Retirement System	1,146
Firefighters Retirement System	361
Judges Retirement System	69
Utah Governors and Legislators Retirement Plan	5
401(k) Plan	6,410
457 Plan	711
Roth IRA Plan	38
Traditional IRA Plan	55
Health Reimbursement Arrangement (HRA)	11
Total administrative expenses	17,730
Investment administrative expense	6,283
Investment advisor fees:	
Investment Fund	42,879
401(k) Plan	3,158
457 Plan	337
Roth IRA Plan	22
Traditional IRA Plan	27
Health Reimbursement Arrangement (HRA)	—
Total investment expenses	52,706
Total administrative and investment expense allocations	$70,436

Investment
SECTION

DEFINED BENEFIT INVESTMENTS

DEFINED CONTRIBUTION PLANS

10-Year Investment Comparison
(in millions)



(in millions)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Absolute Return	$ —	—	—	—	—	1,198	2,196	2,097	2,411	3,138
Debt Securities	3,463	2,698	3,062	3,754	4,301	4,558	5,315	4,578	4,521	4,406
Short Term Securities	603	763	1,582	1,055	1,324	2,163	1,515	1,041	804	1,056
Mortgages	3	4	7	7	7	7	7	7	7	7
Real Estate	1,076	1,124	1,188	1,673	2,353	3,330	3,772	3,280	2,799	3,024
Private Equity	678	762	654	553	612	803	1,150	1,442	1,411	1,840
Equities	7,068	6,394	8,070	9,896	10,061	9,804	9,029	5,120	7,104	7,521
Totals	$12,891	11,745	14,563	16,938	18,658	21,863	22,984	17,565	19,057	20,992

Defined Benefit Investments

Report on Investment Activity

9.8UTAH STATE RETIREMENT BOARD
UTAH RETIREMENT SYSTEMS
540 East 200 South
Salt Lake City, Utah 84102-2044
801-366-7700
800-365-8772 TOLL FREE
801-366-7734 FAX

ROBERT V. NEWMAN
EXECUTIVE DIRECTOR

April 12, 2011

Utah State Retirement Board
540 East 200 South
Salt Lake City, UT 84102-2044

Dear Members of the Utah Retirement Systems:

The 2010 economy was expected to slow the second half of the year, due to the fading fiscal and monetary stimulus and the peaking of the inventory cycle. However, the economy produced a strong fourth quarter of 3.2%. This was mainly due to the passage of the tax compromise (which may have borrowed from future growth years), the pickup in personal consumption, the growth in exports, and the decline in imports.

The passage of the tax compromise extending the Bush tax cuts along with the payroll tax cut added additional stimulus to the economy. Consumption grew by 4.4% during the fourth quarter on the back of a 21.6% increase in durable goods spending. Exports increased 8.5% and imports decreased by 13.6%. For the year, the economy grew 2.9% as contrasted to a decline of 2.6% for 2009.

Although this is good news, the specters of a weak housing market, high unemployment of about 9.5%, and a weak dollar cast some uncertainty as to the sustainability of the recovery going forward. Banks need to extend more credit in order to strengthen the housing market and the economy needs to generate approximately 100,000 net new jobs each month to accommodate the growth in the labor force and to impact the unemployment rate. However, for now, the Institute of Supply Management's index of manufacturing activity has remained solidly above 50, which indicates expansion versus contraction (a number below 50). Economic credit spreads also remain quiet with the Baa to AAA bond spreads still hovering at about 1%. A spread increasing denotes recessionary activity, whereas a decrease denotes economic expansion. There also appears to be no significant inflation expectations in the near term. Is this the calm before the storm or are we beginning a new round of solid economic activity? Only time will tell.

Domestic equity markets turned in a second year of positive performance with the S&P 500 returning 15.06% versus last year's number of 26.47%. The international market as measured by the Europe Australia Asia Far East index ("EAFE") faired worse returning 7.75% versus 31.78% for the previous year. Emerging Markets as measured by the Morgan Stanley Capital International ("MSCI") Emerging Markets Free-Unhedged Index returned 19.2% versus an impressive 79% for the previous year. Bonds, as measured by the Barclays Global Aggregate, returned 6.54%. Private real estate bounced back from the previous year, returning 13.11% compared to a decline of a year ago of 16.86%, as measured by the National Council of Real Estate Investment Fiduciaries ("NCREIF") and public real estate, as measured by the National Association of Real Estate Investment Trusts ("NAREIT") also did well returning 27.95%, virtually the same as the previous year's 27.99%.

The Utah Retirement Systems ("Systems") primary objective is to protect as much as possible in down markets. Although the Systems will lose money in down

Defined Benefit Investments
Investment Highlights *(Continued)*

markets it expects to lose less than most of its peers because of how the portfolio is structured. By losing less money in down markets, the compounding effect going forward is much greater thus producing more wealth to the portfolio. However, positioning the portfolio to protect in down markets will also cause the portfolio to underperform in up markets. The increased diversification lowers the return somewhat. We believe that is the best model to meet the obligations of the Systems and protect the participants' benefits.

The year 2010 was a very good year for The Utah Retirement Systems ("Systems"). The Systems posted a second positive double digit return. Our return of 13.73% exceeded our benchmark return for the portfolio of 13.54%. The Systems' one-year return of 13.73% was better than last year's return of 12.88%. The three-year rate of return was 0% compared to last year's three-year rate of return of a negative 1.98%. The five-year return of 4.16% improved from the 3.41% reported for the previous year and the ten-year return of 5.35% increased as compared to last year's 4.24% number.

We continue to recover. Our asset allocation is diversified and solid and should meet our obligations in the long run. The System's funded ratio of about 82% continues to improve and still ranks as a top quartile public pension fund in the United States.

Bruce H. Cundick

Bruce H. Cundick, Chief Investment Officer

Defined Benefit Investments

Investment Highlights *(Continued)*

Outline of Investment Policies

The governing body of the Utah Retirement Systems (Systems) is the seven member Utah State Retirement Board (Board). The Board is composed of the Utah State Treasurer, who serves as an ex-officio member, and six trustees who are appointed by the Governor. Four board members are appointed for their investment expertise, and two members are appointed to represent employee and employer interests.

The Board has statutory authority to pool pension assets in the Utah Retirement Investment Fund (Fund). Statutes also establish that this Fund shall be invested in accordance with the "prudent person rule". The prudent person rule requires all members of the Board and investment staff to discharge their duties solely in the interest of Systems' participants and beneficiaries and with the care, skill, prudence and diligence which they would exercise in the conduct of their own affairs. To this end a Statement of Investment Policy and Performance Objectives has been created for the Fund and adopted by the Board. The purpose of this Statement is to:

- Outline the expected return and risk profile for the Fund;
- Establish the target asset allocation mix and acceptable rebalancing ranges;
- Describe plan and manager policies and objectives for performance evaluation;
- Communicate investment performance standards to investment managers.

The primary investment objectives are to preserve Fund assets and generate an appropriate level of risk-adjusted return to meet future pension obligations. The Systems periodically complete an asset allocation and

2010 Investment Summary

(dollars in thousands)

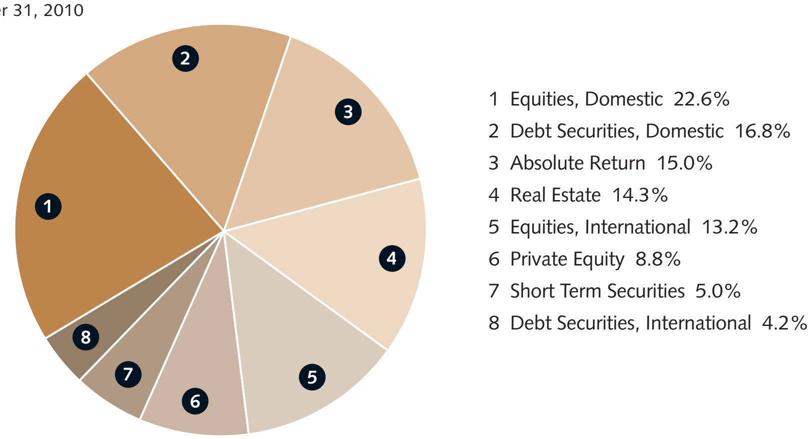
	2010 Beginning Fair Value	Purchases	Sales and Redemptions	Increase (Decrease) in Fair Value	2010 Ending Fair Value	Percent of Total Fair Value
Short term securities, domestic	$ 791,507	23,193,194	22,955,175	1,785	1,031,311	4.91%
Short term securities, international	12,593	13,644,897	13,638,898	6,462	25,054	0.12
Debt securities, domestic	3,738,145	11,777,402	12,061,095	70,449	3,524,901	16.79
Debt securities, international	782,717	1,416,173	1,325,648	8,212	881,454	4.21
Equities, domestic	4,473,180	2,778,381	2,873,196	378,588	4,756,953	22.66
Equities, international	2,631,259	1,984,139	2,135,047	283,916	2,764,267	13.17
Absolute return	2,411,419	1,957,371	1,517,164	285,973	3,137,599	14.95
Private equity	1,410,809	474,013	175,497	130,127	1,839,452	8.76
Real estate	2,799,042	312,411	181,022	93,298	3,023,729	14.40
Mortgage loans	6,844	—	—	1	6,845	0.03
Totals	$19,057,515	57,537,981	56,862,742	1,258,811	20,991,565	100.00%

Defined Benefit Investments

Investment Highlights *(Continued)*

Year-end Asset Allocation at Fair Value

December 31, 2010



December 31,	2005	2006	2007	2008	2009	2010
Equities, domestic	34.2%	29.3	26.0	18.5	23.5	22.6
Equities, international	19.7	15.5	13.1	10.7	13.8	13.2
Debt securities, domestic	18.5	16.6	20.8	22.5	19.6	16.8
Debt securities, international	4.6	4.3	2.5	3.6	4.1	4.2
Private equity	3.3	3.7	5.0	8.2	7.4	8.8
Real estate	12.6	15.2	16.4	18.7	14.7	14.4
Short term securities	7.1	9.9	6.6	5.9	4.2	5.0
Absolute return	—	5.5	9.6	11.9	12.7	15.0
Total portfolio	100.0%	100.0	100.0	100.0	100.0	100.0

liability study to determine the optimal portfolio diversification to meet those obligations.

The Systems' investment portfolio includes strategic, long term commitments in the following asset classes: Domestic Equities, Domestic Debt Securities, International Equities, International Debt Securities, Real Estate, Private Equity, and Absolute Return. Asset allocation is reviewed in conjunction with the plan liabilities at least every five years.

The Board's policy is to establish a long-term strategic asset allocation that manages overall expected portfolio risk (volatility) and maximizes expected return without unduly constraining the discretionary, tactical decision-making process of the investment managers.

To implement the asset allocation plan, the Executive Director, supported by the Board, staff and consultant, selects appropriate money management experts to invest the Fund assets. This selection process includes the creation of specific search criteria, completion and documentation of analysis and due diligence on potential candidates, and interviews completed by the staff and/or Board. It is not the staff or Board's intention to be involved with the day-to-day decisions made by external investment managers. Internal investment staff also manage segments of the portfolio.

All managers must acknowledge a co-fiduciary status to the Fund. All managers are expected to communicate with the staff at least quarterly.

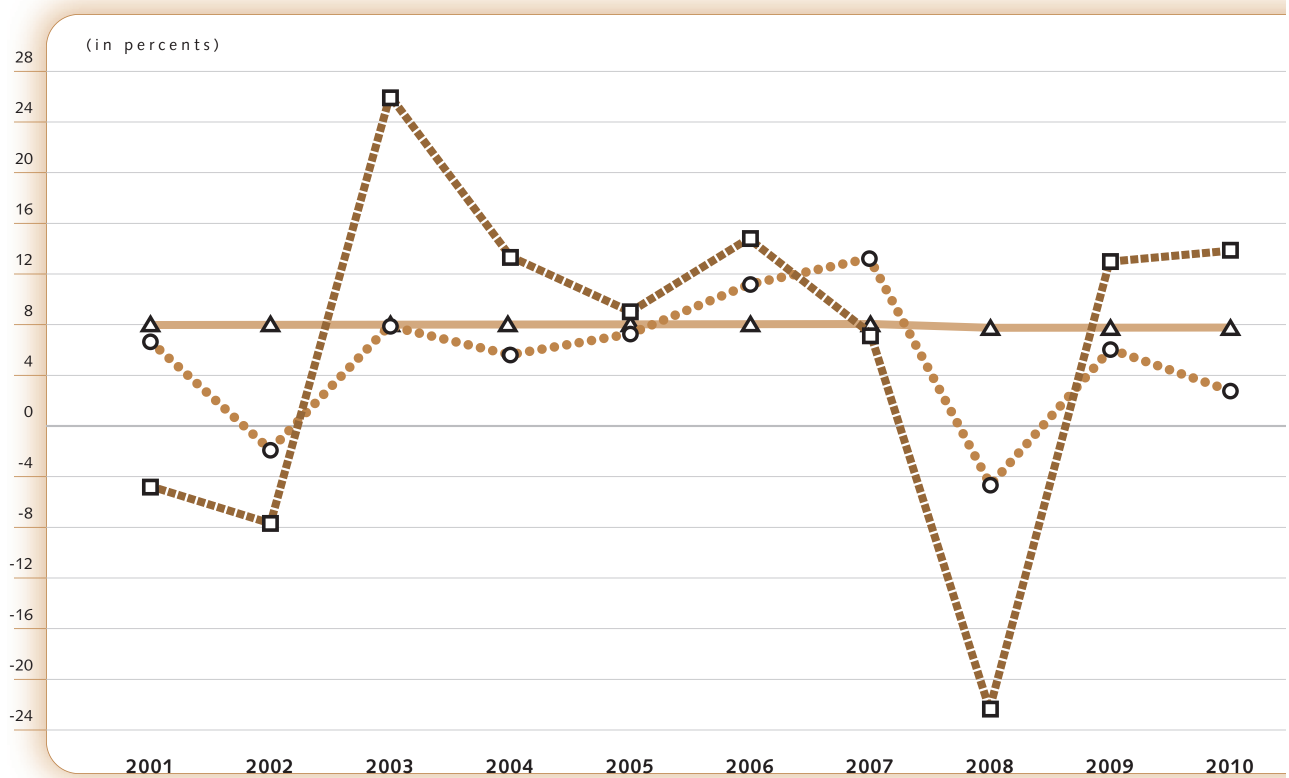
Managers' portfolios are evaluated both against appropriate market indices and similar manager style groups. The investment policy outlines appropriate benchmarks.

Investment return calculations are prepared using a time-weighted rate of return.

Defined Benefit Investments

Investment Highlights *(Continued)*

Ten-Year Total Pension Investment Rates of Return



(dollars in millions)

	Total Investment Portfolio Fair Value	(1) Smooth Expected Rate of Return	(2) Fair Value Rate of Return	(3) Actuarial Assumed Interest Rate
2001	$12,892	6.80%	(4.99)%	8.00%
2002	11,745	(1.54)	(7.54)	8.00
2003	14,563	8.01	26.00	8.00
3004	16,937	5.32	13.24	8.00
2005	18,657	7.36	8.96	8.00
2006	21,861	11.10	14.77	8.00
2007	22,979	13.04	7.15	8.00
2008	17,565	(5.03)	(22.30)	7.75
2009	19,058	6.11	12.88	7.75
2010	21,134	2.87	13.73	7.75

(1) ***Smoothed Expected Rate of Return*** *consists of investment income in excess or shortfall of the expected 7.75% on fair value smoothed over a five-year period with 20% of a year's excess or shortfall being recognized each year beginning with the current year.*

(2) ***Fair Value Rate of Return*** *consists of cash income plus gains and losses due to changes in fair value, whether realized or unrealized (before deduction of investment fees). (For 2010, 13.54% net of fees.)*

(3) ***Actuarial Assumed Interest Rate*** *is the assumed rate of return on the fair value of assets, and is used in establishing retirement contribution rates and in determining current benefit reserve requirements.*

Defined Benefit Investments

Investment Highlights *(Continued)*

Comparative Investment Results(1)(2)(3)

Year Ended December 31, 2010

Investment Option Comparative Index	1 Year	3 Year	5 Year	10 Year
Domestic Equity	**18.36%**	**(1.49)%**	**2.46%**	**3.77%**
Russell 3000 Index	16.93	(2.01)	2.74	2.16
International Equity	**13.84**	**(1.98)**	**5.68**	**7.17**
International Equity Benchmark	10.81	(5.29)	4.18	5.38
Benchmark consisting of: 75% MSCI EAFE Index 15% MSCI Emerging Markets Index 10% Citigroup Extended Markets Index World ex-US				
Domestic Debt Securities	**9.65**	**7.35**	**6.43**	**5.71**
Barclays Capital Aggregate Index	6.54	5.90	5.80	5.83
International Debt Securities	**5.73**	**4.39**	**6.24**	**7.07**
Intl / Global Aggregate Index	5.54	5.75	6.66	6.78
Real Estate	**14.68**	**(11.98)**	**(0.40)**	**5.48**
Real Estate Benchmark	15.37	(2.37)	4.38	8.24
Benchmark consisting of: 85% NCREIF Real Estate Index 15% NAREIT Index				
Private Equity	**14.57**	**1.20**	**9.75**	**5.40**
Private Equity Benchmark	20.26	1.31	6.04	11.59
Benchmark consisting of: 89% Russell 3000 Index + 3.5% 11% Russell 3000 Index + 2.0%				
Absolute Return	**11.18**	**4.21**	**2.12**	**NA***
Treasury Bills + 5%	5.13	5.79	7.43	NA*
Short Term	**0.21**	**1.07**	**2.71**	**2.98**
3 Month Treasury Bills	0.13	0.79	2.43	2.38
Total Fund	**13.73**	**(0.14)**	**4.16**	**5.35**
Fund Benchmark	13.54	(0.31)	3.95	5.16
Benchmark consisting of: 23.0% Russell 3000 Index 18.0% 3 Month Treasury Bills + 5% 16.0% Barclays Capital Aggregate 11.1% NCREIF Total Index 10.5% MSCI EAFE Index 8.0% Russell 3000 Index + 3.5% 4.0% Barclays Capital Global Aggregate Index 3.0% MSCI World Index 2.0% MSCI Emerging Markets Index 2.0% NAREIT Index 1.4% S&P Dev ex US Small Cap 1.0% Russell 3000 Index + 2%				
CAI Public Fund — Large Database Medium	13.17	0.24	4.50	5.10
Inflation	**1.68**	**1.51**	**2.26**	**2.35**

(1) Investment measurement services provided by Callan Associates Inc.

(2) Total rates of return include cash income plus gains and losses due to changes in fair value, whether realized or unrealized.

(3) Investment return calculations were prepared using a time-weighted return.

**Not available.*

Defined Benefit Investments
Investment Highlights *(Continued)*

List of Largest Assets Held

December 31, 2010

Largest Equity Holdings

(By Fair Value)

Description	Shares	Fair Value
Apple Inc.	211,818	$68,324,014
Exxon Mobil Corp.	877,317	64,149,419
JP Morgan Chase & Co.	1,086,969	46,109,225
Schlumberger Ltd.	552,101	46,100,434
Nestle	767,763	45,097,119
Oracle Corp.	1,359,211	42,543,304
Chevron Corp.	451,500	41,199,375
Wells Fargo & Co.	1,276,500	39,558,735
Microsoft Corp.	1,402,620	39,161,150
Google Inc.	65,141	38,691,800

Largest Debt Securities Holdings

(By Fair Value)

Description	Par Value	Fair Value
FNMA Single Family Mortgage 4% 30 Years Settles January	$115,300,000	$114,687,526
US Treasury Notes 2.25% DTD 00322 Due 11/30/2017 Reg	52,300,000	50,857,671
FNMA Single Family Mortgage 4.5% 30 Years Settles January	47,100,000	48,343,723
US Treasury Security Strip Interest Pmt 2/15/2015 (UnDate) Reg	49,900,000	46,529,754
US Treasury Notes NT INDX LKD 04/15/2015	43,511,700	44,885,438
GNMA II Jumbos 4% 30 Years Settles January	36,665,000	36,877,254
FNMA 30 Year Pass-Throughs 6% 30 Years Settles January	33,400,000	36,301,625
FNMA Single Family Mortgage 3.5% 15 Years Settles January	33,400,000	33,629,625
GNMA II Jumbos 5.5% 30 Years Settles January	30,500,000	32,816,323
US Treasury Bonds 7.25% 15/8/2022 USD 1000 7.25% Due 8/15/2022	21,460,000	29,011,238

Schedules of Fees and Commissions

Year Ended December 31, 2010

Broker Commission Fees

Broker	Total Commission Fees
Jefferies & Company	$ 821,172
Instinet Corporation	773,160
Merrill Lynch & Co.	473,776
Investment Technology Group (ITG)	350,497
Weeden & Company	321,168
Barclays Capital	220,795
Credit Suisse	199,184
Goldman Sachs & Company	157,817
Deutsche Bank Securities, Inc.	145,817
Citigroup Global Markets	133,981
UBS AG	122,180
Morgan Stanley & Co.	110,838
JP Morgan Securities	102,359
Liquidnet	100,053
Nomura Securities	83,781
Societe Generale	82,945
Bear Stearns & Company	80,975
Citation Group Inc.	75,506
HSBC Bank	72,645
Cheuvreux de Virieu Paris	68,021
Macquarie Securities	59,045
Bank of New York ESI Securities	55,699
Stifel, Nicolaus & Company	52,197
Investment Technology Group, Inc. (ITC)	51,430
Sanford C Bernstein & Company	49,865
All others	1,028,895
Total	$5,793,801

Schedule of Investment Fees and Commissions

Investment advisor fees:	
Equity securities, domestic	$ 5,788,858
Equity securities, international	18,278,497
Debt securities, domestic	8,999,735
Debt securities, international	2,008,565
Private equity	4,018,388
Real estate	1,085,934
Absolute return	2,699,023
Total investment advisor fees	42,879,000
Investment brokerage fees	5,793,801
Total fees and commissions	$48,672,801

Utah Retirement Systems uses a commission recapture program as part of its trading strategies. During the year ending December 31, 2010, Utah Retirement Systems recaptured approximately $459,000 from the gross commission charges. This sum was used to fund almost $400,000 in investment expenses that otherwise would have been paid for with investment funds.

Defined Benefit Investments

Investment Highlights *(Continued)*

Investment Professionals

Abbott Capital
Management, LLC
1211 Avenue of the Americas
Suite 4300
New York, NY 10036

AEW Capital
Management L.P.
World Trade Center East
Two Seaport Lane
Boston, MA 02110-2021

BlackRock Asset
Management
40 East 52nd Street
New York, NY 10022

Black Rock Realty Advisors
One Boston Place
32nd Floor
Boston, MA 02108

BNA Realty Advisors
2915 Baseline Road
Gilbert, AZ 85123

Brandes Investment
Partners L.P.
11988 El Camino Real
Suite 500
San Diego, CA 92130

Capital Guardian Trust Co.
135 South State College Blvd.
Brea, CA 92821

Capital International
333 South Hope Street
Los Angeles, CA 90071

CB Richard Ellis Investors
515 South Flower Street
31st Floor
Los Angeles, CA 90071

Cornerstone Real Estate
Advisors LLC
1 Financial Plaza
Suite 1700
Hartford, CT 06103-2604

Cottonwood Partners
2855 E. Cottonwood
Parkway
Suite 560
Salt Lake City, UT 84121

Credit Suisse
11 Madison Avenue
16th Floor
New York, NY 10010

Dimensional Fund
Advisors, Inc.
1299 Ocean Avenue
11th Floor
Santa Monica, CA 90401

European Investors, Inc.
717 Fifth Avenue
New York, NY 10022

Founders Properties, LLC
10350 Bren Road West
Hopkins, MN 55343-9014

Goldman, Sachs & Co./
Whitehall
85 Broad Street
New York, NY 10004

Grantham, Mayo,
VanOtterloo & Co., LLC
40 Rowes Wharf
Boston, MA 02110

Gryphon International
Investment Corp.
20 Bay Street
Toronto, Ontario M5J 2N8
Canada

Hancock Timber
Resources Group
99 High Street
Boston, MA 02110

Hart Realty Advisors, Inc.
One Mill Pond Lane
Simsbury, CT 06070

Henderson Global Investors
One Financial Plaza
Hartford, CT 06103

International Value Advisors
645 Madison Avenue
12th Floor
New York, NY 10022

Jennison Associates, LLC
466 Lexington Avenue
New York, NY 10017

JP Morgan Fleming Asset
Management
227 West Monroe
Chicago, IL 60606

Lazard Freres & Co., LLC
30 Rockefeller Plaza
New York, NY 10020

Longview Partners LP
Thames Court
1 Queenhithe
London EC4V 3RL
United Kingdom

Lord Abbett
90 Hudson Street
Jersey City, NJ 07302

Marathon Asset Management
Orion House
5 Upper St. Martin's Lane
London WC2H 9EA
United Kingdom

Mazama Capital
One SW Columbia Street
Suite 1500
Portland, OR 97258

Mondrian Investment
Partners Limited
10 Gresham Street
Fifth Floor
London ECZV 7JD
United Kingdom

Morgan Stanley
Asset Management
1221 Avenue of the Americas
5th Floor
New York, NY 10020

Pathway Capital
Management, LLC
2211 Michelson Drive
Irvine, CA 92612

Portfolio Advisors
9 Old Kings Highway
South Darien, CT 06820

Rexiter
80 Cannon St.
London EC4N 6HL
United Kingdom

Sasco Capital
10 Sasco Hill Road
Fairfield, CT 06824

Schneider Capital
Management
460 East Swedesford Road
Suite 1080
Wayne, PA 19087

Silchester International
Investors, Inc.
780 Third Avenue
42 Floor
New York, NY 10017

The Praedium Group LLC
825 Third Avenue
36th Floor
New York, NY 10022

Torchlight Investors
230 Park Avenue
New York, NY 10169

USAA Real Estate Company
9830 Colonnade Blvd.
Suite 600
San Antonio, TX 78230

Waddell & Reed Asset
Management Group
6300 Lamar Avenue
Shawnee Mission, KS 66201

Wasatch Advisors, Inc.
150 Social Hall Avenue
Suite 400
Salt Lake City, UT 84111

Western Asset
Management Co.
385 East Colorado Blvd.
Suite 1000
Pasadena, CA 91101

Utah Retirement Systems Consultants

Albourne America LLC
655 Montgomery Street
San Francisco, CA 94111

Callan Associates Inc.
101 California Street
Suite 3500
San Francisco, CA 94111

Russell Implementation
Services, Inc.
909 A Street
Tacoma, WA 98402

The Northern Trust
Company
50 South LaSalle Street
Chicago, IL 60675

Defined Contribution Investment Plans

Investment Highlights

Utah Retirement Systems' 401(k), 457, Roth and Traditional IRA Plans are tax-advantaged retirement savings programs authorized under sections 401(k), 457(b) and 408 of the Internal Revenue Code. These plans are available to employees of the state, local government and public education employers throughout Utah.

The participants of the plans have a choice of eleven core investment funds and a brokerage window in which their monies may be invested. Each participant may choose one or a combination of the core funds. The nearby table shows the total investments in the various investment options. The asset graph above it shows the asset distribution at December 31, 2010.

Investment and Administrative Expenses

There are no front-end load, redemption, or other hidden fees associated with these plans. All costs reflected in the table below are deducted from earnings prior to posting to participant accounts and do not appear as separate items on participant statements.

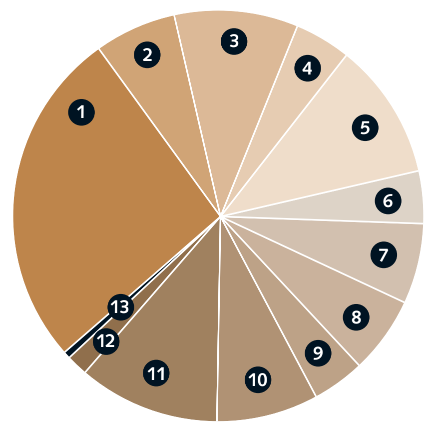
The administrative fee for the brokerage window account is a flat rate of $25 per quarter. Investment fees and broker commissions are paid by the participant according to the trading and securities selected within the brokerage window.

By administering the defined contribution plans internally rather than through a third party, expenses are kept at very low levels to maximize earnings to each participant. The table on page 112 shows these expenses to be nominal when compared to much higher fees on most annuities, mutual funds and insurance contracts.

An annual account maintenance fee of $15 is assessed to inactive accounts with combined 401(k), 457,

Defined Contribution Plans Investments

December 31, 2010



1 Income Fund (26.52%)
2 Bond Fund (6.49%)
3 Balanced Fund (9.57%)
4 Large Cap Stock Value Fund (4.52%)
5 Large Cap Stock Index Fund (10.82%)
6 Large Cap Stock Growth Fund (4.37%)
7 International Fund (6.16%)
8 Small Cap Stock Fund (6.12%)
9 Short Horizon Fund (4.39%)
10 Medium Horizon Fund (7.86%)
11 Long Horizon Fund (11.13%)
12 Brokerage Window (1.89%)
13 HRA Fund (0.16%)

(in thousands)

Investment Options	Total
Income Fund	$ 844,225
Bond Fund	206,655
Balanced Fund	304,577
Large Cap Stock Value Fund	143,860
Large Cap Stock Index Fund	344,391
Large Cap Stock Growth Fund	139,062
International Fund	196,146
Small Cap Stock Fund	194,676
Short Horizon Fund	139,725
Medium Horizon Fund	250,289
Long Horizon Fund	354,175
Brokerage Window	60,164
HRA Fund	5,389
Totals	$3,183,334

Defined Contribution Plans Investments
Investment Highlights *(Continued)*

Roth and Traditional IRA Plan balances of less than $5,000. There may also be special service fees for loans and short term trading.

The investments described are not FDIC insured; not deposits or obligations of, or guaranteed by, any financial institution; and not guaranteed by the Utah Retirement Systems or any government agency.

The past performance of any of these funds does not guarantee future results.

Utah Retirement Systems' employees are not registered securities advisors. They cannot offer investment advice or make recommendations. Because the participants make the investment decisions about their accounts, the plans' sponsor, trustees, and others associated with the investments may be relieved of liability for investment performance.

2010 Investment Summary and Investment and Administrative Fees

(dollars in thousands)

Fund	2010 Beginning Fair Value	Purchases	Sales and Redemptions	Increase (Decrease) in Fair Value	2010 Ending Fair Value	Percent of Total Fair Value	Investment Fees	Administrative Fees	Total Fees
Income Fund	$ 866,992	56,846	84,130	4,517	844,225	26.52%	0.21%	0.23%	0.44%
Bond Fund	161,089	64,243	27,080	8,403	206,655	6.49	0.12	0.23	0.35
Balanced Fund	284,973	14,770	21,760	26,594	304,577	9.57	0.27	0.23	0.50
Large Cap Stock Value Fund	127,561	17,208	16,826	15,917	143,860	4.52	0.42	0.23	0.65
Large Cap Stock Index Fund	307,389	13,272	17,342	41,072	344,391	10.82	0.03	0.23	0.26
Large Cap Stock Growth Fund	127,289	13,098	15,434	14,109	139,062	4.37	0.29	0.23	0.52
International Fund	193,191	11,271	22,347	14,031	196,146	6.16	0.34	0.23	0.57
Small Cap Stock Fund	134,216	40,459	18,589	38,590	194,676	6.12	0.41	0.23	0.64
Short Horizon Fund	117,054	28,885	15,340	9,126	139,725	4.39	0.19	0.23	0.42
Medium Horizon Fund	200,916	35,660	7,499	21,212	250,289	7.86	0.21	0.23	0.44
Long Horizon Fund	296,022	30,891	9,442	36,704	354,175	11.13	0.23	0.23	0.46
Brokerage Window	45,529	14,452	2,581	2,764	60,164	1.89	NA	0.23	0.23
HRA Fund	2,994	3,383	987	—	5,389	0.16	0.37	0.23	0.60
Totals	$2,865,215	344,438	259,363	233,039	3,183,334	100.00%			

Defined Contribution Plans Investments

Investment Highlights *(Continued)*

Defined Contribution Plans
Comparative Annualized Rates of Return

Year Ended December 31, 2010

Investment Option Comparative Index	1 Year	Annualized 3 Year	 5 Year	 10 Year
Income Fund	**2.04%**	**3.08%**	**3.82%**	**4.27%**
Treasury Bills Index	0.13	0.79	2.43	2.38
Bond Fund	**7.42**	**7.77**	**6.66**	**6.47**
Barclays Capital Aggregate Bond Index	6.54	5.90	5.80	5.83
Balanced Fund	**10.97**	**1.76**	**4.02**	**4.83**
Balanced Index (1)	12.19	1.37	4.21	3.69
Large Cap Stock Value Fund	**13.35**	**(5.60)**	**(0.08)**	**5.24**
Russell 1000 Value Index	15.51	(4.42)	1.28	3.26
Large Cap Stock Index Fund	**14.79**	**(3.01)**	**2.10**	**1.19**
S&P 500 Index	15.06	(2.85)	2.29	1.41
Large Cap Stock Growth Fund	**12.50**	**(1.33)**	**2.59**	**(0.52)**
Russell 1000 Growth Index	16.71	(0.47)	3.75	0.02
International Fund	**9.09**	**(5.87)**	**1.80**	**3.61**
MSCI EAFE Index	7.75	(7.02)	2.46	3.50
Small Cap Stock Fund	**30.42**	**4.19**	**4.95**	**8.13**
Russell 2000 Index	26.85	2.22	4.47	6.33
Short Horizon Fund	**8.95**	**4.79**	**5.35**	**5.46**
Short Horizon Index (2)	8.42	3.10	4.74	4.79
Medium Horizon Fund*	**11.71**	**2.35**	**4.65**	**5.01**
Medium Horizon Index (3)	11.31	1.58	4.66	4.60
Long Horizon Fund	**13.56**	**(0.44)**	**3.48**	**4.22**
Long Horizon Index (4)	13.09	(1.00)	3.76	3.79
HRA Fund	**0.00**	**0.54**	**2.18**	**NA***
Treasury Bills Index	0.21	2.40	3.02	2.99

Past performance does not guarantee future results.

All fund returns are reported net of investment management fees and administrative fees. All returns for periods greater than one year are annualized.

Investment return calculations were prepared using a time-weighted return. Comparative indexes below reflect current asset allocation targets.

(1) Balanced Index: 60% S&P 500 Index, 40% Barclays Capital Aggregate Bond Index

(2) Short Horizon Index: 15% Treasury Bills, 55% BC Aggregate Bond, 15% S&P 500, 10% MSCI EAFE, 5% Russell 2000

(3) Medium Horizon Index: 45% BC Aggregate Bond, 35% S&P 500, 15% MSCI EAFE, 5% Russell 2000

(4) Long Horizon Index: 20% BC Aggregate Bond, 45% S&P 500, 25% MSCI EAFE, 10% Russell 2000

**Default where no investment option has been selected by the participant.*

Defined Contribution Plans Investments
Investment Highlights *(Continued)*

List of Largest Assets Held
December 31, 2010

Largest Equity Holdings
(By Fair Value)

Description	Shares	Fair Value
Apple Inc.	89,074	$28,731,709
Google Inc. Class A	28,769	17,087,923
Schlumberger Limited Corp.	192,482	16,113,424
Exxon Mobile Corp.	211,716	15,480,674
Oracle Corp.	427,653	13,385,539
International Business Machines Corp.	84,648	12,422,940
Amazon Corp.	66,589	11,986,020
JP Morgan Chase Corp.	256,889	10,897,231
Qualcomm Inc.	205,182	10,154,457
NetApp Corp.	172,172	9,462,573

Largest Debt Securities Holdings
(By Fair Value)

Description	Par Value	Fair Value
Bank of America Tri-Party Repo	$61,913,461	$61,913,461
US Treasury Note 2.25% 1/31/2015	30,200,000	31,284,682
US Treasury Note 0.875% 3/31/2011	29,560,000	29,673,881
Fannie May Agency Bond 1.625% 10/26/2015	25,646,000	25,071,864
US Treasury Note 0.875% 2/28/2011	20,225,000	20,306,468
US Treasury Note 2.375% 3/31/2016	17,540,000	17,867,274
US Treasury Note 0.75% 8/15/2013	17,800,000	17,813,906
US Treasury Note 1.375% 5/15/2013	17,125,000	17,401,179
FNMA Pool #555531 5.5% 6/01/2033 BEO	15,498,163	16,776,472
US Treasury Note 1.25% 8/31/2015	16,105,000	15,731,214

Schedules of Fees and Commissions
Calander Year 2010

Summary of Broker Commissions

Broker	Total Commission Fees
Weeden & Company	$141,308
Frank Russell Sec/Broadcort	31,716
Jefferies & Company	21,063
Goldman Sachs Money Market LP	13,951
Morgan Stanley & Company Inc.	12,420
CSFB London	11,974
Cheuvreux de Virieu Paris	11,918
Bear Stearns and Company	11,131
Knight Securities LP	10,856
Instinet U.K. Limited London	10,747
Deutsche Bank Securities Inc.	10,109
Citigroup Global Ltd. Broker	7,262
ISI Group Inc.	5,822
Goldman Sachs & Company New York	5,767
Morgan Stanley & Company Intl. PLC	5,648
All others	132,258
Total	$443,950

Schedule of Investment Fees

Investment advisor fees:	
Debt securities, domestic	$1,602,260
Equity investments, domestic	1,118,170
Equity investments, international	824,041
Total investment advisor fees	3,544,471
Investment brokerage fees	443,950
Total fees and commissions	$3,988,421

Utah Retirement Systems uses a commission recapture program as part of its trading strategies. During the year ending December 31, 2010, Utah Retirement Systems recaptured approximately $107,000 from the gross commission charges. This sum was used to fund almost $66,000 in investment expenses that otherwise would have been paid for with investment funds.

Defined Contribution Plans Investments

Investment Highlights *(Continued)*

Investment Professionals

Defined Contribution Plans Investment Professionals

Ameriprise Trust Company
940 Ameriprise Financial Center
Minneapolis, MN 55474
(Income Fund)

Capital Guardian Trust Co.
333 South Hope Street
55th Floor
Los Angeles, CA 90071
(International Fund)

Charles Schwab
101 Montgomery Street
San Francisco, CA 94104
(Brokerage Window)

Dimensional Fund Advisors, Inc.
6300 Bee Cave Road
Austin, TX 78746
(Small Cap Stock Fund)

Dodge & Cox
Investment Managers
555 California Street
40th Floor
San Francisco, CA 94104
(Bond Fund, Large Cap Stock Value Fund, Balanced Fund)

Goldman Sachs
Asset Management
32 Old Slip, 23rd Floor
New York, NY 10005
(International Fund)

Invesco Global Asset
Management, Inc.
Two Peachtree Point
1555 Peachtree Street NE
Suite 1800
Atlanta, GA 30309
(International Fund)

Jennison Associates, LLC
466 Lexington Avenue
New York, NY 10017
(Balanced Fund, Large Cap Stock Growth Fund)

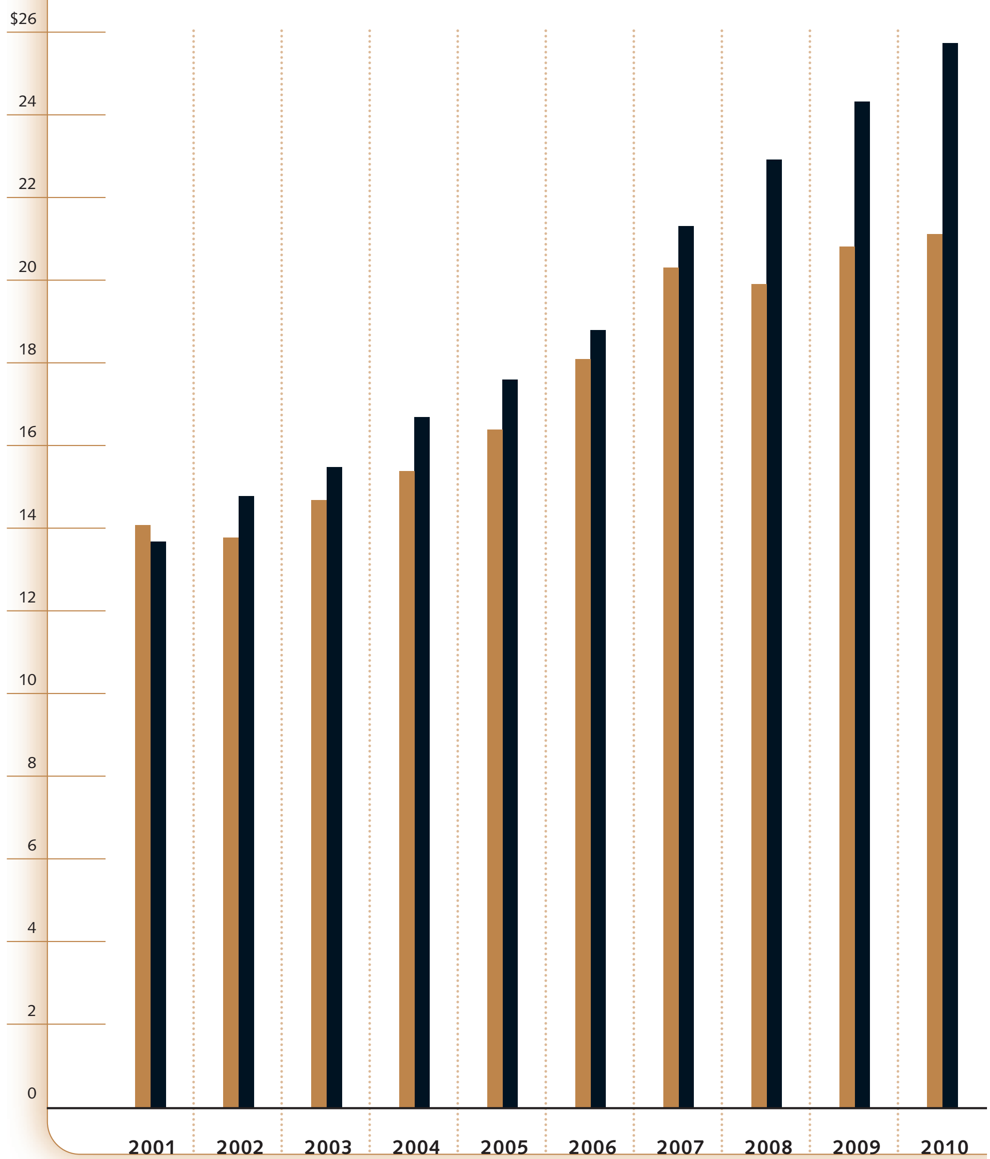
The Northern Trust Company
50 South LaSalle Street
Chicago, IL 60675
(Balanced Fund, HRA Fund, Large Cap Stock Growth Fund)

Utah Retirement Systems
540 East 200 South
Salt Lake City, UT 84102
(Large Cap Stock Index Fund)

Waddell & Reed Asset
Management Group
6300 Lamar Avenue
Shawnee Mission, KS 66201
(Balanced Fund, Large Cap Stock Growth Fund)

Funding Progress with Funding Ratios

(dollars in billions)



(dollars in billions)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Actuarial Value of Assets	$14.1	13.8	14.7	15.4	16.4	18.1	20.3	19.9	20.8	21.1
Accrued Actuarial Liability	13.7	14.8	15.5	16.7	17.6	18.8	21.3	22.9	24.3	25.7
Funding Ratios	103%	93%	95%	92%	93%	96%	95%	87%	86%	82%

Actuarial
SECTION

Actuary's Certification Letter

GRS Gabriel Roeder Smith & Company
Consultants & Actuaries

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Denver, CO 80237-2882

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303.846.3028 fax
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August 16, 2010

Utah State Retirement Board
540 East 200 South
Salt Lake City, UT 84102

Dear Members of the Board:

Subject:
Certification of 2010 Actuarial Valuation

This report describes the current actuarial condition of the Utah Retirement Systems (URS), determines the calculated employer contribution rates, and analyzes changes in these contribution rates. Valuations are prepared annually, as of January 1, the first day of the URS plan year.

Under URS statutes, the Board of Trustees must certify employer contribution rates annually. These rates are determined actuarially, based on the Board's funding policy, although, as discussed below, under certain circumstances the Board may choose not to reduce the current rate if it is greater than the actuarially calculated rate. Contribution rates determined by a given actuarial valuation become effective eighteen months after the valuation date. I.e., the rates determined by this January 1, 2010 actuarial valuation will be used by the Board when certifying the employer contribution rates for the year beginning July 1, 2011 and ending June 30, 2012. If new legislation is enacted between the valuation date and the date the contribution rates become effective, the Board may adjust the calculated rates before certifying them, in order to reflect this new legislation. Such adjustments are based on information supplied by the actuary.

Financing objectives and funding policy

In setting contribution rates, the Board's principal objectives are:

- To set rates so that the unfunded actuarial accrued liability (UAAL) will be amortized over a reasonable period from the current valuation date
- To set rates so that they remain relatively level over time.

To accomplish this, the Board's funding policy requires that the employer contribution rate be at least equal to the sum of the employer normal cost rate (which pays the current year's cost) and an amortization rate which results in the amortization of the UAAL over 25 years in installments that increase at the assumed rate of growth in payroll for URS, currently 4.00%. The 25-year amortization period is measured from January 1, 2009, so 24 years remain at the current valuation date.

Under this policy, the objective of maintaining a relatively level contribution rate over time is achieved in normal conditions such as consistent financial markets.

Section 49-11-301(5) to the Utah Code allows the Board to set the employer contribution rate at the prior year's rate, if the rate otherwise would decrease and if the funded ratio is less than 110%. In such a case, the rate set by the Board would be higher than the actuarially determined contribution rate. The purpose of this legislation is to enhance the Board's ability to maintain more-level contribution rates while targeting a 100% - 110% funded level. The Board has historically followed this policy, so for some funds the recommended contribution rate may be greater than the actuarially determined rate. However, for almost all funds, the actuarially-determined contribution rates were larger than the rates being paid in FY 2011.

Actuary's Certification Letter

(Continued)

Progress toward realization of financing objectives

The funded ratio (the ratio of the actuarial value of assets to the actuarial accrued liability) is a standard measure of a plan's funded status. In the absence of benefit improvements, it should increase over time, until it reaches at least 100%.

For all systems on a combined basis, the funded ratio decreased from 86.6% to 85.7%. This decrease was primarily due to the recognition of an additional 20% of the extraordinary investment loss that occurred in 2008. (The actuarial value of assets spreads the recognition of asset losses over five years.) Absent favorable experience, we expect the funded ratio will continue to decrease for the next three years as the rest of the 2008 investment loss is recognized in the development of the actuarial value of assets.

If market value had been used in the calculation instead of actuarial value, the aggregate funded ratio for all funds combined would have been 73.0%, compared to 69.3% in the prior year. The increase in funded ratio on a market value basis is due to favorable experience with both the assets and liabilities. In particular, the investment return during 2009 on a market value basis was 13.2%, which provided $856 million more in assets than was expected.

Benefit provisions

The benefit provisions reflected in this valuation are those which were in effect on January 1, 2010, or which were adopted by the end of the 2010 legislative session and are effective on or before July 1, 2011. No changes were reflected from the prior valuation, except for the election of the optional 4.00% COLA by some public safety units and the removal of the benefit maximums for Public Safety, Firefighters and Judges.

SB19 was passed during the 2008 legislative session. This law opened a window to allow employers of the Public Safety Retirement Systems to adopt a 4% maximum COLA in lieu of the current 2.5% maximum COLA. Adoption of the 4% maximum COLA was mandatory for the State of Utah. This window for making the election will close in December 2012. This legislation was reflected in the valuation only for those units that made the election by December 31, 2009. Supplemental information will be provided to URS so that URS can adjust the contribution rates for employers electing the 4% COLA during 2010 or later.

The New Public Employees' Tier II Contributory Retirement Act (SB 63) was passed during the 2010 legislative session. This law will close the current retirement systems (except for the Judges Retirement System) to new members effective June 30, 2011. It creates a new retirement benefit structure (Tier II) for all employees hired after that date. Employers will continue to contribute the amortization rate to the current systems on the pay for Tier II members. Therefore, SB 63 did not affect the benefits provided to current URS members, and it creates a mechanism for ensuring that the UAAL is amortized over the payroll for both current and Tier II members. Therefore, this law had no effect on this actuarial valuation.

Under Governmental Accounting Standards Board Statement No. 25 (GASB 25), when a plan is closed to new members, the amortization charge should be determined based on the closed group's pay or as fixed dollar payments, rather that as payments which are level as a percentage of increasing payroll. However, because the plan will continue to receive amortization payments from the employers of Tier II members, i.e., based on the payroll for an open group of current and future employees, not the closed group of current members, we believe it is appropriate to continue to use a lever-payroll amortization of the UAAL.

In addition, SB 43 was enacted in 2010. This bill changed the eligibility and benefits for retirees who return to work. We believe this legislation will, by changing future retirement patterns, reduce the cost of the retirement plans in the future. However, the effects of this part of the legislation were not measurable in this valuation, and thus had no impact on the calculated liabilities and contribution rates. SB 43 also removed, for retirements on or after July 1, 2010, the maximum benefit caps for the retirement formulas of Public Safety, Firefights and Judges, which is reflected herein.

No other legislation has been enacted since the last valuation that materially affects the benefits or contributions of URS.

Actuary's Certification Letter

(Continued)

Assumptions and methods

The current actuarial assumptions and methods are the same as used for the prior valuation.

The Board, in consultation with the actuary, sets the actuarial assumptions and methods used in the valuation. Current Board policy is to have the actuary perform an experience study every three years. In connection with the appropriate valuation, the actuary conducts a thorough review of plan experience for the preceding five years, and then makes recommendations to the Board. The last experience study was prepared in 2008, and the recommended assumptions and methods were adopted effective January 1, 2008. The next experience analysis is scheduled for 2011, in conjunction with next year's actuarial valuation.

The results of the actuarial valuation are dependent on the actuarial assumptions used. Actual results can and almost certainly will differ, as actual experience deviates from the assumptions. Even seemingly minor changes in the assumptions can materially change the liabilities and calculated contribution rates.

It is our opinion that the recommended assumptions are internally consistent and are reasonably based on past and anticipated future experience of the System. The actuarial assumptions and methods used in this report comply with the parameters for disclosure that appear in GASB 25.

Data

Member data for retired, active and inactive members was supplied as of December 31, 2009 by the URS staff. We did not audit this data, but we did apply a number of tests to the data, and we concluded that it was reasonable and consistent with the prior year's data. The staff also supplied asset information as of December 31, 2009.

Certification

We certify that the information presented herein is accurate and fairly portrays the actuarial position of URS as of January 1, 2010. We prepared the accompanying Summary of Actuarial Assumptions and Methods, but the URS staff prepared the other supporting schedules in this section and the trend tables in the financial section based on information supplied in our report. The staff rolls forward to December 31 the actuarial liabilities supplied in our report as of January 1, and the staff computes the actuarial value of assets as of December 31. These procedures have been reviewed by us and found reasonable.

All of our work conforms with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board. In our opinion, our calculations also comply with the requirements of Utah state law and, where applicable, the Internal Revenue Code, ERISA, and the Statements of the Governmental Accounting Standards Board.

The undersigned are independent actuaries and consultants. Mr. White and Mr. Conradi are Enrolled Actuaries and Members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries. All three consultants below are experienced in performing valuations for large public retirement systems.

Sincerely,
Gabriel Roeder Smith & Company

Lewis Ward
Consultant

Daniel J. White, FSA, EA, MAAA
Senior Consultant

J. Christian Conradi, ASA, EA, MAAA
Senior Consultant

Gabriel Roeder Smith & Company

Summary of Actuarial Assumptions and Methods

As of January 1, 2010

a) The actuarial valuation was prepared using the entry age actuarial cost method. As described in the certification letter, the contribution rates are set based on the board's funding policy, which states the contribution rate will not be less than the amount needed to amortize the unfunded actuarial accrued liability of each System over a 24-year period from the valuation date (January 1, 2010).

In calculating this minimum, amortization payments are designed to remain level as a percent of payroll, and payroll is assumed to increase 4% per year. Under this method, actuarial gains and losses are identified and amortized as part of the unfunded actuarial accrued liability over a 24-year period

b) The future investment earnings of the assets of the Systems are assumed to accrue at an annual rate of 7.75%, compounded annually. This rate is made up of a 3.0% assumed inflation rate and a 4.75% assumed real rate of return. This assumption was adopted January 1, 2008.

c) The total rates of assumed annual salary increase are shown on the actuarial schedule on page 123. The rates include increases due to promotion and longevity and a 4.00% per annum rate of increase in the general wage level of the membership. Salaries of judges are assumed to increase at 4.00%. Except for judges, these assumptions were adopted January 1, 2008. (Rates for judges were adopted January 1, 2005.)

d) Post retirement benefit increases are based on the Consumer Price Index, limited by the provisions of each System. For members of the Public Safety Retirement System, annual increases are assumed to be 2.5% or 3.0%. All other Systems' annual increases are assumed to be 3.0%. Increases are based on the member's original retirement allowance except in the Judges Retirement System where increases are compounded. For current retirees who have received cumulative COLAs less than the total of annual CPI increases since retirement, higher COLAs are assumed, subject to the annual maximum (2.5% or 4% for Public Safety and 4% for all other Systems), as long as the member has "banked" CPI increases left.

e) Except for educators, tables of mortality rates for members retired for service and beneficiaries were developed from standard mortality tables. The mortality basis is dependent upon the member's class and gender as shown on page 122. Most of these rates were adopted January 1, 2008. Rates for female educators were adopted January 1, 2005. Mortality rates for active members and retired educators were developed from actual experience of that group.

Summary of Actuarial Assumptions and Methods *(Continued)*

As of January 1, 2010

f) Mortality among disabled members is based on a special 1981 Disability Table developed by a previous actuary from the Systems' experience. Rates for males and females are multiplied by 85%. These rates were adopted January 1, 2008.

Retired Member Mortality

Class of Member	
Educators	
Men	EDUM
Women	EDUF
Public Safety and Firefighters	
Men	RP 2000M (80%)
Women	RP 2000F (85%)
Local Government, Public Employees and All Beneficiaries	
Men	RP 2000M (80%)
Women	RP 2000F (85%)

EDUM = Constructed mortality table based on actual experience of male educators

EDUF = Constructed mortality table based on actual experience of female educators

RP 2000M = RP 2000 Combined mortality table for males multiplied by 80%

RP 2000F = RP 2000 Combined mortality table for females multiplied by 85%

g) Other demographic assumptions regarding retirement, mortality, disablement and termination from employment are illustrated in the following actuarial schedules.

The retirement assumptions illustrated are for members of the Systems who are eligible to retire with 30 years of service. The rates vary by age and service groupings.

Except for firefighters, rates of assumed termination from employment at any age are assumed to vary during the first five years of employment. The rates of termination illustrated are for members in their first or in their sixth or subsequent year of service; rates at intermediate points fall between the two sets illustrated. Rates for firefighters vary only by years of service and not by age. All rates have been shown for the firefighters. All terminating members who are not eligible for vested benefits are assumed to withdraw their contributions immediately. Vested members are assumed to withdraw their contributions and forfeit the right to further benefits at the rates illustrated.

h) The Retirement Board uses the expected rate of return method for calculating the actuarial value of assets. This method is based on the total earnings of the commingled investments and spreads the excess/shortfall of actual investment returns over or under the expected return over five years. One-fifth of the excess/ shortfall is recognized each year. The actuarial values of assets under this method were calculated and reported to us by the Systems' staff.

i) All of the actuarial assumptions were renewed or adopted by the Retirement Board in 2008, as recommended by the actuary.

Summary of Actuarial Assumptions and Methods *(Continued)*

As of January 1, 2010

Percent Retiring Within Next Year Among Active Members Eligible for Retirement

	Retirement Age	Male – State and School Division – Educators	Male – State and School Division – Public Employees	Male – Local Government Division	Female – State and School Division – Educators	Female – State and School Division – Public Employees	Female – Local Government Division	Governors and Legislators Retirement Plan
Noncontributory	55	25.00%	18.00%	22.00%	30.00%	20.00%	35.00%	0.00%
and Contributory	56	25.00	18.00	22.00	30.00	20.00	35.00	0.00
Retirement Systems	57	25.00	18.00	22.00	30.00	20.00	35.00	0.00
Adopted January 1, 2005	58	25.00	18.00	22.00	30.00	20.00	35.00	0.00
	59	25.00	18.00	22.00	30.00	20.00	35.00	0.00
	60	35.00	23.00	25.00	50.00	40.00	40.00	0.00
	61	35.00	23.00	15.00	50.00	30.00	25.00	0.00
	62	65.00	40.00	50.00	70.00	60.00	45.00	100.00
	63	35.00	35.00	30.00	50.00	40.00	30.00	100.00
	64	35.00	30.00	30.00	50.00	30.00	30.00	100.00
	65	70.00	50.00	50.00	60.00	45.00	50.00	100.00
	66	30.00	35.00	30.00	35.00	25.00	30.00	100.00
	67	30.00	20.00	30.00	35.00	25.00	30.00	100.00
	68	30.00	20.00	30.00	35.00	25.00	30.00	100.00
	69	30.00	20.00	30.00	35.00	25.00	30.00	100.00
	70	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Percent Retiring Within Next Year Among Active Members Eligible for Retirement

	Retirement Age		Retirement Age		Retirement Age		Retirement Age	
Public Safety	45	30.00%	51	33.00%	56	35.00%	61	38.00%
Retirement System	46	30.00	52	33.00	57	35.00	62	38.00
Adopted January 1, 2005	47	30.00	53	33.00	58	35.00	63	38.00
	48	30.00	54	33.00	59	35.00	64	38.00
	49	30.00	55	35.00	60	38.00	65	100.00
	50	33.00						

Percent Retiring Within Next Year Among Active Members Eligible for Retirement

	Retirement Age		Retirement Age		Retirement Age		Retirement Age	
Firefighters	45	14.00%	51	16.00%	56	18.00%	61	24.00%
Retirement System	46	14.00	52	16.00	57	18.00	62	24.00
Adopted January 1, 2005	47	14.00	53	16.00	58	18.00	63	24.00
	48	14.00	54	16.00	59	18.00	64	24.00
	49	14.00	55	18.00	60	24.00	65	100.00
	50	16.00						

Percent Retiring Within Next Year Among Active Members Eligible for Retirement

	Retirement Age		Retirement Age		Retirement Age		Retirement Age	
Judges	60	25.00%	63	25.00%	66	25.00%	69	25.00%
Retirement System	61	25.00	64	25.00	67	25.00	70	100.00
Adopted January 1, 2008	62	25.00	65	25.00	66	25.00		

Summary of Actuarial Assumptions and Methods *(Continued)*

As of January 1, 2010

Other Termination of Employment Percent of Active Members Separating Within Next Year

	Age	Male: State and School Division Educators	Male: State and School Division Public Employees	Male: Local Government Division	Female: State and School Division Educators	Female: State and School Division Public Employees	Female: Local Government Division	Governors and Legislators Retirement Plan
During the First Year of Service								
Noncontributory	25	14.98%	35.36%	18.84%	22.57%	30.44%	27.66%	10.00%
and Contributory	30	12.68	29.03	15.88	15.87	27.40	25.72	10.00
Retirement Systems	35	11.95	25.25	13.73	12.28	24.11	23.52	10.00
Adopted January 1, 2000	40	11.30	22.79	12.35	11.87	20.88	21.25	10.00
	45	11.52	20.67	11.84	11.35	18.08	19.22	10.00
	50	13.43	18.41	12.28	10.24	16.10	17.99	10.00
	55	17.64	15.90	13.83	8.34	15.24	18.25	10.00
	60	18.53	13.22	14.52	8.77	15.79	20.66	10.00
During the Sixth and Subsequent Years of Service								
Noncontributory	25	6.29%	11.85%	8.15%	13.04%	18.70%	13.16%	10.00%
and Contributory	30	4.30	8.32	6.05	8.38	11.87	8.95	10.00
Retirement Systems	35	2.90	5.78	4.63	5.21	7.56	6.18	10.00
Adopted January 1, 2000	40	2.08	4.10	3.81	3.47	5.26	4.73	10.00
	45	1.62	3.04	3.34	2.74	4.05	4.22	10.00
	50	1.25	2.43	3.11	2.45	3.43	4.21	10.00
	55	0.93	2.42	3.36	2.43	3.34	4.32	10.00
	60	0.98	3.24	3.52	2.55	3.75	4.43	10.00

	Age	During the First Year	During the Sixth and Subsequent Years
Public Safety	25	10.76%	6.93%
Retirement System	30	10.26	4.69
Adopted January 1, 2008	35	11.28	3.08
	40	13.70	2.05
	45	17.35	1.52
	50	22.06	1.30
	55	27.64	1.29
	60	33.99	1.40

	Years of Service		Years of Service		Years of Service	
Firefighters	0	9.00%	7	1.50%	9	1.50%
Retirement System	1	2.50	8	1.50	10	1.50
Adopted January 1, 2008	2	2.50	9	1.50	11	1.50
	3	2.50	10	1.50	12+	0.00
	4	2.50				

Judges Retirement System — None assumed.

Summary of Actuarial Assumptions and Methods *(Continued)*

As of January 1, 2010

All Retirement Systems
Adopted January 1, 2008

Total Annual Increase in Salary (Male and Female)

Years of Service	State and School Division: Educators	State and School Division: Public Employees	Local Government Division	Public Safety Retirement System	Firefighters Retirement System
0	12.00%	9.50%	10.75%	9.75%	10.25%
1	10.25	8.75	9.00	8.00	9.75
2	9.00	7.50	8.25	7.75	9.50
3	8.75	7.00	7.50	7.25	9.25
4	8.50	6.50	7.00	7.00	9.00
5	8.00	6.25	6.75	6.75	8.75
6	7.75	6.00	6.50	6.75	8.50
7	7.50	5.75	6.25	6.75	8.25
8	7.25	5.50	6.00	6.50	8.00
9	7.00	5.50	5.75	6.50	7.50
10	6.50	5.25	5.50	6.25	7.00
11	6.00	5.00	5.50	6.00	6.50
12	5.75	5.00	5.25	5.75	6.25
13	5.25	5.00	5.25	5.50	6.00
14	5.00	4.75	5.00	5.25	5.75
15	4.75	4.75	5.00	5.25	5.75
16	4.75	4.75	4.75	5.00	5.50
17	4.75	4.50	4.75	5.00	5.50
18	4.75	4.50	4.75	5.00	5.25
19	4.50	4.50	4.75	5.00	5.00
20	4.50	4.25	4.50	5.00	4.75
21	4.50	4.25	4.50	4.75	4.75
22	4.50	4.25	4.25	4.50	4.50
23	4.50	4.25	4.25	4.50	4.00
24	4.25	4.25	4.25	4.25	4.00
25+	4.00	4.00	4.00	4.00	4.00

Noncontributory and Contributory Retirement Systems
Adopted January 1, 2008

Probability Mortality Within the Next Year for Active Members

Age	Male: Educators	Male: Local Government and Public Employees	Female: Educators	Female: Local Government and Public Employees
20	0.0130%	0.0495%	0.0490%	0.0275%
25	0.0130	0.0385	0.0210	0.0275
30	0.0195	0.0440	0.0070	0.0275
35	0.0195	0.0660	0.0210	0.0330
40	0.0390	0.0825	0.0420	0.0440
45	0.0650	0.1045	0.0840	0.0660
50	0.1300	0.1540	0.1260	0.1045
55	0.2340	0.2585	0.1750	0.1540
60	0.3705	0.4180	0.2380	0.2200
65	0.4680	0.6380	0.3290	0.3025
70	0.5200	0.9130	0.4550	0.4015

Summary of Actuarial Assumptions and Methods *(Continued)*

As of January 1, 2010

	Years of Service	Male Educators	Male Public Employees	Male Local Government Division	Female Educators	Female Public Employees	Female Local Government Division
		Percent Electing a Refund of Contributions Upon Termination While Vested					
Noncontributory and Contributory Retirement Systems Adopted January 1, 1993	0-3	100%	100%	100%	100%	100%	100%
	4	75	86	75	65	80	77
	5	73	83	73	64	79	75
	10	54	73	61	53	64	61
	15	33	63	49	32	52	40
	19	9	29	23	8	22	13
	20	0	0	0	0	0	0

	Age	Probability Mortality Within the Next Year for Active Members — Public Safety and Firefighters Employees	Age		Age	
Public Safety Retirement System and Firefighters Retirement System Adopted January 1, 2008	20	0.0440%	40	0.0605%	60	0.3740%
	25	0.0440	45	0.1045	65	0.4730
	30	0.0440	50	0.1760	70	0.5665
	35	0.0440	55	0.2750		

	Years of Service	Percent Electing a Refund of Contributions Upon Termination While Vested — Public Safety and Firefighters Retirement Employees	Years of Service	
Public Safety Retirement System and Firefighters Retirement System Adopted January 1, 1993	0-3	100%	15	35%
	4	76	19	15
	5	74	20	0
	10	57		

Analysis of Financial Experience

December 31, 2010

(in thousands)

System	January 1, 2009 Unfunded Actuarial Accrued Liability	Amortization Payments	(Gain) Loss	Liability Asset (Gain)	Changes in Actuarial Assumptions	Change in Benefit Provisions	Asset Transfers	January 1, 2010 Unfunded Actuarial Accrued Liability
Noncontributory	$ 2,467,129	83,933	(49,208)	259,484	—	617	2,717	2,764,672
Contributory	120,861	2,941	(16,083)	14,271	—	—	(2,717)	119,273
Public Safety	456,527	16,361	(5,333)	34,120	—	11,973	—	513,648
Firefighters	10,751	1,312	(5,868)	12,284	—	12,789	—	31,268
Judges	19,845	1,175	2,884	1,957	—	951	—	26,812
Utah Governors and Legislators	141	136	149	110	—	—	—	536

Member and Employer Contribution Rates

As of December 31, 2010

System	Year	Member	Contributory Employer State and School	Contributory Employer Local Government	Noncontributory Employer State and School	Noncontributory Employer Local Government
Noncontributory and Contributory Retirement Systems	2001	6.00%	5.91%	4.19%	10.40%	8.20%
	2002	6.00	5.91	4.68	10.40	8.69
	2003	6.00	7.21	5.61	11.70	9.62
	2004	6.00	8.89	7.08	13.38	11.09
	2005	6.00	8.89	7.08	13.38	11.09
	2006	6.00	9.73	7.58	14.22	11.59
	2007	6.00	9.73	7.61	14.22	11.62
	2008	6.00	9.73	7.61	14.22	11.62
	2009	6.00	9.73	7.65	14.22	11.66
	2010	6.00	11.83	9.36	16.32	13.37

System	Year	Division A (with Social Security) Member	Division A (with Social Security) Employer	Division B (without Social Security) Member	Division B (without Social Security) Employer	All Divisions Fire Insurance Premium Tax
Firefighters Retirement System	2001	6.77%	—%	8.43%	—%	8.28%
	2002	7.82	—	7.83	—	8.88
	2003	8.21	—	7.83	—	10.35
	2004	8.61	—	7.83	—	12.16
	2005	8.61	—	7.83	—	12.16
	2006	10.84	—	8.72	—	12.08
	2007	12.76	—	9.30	—	11.50
	2008	13.14	—	9.68	—	11.12
	2009	13.49	—	9.68	—	12.34
	2010	15.05	1.72	16.18	—	11.87

System	Year	Judges Member	Judges Contributory Employer	Judges Noncontributory Employer	Judges Court Fees	Governors and Legislative Appropriation
Judges Retirement System	2001	5.55%	—%	5.55%	18.93%	$ —
	2002	4.92	—	4.92	18.40	—
	2003	7.08	—	7.08	18.06	—
Utah Governors and Legislators Retirement Plan	2004	2.00	5.14	7.14	19.69	—
	2005	2.00	6.26	8.26	19.19	—
	2006	2.00	7.79	9.79	18.04	—
	2007	2.00	10.38	12.38	15.45	—
	2008	2.00	11.51	13.51	14.32	—
	2009	2.00	15.09	17.09	13.83	—
	2010	—	—	23.72	14.08	—

Member and Employer Contribution Rates *(Continued)*

As of December 31, 2010

System	Year	State of Utah Member	State of Utah Employer	2.5% COLA Other Division A (with Social Security) Member	2.5% COLA Other Division A (with Social Security) Employer	4.0% COLA Other Division A (with Social Security) Member	4.0% COLA Other Division A (with Social Security) Employer	Bountiful Member	Bountiful Employer
Public Safety Retirement System Noncontributory Division A	2001	—	23.62%	—	14.08%	—	—	—	19.03%
	2002	—	19.68	—	13.89	—	—	—	17.41
	2003	—	18.94	—	16.24	—	—	—	18.63
	2004	—	21.15	—	19.08	—	—	—	19.68
	2005	—	23.46	—	19.34	—	—	—	19.68
	2006	—	23.46	—	22.38	—	—	—	19.99
	2007	—	26.75	—	22.61	—	—	—	22.47
	2008	—	26.75	—	22.61	—	—	—	22.47
	2009	—	30.18	—	23.34	—	25.90%	—	23.07
	2010	—	32.75	—	26.13	—	28.82	—	27.73
Public Safety Retirement System Contributory Division A	2001	12.29%	8.81%	12.29%	2.41%	—	—	—	—
	2002	12.29	8.05	12.29	2.17	—	—	—	—
	2003	12.29	10.02	12.29	4.52	—	—	—	—
	2004	12.29	12.50	12.29	7.70	—	—	—	—
	2005	12.29	12.50	12.29	7.95	—	—	—	—
	2006	12.29	15.46	12.29	11.01	—	—	—	—
	2007	12.29	15.46	12.29	11.22	—	—	—	—
	2008	12.29	15.46	12.29	11.22	—	—	—	—
	2009	12.29	19.01	12.29	12.47	12.29%	15.01%	—	—
	2010	12.29	21.68	12.29	14.86	12.29	18.34	—	—

System	Year	Salt Lake City Member	Salt Lake City Employer	Ogden Member	Ogden Employer	Logan Member	Logan Employer	Provo Member	Provo Employer	2.5% COLA Other Division B (without Soc Sec) Member	2.5% COLA Other Division B (without Soc Sec) Employer	4.0% COLA Other Division B (without Soc Sec) Member	4.0% COLA Other Division B (without Soc Sec) Employer
Public Safety Retirement System Noncontributory Division B	2001	—	30.72%	—	24.47%	—	—	—	—	—	16.75	—	—
	2002	—	28.27	—	21.06	—	14.79%	—	—	—	17.66	—	—
	2003	—	30.05	—	17.98	—	17.10	—	—	—	19.42	—	—
	2004	—	32.52	—	20.85	—	20.77	—	—	—	22.17	—	—
	2005	—	32.52	—	24.30	—	21.25	—	—	—	22.32	—	—
	2006	—	35.71	—	24.30	—	25.48	—	—	—	25.49	—	—
	2007	—	35.71	—	30.44	—	25.48	—	—	—	25.49	—	—
	2008	—	35.71	—	31.47	—	25.48	—	29.84%	—	25.49	—	—
	2009	—	35.71	—	33.11	—	27.74	—	30.91	—	26.21	—	28.73%
	2010	—	36.31	—	34.93	—	31.49	—	32.98	—	28.24	—	32.70
Public Safety Retirement System Contributory Division B	2001	13.74%	18.21%	13.18%	9.08%	11.13%	2.93%	13.54%	9.72%	10.50%	6.43%	10.50%	—
	2002	13.74	15.50	—	—	11.13	3.66	13.54	9.47	10.50	7.34	10.50	—
	2003	13.74	17.61	—	—	11.13	5.97	13.54	10.85	10.50	9.47	10.50	—
	2004	13.74	19.96	—	—	11.13	10.03	13.54	12.22	10.50	12.35	10.50	—
	2005	13.74	19.96	—	—	11.13	10.54	13.54	12.22	10.50	12.47	10.50	—
	2006	13.74	22.99	—	—	11.13	14.61	13.54	15.57	10.50	15.69	10.50	—
	2007	13.74	22.99	—	—	11.13	14.61	13.54	16.30	10.50	15.69	10.50	—
	2008	13.74	22.99	—	—	11.13	14.61	—	—	10.50	15.69	10.50	—
	2009	—	—	—	—	11.13	17.81	—	—	10.50	16.67	10.50	19.17%
	2010	—	—	—	—	11.13	20.95	—	—	10.50	18.98	10.50	23.22

Solvency Tests

		Actuarial Accrued Liabilities				
System	Date	(1) Active Members Contributions	(2) Retired and Beneficiaries	(3) Active Member (Employer Financed Portion)	(4) Total Actuarial Accrued Liabilities	Actuarial Value of Assets
Noncontributory Retirement System	1/01/02	$ 971,496	3,751,586	6,082,942	10,806,024	11,104,334
	1/01/03	955,624	4,171,062	6,637,667	11,764,353	10,848,586
	1/01/04	878,125	4,587,481	6,885,704	12,351,310	11,657,525
	1/01/05	850,926	5,051,930	7,332,588	13,235,444	12,212,437
	1/01/06	822,236	5,504,555	7,691,749	14,018,540	13,069,362
	1/01/07	756,008	6,285,751	8,042,295	15,084,061	14,446,928
	1/01/08	728,986	7,020,899	9,275,300	17,025,185	16,199,077
	1/01/09	699,314	7,671,008	9,936,268	18,306,590	15,839,461
	1/01/10	618,209	8,347,578	10,418,716	19,384,503	16,619,831
	12/31/10	577,252	9,359,399	10,608,176	20,544,827	16,895,039
Contributory Retirement System	1/01/02	$ 267,963	425,956	254,993	948,912	927,523
	1/01/03	285,260	416,552	275,106	976,918	899,290
	1/01/04	283,694	409,430	289,445	982,569	913,949
	1/01/05	296,155	407,905	309,776	1,013,836	933,974
	1/01/06	307,907	408,420	310,982	1,027,309	951,540
	1/01/07	316,492	436,812	309,663	1,062,967	1,004,452
	1/01/08	324,856	468,966	376,429	1,170,251	1,102,107
	1/01/09	334,732	520,848	362,992	1,218,572	1,097,711
	1/01/10	318,205	556,495	361,309	1,236,009	1,116,736
	12/31/10	310,538	612,477	342,122	1,265,137	1,090,313
Public Safety Retirement System	1/01/02	$ 85,106	610,272	670,756	1,366,134	1,376,466
	1/01/03	84,479	669,736	704,276	1,458,491	1,349,435
	1/01/04	81,121	742,358	733,279	1,556,758	1,448,888
	1/01/05	94,259	827,157	805,369	1,726,785	1,524,904
	1/01/06	91,737	921,115	821,600	1,834,452	1,633,022
	1/01/07	90,849	1,006,399	871,734	1,968,982	1,809,198
	1/01/08	90,962	1,076,782	1,080,132	2,247,876	2,038,613
	1/01/09	87,976	1,254,909	1,130,782	2,473,667	2,017,576
	1/01/10	81,677	1,345,480	1,223,518	2,650,675	2,137,027
	12/31/10	67,753	1,433,299	1,330,307	2,840,359	2,194,016
Firefighters Retirement System	1/01/02	$ 76,510	257,301	157,463	491,274	569,151
	1/01/03	78,253	270,842	172,069	521,164	553,589
	1/01/04	79,177	289,194	181,007	549,378	589,502
	1/01/05	81,754	306,927	190,210	578,891	610,688
	1/01/06	82,292	329,322	202,745	614,359	644,496
	1/01/07	84,670	355,518	203,577	643,765	705,051
	1/01/08	86,624	389,586	256,619	732,829	787,663
	1/01/09	91,583	437,796	247,243	776,622	765,871
	1/01/10	96,734	467,284	269,826	833,844	802,576
	12/31/10	104,639	496,321	282,675	883,635	810,216
Judges Retirement System	1/01/02	$ 8,355	40,022	37,610	85,987	92,649
	1/01/03	8,639	40,800	41,134	90,573	90,904
	1/01/04	7,873	47,713	42,316	97,902	97,412
	1/01/05	8,058	48,904	47,248	104,210	100,814
	1/01/06	7,893	51,524	47,545	106,962	106,374
	1/01/07	8,209	56,363	52,555	117,127	116,879
	1/01/08	7,342	62,724	65,313	135,379	129,847
	1/01/09	7,738	69,534	68,693	145,965	126,120
	1/01/10	5,802	81,582	70,919	158,303	131,491
	12/31/10	4,309	93,708	68,327	166,344	131,869
Utah Governors and Legislators Retirement Plan	1/01/02	$ 203	5,079	2,900	8,182	11,710
	1/01/03	187	5,212	3,307	8,706	10,719
	1/01/04	178	5,044	3,590	8,812	10,905
	1/01/05	169	4,989	3,569	8,727	10,650
	1/01/06	147	5,268	3,559	8,974	10,587
	1/01/07	159	5,142	3,911	9,212	10,983
	1/01/08	145	5,123	4,594	9,862	11,736
	1/01/09	119	6,508	4,355	10,982	10,841
	1/01/10	119	6,508	4,678	11,305	10,769
	12/31/10	102	6,469	4,785	11,356	10,197

Portion of Actuarial Accrued Liabilities Covered by Assets			
(1)	(2)	(3)	(4)
100%	100%	100%	103%
100	100	86	92
100	100	90	94
100	100	86	92
100	100	88	93
100	100	92	96
100	100	91	95
100	100	75	87
100	100	73	86
100	100	66	82
100%	100%	92%	98%
100	100	72	92
100	100	76	93
100	100	74	92
100	100	76	93
100	100	81	94
100	100	82	94
100	100	67	90
100	100	67	90
100	100	49	86
100%	100%	100%	101%
100	100	85	93
100	100	85	93
100	100	75	88
100	100	75	89
100	100	82	92
100	100	81	91
100	100	60	82
100	100	58	81
100	100	52	77
100%	100%	100%	116%
100	100	100	106
100	100	100	107
100	100	100	105
100	100	100	105
100	100	100	110
100	100	100	107
100	100	96	99
100	100	88	96
100	100	74	92
100%	100%	100%	108%
100	100	100	100
100	100	99	99
100	100	93	97
100	100	99	99
100	100	100	100
100	100	92	96
100	100	71	86
100	100	62	83
100	100	50	79
100%	100%	100%	143%
100	100	100	123
100	100	100	124
100	100	100	122
100	100	100	118
100	100	100	119
100	100	100	119
100	100	97	99
100	100	89	95
100	100	76	90

Schedules of Active Member Valuation Data

Year Ended December 31

System	Year	Number of Participating Employers	Active Members	Active Members: Annual Payroll	Active Members: Average Pay	Active Members: Percent Increase	Inflation Increase (CPI)
Noncontributory Retirement System	2001	374	81,383	$2,832,060,000	34,581	5.61%	1.60%
	2002	376	82,486	2,926,449,000	35,481	2.60	2.40
	2003	380	83,156	2,959,347,000	35,806	0.92	1.90
	2004	391	85,046	3,084,317,000	36,643	2.34	3.30
	2005	401	85,637	3,165,504,000	37,633	2.70	3.40
	2006	409	87,219	3,326,392,000	37,786	0.41	2.50
	2007	411	89,605	3,582,495,000	39,584	4.76	4.20
	2008	416	93,576	3,871,636,000	40,531	2.39	0.10
	2009	416	92,766	3,955,040,000	41,945	3.49	2.70
	2010	419	92,392	3,888,179,000	41,854	(0.22)	1.50
Contributory Retirement System	2001	164	3,760	$ 142,882,000	37,627	6.84%	1.60%
	2002	164	3,649	142,325,000	38,784	3.07	2.40
	2003	161	3,493	139,470,000	39,666	2.27	1.90
	2004	161	3,393	139,362,000	40,821	2.91	3.30
	2005	161	3,198	137,730,000	41,758	2.30	3.40
	2006	161	3,010	133,812,000	43,005	2.99	2.50
	2007	160	2,852	132,899,000	44,865	4.33	4.20
	2008	158	2,743	133,110,000	46,830	4.38	0.10
	2009	160	2,515	127,804,000	47,941	2.37	2.70
	2010	159	2,330	116,395,000	47,620	(0.67)	1.50
Public Safety Retirement System	2001	116	6,905	$ 260,783,000	37,705	4.26%	1.60%
	2002	119	6,966	268,478,000	39,004	3.45	2.40
	2003	117	7,041	278,402,000	39,579	1.47	1.90
	2004	119	7,173	293,797,000	40,300	1.82	3.30
	2005	120	7,239	298,756,000	40,737	1.08	3.40
	2006	123	7.474	316,662,000	42,356	3.98	2.50
	2007	126	7,587	339,187,000	43,899	3.64	4.20
	2008	128	7,894	365,043,000	45,964	4.70	0.10
	2009	130	7,695	373,959,000	47,145	2.57	2.70
	2010	130	7,624	363,037,000	46,898	(0.52)	1.50
Firefighters Retirement System	2001	39	1,498	$ 67,192,000	44,895	3.44%	1.60%
	2002	40	1,538	71,354,000	46,548	3.68	2.40
	2003	43	1,568	75,619,000	48,132	3.40	1.90
	2004	44	1,591	79,638,000	49,863	3.60	3.30
	2005	48	1,636	84,061,000	50,471	1.22	3.40
	2006	52	1,684	88,682,000	51,549	2.14	2.50
	2007	51	1,771	95,767,000	52,247	1.36	4.20
	2008	52	1,849	102,252,000	54,111	3.57	0.10
	2009	55	1,907	107,625,000	54,466	0.66	2.70
	2010	56	1,887	105,275,000	54,741	0.50	1.50
Judges Retirement System	2001	1	105	$ 10,924,000	104,298	3.89%	1.60%
	2002	1	103	11,173,000	106,010	1.64	2.40
	2003	1	106	10,888,000	106,613	0.57	1.90
	2004	1	106	11,646,000	107,237	0.59	3.30
	2005	1	108	11,594,000	110,539	3.08	3.40
	2006	1	106	12,195,000	112,350	1.64	2.50
	2007	1	108	13,322,000	120,184	6.97	4.20
	2008	1	106	14,404,000	128,706	7.09	0.10
	2009	1	104	14,434,000	131,742	2.36	2.70
	2010	1	109	14,234,000	133,692	1.48	1.50
Utah Governors and Legislators Retirement Plan	2001	1	92	$ 556,000	6,422	16.07%	1.60%
	2002	1	91	556,000	6,454	0.50	2.40
	2003	1	97	556,000	6,388	(1.02)	1.90
	2004	1	95	556,000	5,400	(15.47)	3.30
	2005	1	88	887,000	8,955	65.83	3.40
	2006	1	96	860,000	7,649	(14.58)	2.50
	2007	1	86	947,000	9,109	19.08	4.20
	2008	1	93	910,000	9,785	7.42	0.10
	2009	1	119	910,000	7,647	(21.85)	2.70
	2010	1	125	910,000	7,280	(4.80)	1.50

Schedules of Retirants and Beneficiaries

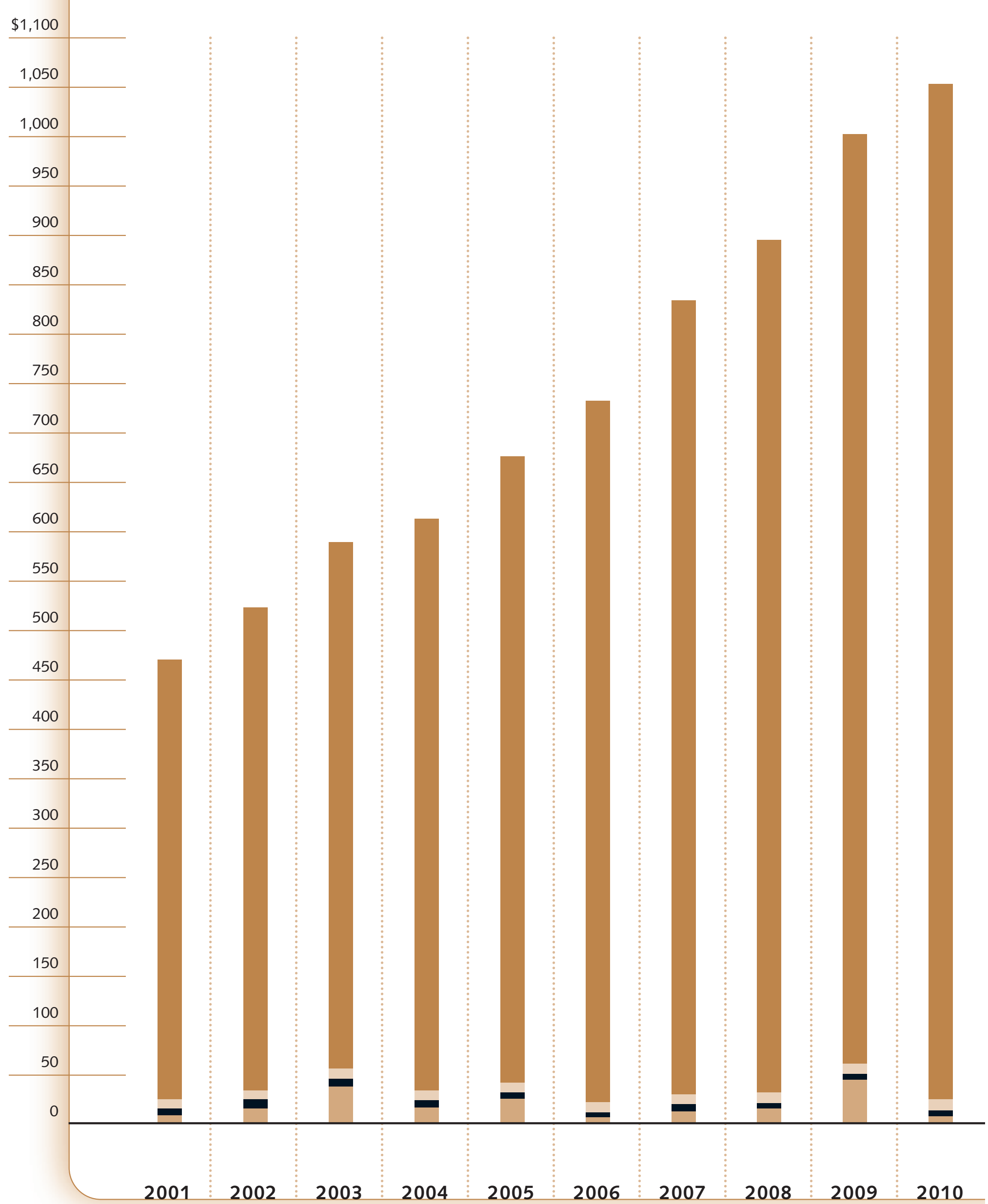
Year Ended December 31

		Added to Rolls		Removed from Rolls		Rolls End of Year		% Increase in Annual Allowances	Average Annual Allowances
System	Year	Number	Allowances*	Number	Allowances*	Number	Allowances		
Noncontributory Retirement System	2001	1,577	$ —	167	$ —	19,165	$311,311,000	12.44%	$15,756
	2002	1,737	—	236	—	20,666	348,230,000	11.86	16,351
	2003	1,805	—	256	—	22,215	386,791,000	11.07	16,884
	2004	1,803	—	244	—	23,774	424,897,000	9.85	17,126
	2005	2,212	—	276	—	25,710	469,695,000	10.54	17,731
	2006	2,728	—	284	—	28,154	533,248,000	13.53	18,387
	2007	2,131	84,779,000	320	8,501,000	29,965	609,526,000	14.30	19,138
	2008	2,082	75,142,000	316	24,876,000	31,731	659,792,000	8.25	19,616
	2009	2,540	84,600,000	370	21,340,000	33,901	723,052,000	9.59	20,039
	2010	2,697	$101,280,700	459	30,529,700	36,139	793,804,000	9.79	20,432
Contributory Retirement System	2001	98	$ —	542	$ —	7,848	$ 59,575,000	(1.23)%	$ 7,078
	2002	120	—	566	—	7,402	59,497,000	(0.13)	7,490
	2003	122	—	582	—	6,942	57,863,000	(2.75)	7,865
	2004	140	—	564	—	6,518	56,992,000	(1.51)	8,039
	2005	178	—	521	—	6,175	57,100,000	0.19	8,799
	2006	187	—	510	—	5,852	58,546,000	2.53	9,503
	2007	197	7,748,000	497	4,616,000	5,552	61,678,000	5.35	10,287
	2008	151	6,547,000	464	6,129,000	5,239	62,096,000	0.68	11,067
	2009	181	8,434,000	449	5,681,000	4,971	64,849,000	4.43	11,961
	2010	218	9,640,800	425	6,924,800	4,764	67,565,000	4.19	12,890
Public Safety Retirement System	2001	271	$ —	53	$ —	2,589	$ 48,607,000	13.65%	$17,743
	2002	162	—	30	—	2,721	53,962,000	11.02	18,801
	2003	183	—	26	—	2,878	59,941,000	11.08	19,796
	2004	204	—	35	—	3,047	66,329,000	10.66	20,816
	2005	252	—	31	—	3,268	74,041,000	11.63	21,724
	2006	212	—	31	—	3,449	82,499,000	11.42	22,977
	2007	190	10,541,000	25	1,176,000	3,614	91,864,000	11.35	23,575
	2008	197	16,691,000	45	9,611,000	3,766	98,944,000	7.71	24,391
	2009	170	11,925,000	105	4,597,000	3,831	106,272,000	7.41	25,710
	2010	212	14,221,100	31	4,662,100	4,012	115,831,000	8.99	26,497
Firefighters Retirement System	2001	52	$ —	10	$ —	867	$ 20,778,000	10.89%	$20,928
	2002	32	—	14	—	885	22,288,000	7.27	22,131
	2003	40	—	4	—	921	23,520,000	5.53	22,573
	2004	30	—	18	—	933	25,263,000	7.41	24,257
	2005	53	—	12	—	974	27,269,000	7.94	25,319
	2006	44	—	5	—	1,013	29,497,000	8.17	26,430
	2007	53	5,023,000	3	584,000	1,063	33,936,000	15.05	27,513
	2008	33	3,457,000	13	2,038,000	1,083	35,355,000	4.18	29,169
	2009	38	4,503,000	9	1,547,000	1,112	38,311,000	8.36	30,158
	2010	44	5,172,900	7	2,353,900	1,149	41,130,000	7.36	31,044
Judges Retirement System	2000	4	$ —	1	$ —	78	$ 3,659,000	10.14%	$45,547
	2002	1	—	2	—	77	3,804,000	3.96	48,014
	2003	8	—	2	—	83	4,361,000	14.64	51,023
	2004	2	—	1	—	84	4,518,000	3.60	52,243
	2005	5	—	1	—	88	4,755,000	5.25	52,465
	2006	3	—	2	—	89	5,251,000	10.43	57,325
	2007	7	1,084,000	—	—	96	6,335,000	20.64	60,717
	2008	3	583,000	2	338,000	97	6,580,000	3.87	63,084
	2009	10	1,015,000	—	—	107	7,595,000	15.43	65,133
	2010	8	1,415,000	—	—	115	9,010,000	18.63	68,784
Utah Governors and Legislators Retirement Plan	2001	10	$ —	—	$ —	229	$ 691,000	4.38%	$ 2,606
	2002	7	—	5	—	231	708,000	2.46	2,648
	2003	3	—	11	—	223	726,000	2.54	2,817
	2004	6	—	8	—	221	712,000	(1.93)	2,804
	2005	12	—	3	—	230	755,000	6.04	2,851
	2006	3	—	11	—	222	758,000	0.40	2,983
	2007	6	57,000	8	57,000	220	758,000	—	2,966
	2008	8	70,000	6	65,000	222	763,000	0.66	2,941
	2009	5	72,527	3	51,527	224	784,000	2.75	3,030
	2010	5	60,300	9	54,300	220	790,0000	0.77	3,076

**Additional information will be added when it becomes available.*

Deductions by Type

(in millions)



(in millions)	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Benefits	$445	489	533	579	634	710	804	863	941	1,028
Administrative Expense	9	9	10	10	10	10	10	11	10	11
Refunds	7	9	8	7	6	5	7	5	6	6
Transfers to Systems	8	15	37	16	25	6	12	15	44	7
Totals	$469	522	588	612	675	731	833	894	1,001	1,052

Summary of Plan Provisions

Noncontributory Retirement System

Membership Eligibility

The Public Employees Noncontributory Retirement System was established on July 1, 1986. All eligible employees of the State and School entities hired subsequent to that date are automatically members of the Noncontributory System. Local government entities had the option of adopting the new System or remaining with the Contributory System. An employee is qualified for membership in the Noncontributory System if his or her employer participates in the System and the employee works at least 20 hours per week and receives benefits normally provided by his or her employer as approved by the Retirement Board, teachers who teach half-time, and classified school employees who work an average of 20 hours or more per week, regardless of benefits provided.

Vesting

Retirement benefit becomes vested upon the member's completion of 4 years of qualifying service.

Service Retirement

Age	Years of Service	Allowance Reduction†
Any age	30	None
Any age	25	Full actuarial before age 60
60-61	20	3% each year before age 65
62-64	10	3% each year before age 65
65	4	None

† With fewer than 30 years of service from any combination of Utah Retirement Systems, retiring before age 65 will reduce the monthly benefit approximately 7% for every year under age 60 and 3% for each year between ages 60 and 65.

Service Benefit Formula

Number of years of service x 2.0% x FAS.*

** FAS (Final Average Salary) = highest three years' earnings converted to a monthly average. Yearly salary increases are limited to 10% plus a COLA determined by the CPI.*

Cost-of-Living Allowance

Up to 4% annually on the original retirement benefit. Eligible after one year.

Death Benefits

An active member's death benefit consists of an insurance payment equal to 75% of the highest annual salary with a minimum of $1,000 and a refund of transferred contributions plus interest, if applicable. The spouse of a deceased member is eligible for a monthly benefit if they have been married for at least six months and the member meets age and service qualifications or has 15 or more years of service credit.

An inactive member's death benefit for someone with fewer than ten years of service consists of a refund of transferred contributions plus interest, if applicable. For those with ten or more years of service credited to their account prior to July 1, 1987 and who have not withdrawn their contributions, the benefit is the same as for active members.

A retired member's death benefit depends on the retirement option selected at retirement. No death benefit is available without a reduced retirement benefit.

Refunds

A terminated member who transferred from the Contributory Retirement System is eligible for a 100% refund of transferred member contributions plus interest. There is a 60-day refund processing period after the last day of paid employment.

Redeposits

A redeposit with interest may be made in monthly installments, by a lump-sum payment, or by direct transfer from a qualified plan. A redeposit must be completed prior to retirement. Service credit is restored when the redeposit is completed.

Contribution Rates (as of 12-31-2010)

Employer rate for State & School (Level A) is 16.32% of covered salary and 13.37% for Local Government (Level B).

Interest

Up to 7.75% on member accounts transferred from the Contributory Retirement System.

Contributory Retirement System

Membership Eligibility

The Public Employees Contributory Retirement System includes eligible public employees of the State of Utah and its political subdivisions including public education employees of those entities covered by the System. An employee is qualified for membership in the Contributory System if his or her employer participates in the System and the employee works at least 20 hours per week and receives benefits normally provided by his or her employer as approved by the Retirement Board, teachers who teach half-time, and classified school employees who work an average of 20 hours per week or more regardless of benefits provided.

Vesting

Retirement benefit becomes vested upon the member's completion of 4 years of qualifying service. Eligible member contributions and interest thereon vest immediately.

Service Retirement

Age	Years of Service	Allowance Reduction†
Any age	30	None
60-61	20	3% each year before age 65
62-64	10	3% each year before age 65
65	4	None

† With fewer than 30 years of service from any combination of Utah Retirement Systems, retiring before age 65 will reduce the monthly benefit by 3% for each year between ages 60 and 65.

Service Benefit Formula

1) Number of years of service before 7-1-75 x 1.25% x FAS.*
2) Number of years of service after 6-30-75 x 2.0% x FAS.*
3) Plan 1 allowance = total of 1 and 2.

** FAS (Final Average Salary) = highest five years' earnings converted to a monthly average. Yearly salary increases are limited to 10% plus a COLA determined by the CPI.*

Cost-of-Living Allowance

Up to 4% annually on the original retirement benefit. Eligible after one year.

Death Benefits

An active member's death benefit consists of an insurance payment equal to 75% of the highest annual salary with a minimum of $1,000 and a refund of contributions plus interest. The spouse of a deceased member is eligible for a monthly benefit if they have been married for at least six months and the member meets age and service qualifications, or has 25 years of service.

An inactive member's death benefit for someone with fewer than ten years of service consists of a refund of contributions plus interest. For those with ten or more years of service credited to their account prior to July 1, 1987 and who have not withdrawn their contributions, the benefit is the same as for active members.

A retired member's death benefit depends on the retirement option selected at retirement. No death benefit is available without a reduced retirement benefit.

Refunds

A terminated member is eligible for a 100% refund of member contributions plus interest. There is a 60-day refund processing period after the last day of paid employment.

Redeposits

A redeposit with interest may be made in monthly installments, by a lump-sum payment, or by direct transfer from a qualified plan. A redeposit must be completed prior to retirement. Service credit is restored when the redeposit is completed.

Contribution Rates (as of 12-31-2010)

Member contribution rate is 6.00%* of covered salary. Employer rate for State and School (Level A) is 11.83% of covered salary and 9.36% for Local Government (Level B).

** Employers have the option of paying all or part of member contributions on behalf of their employees.*

Interest

Up to 7.75% on member accounts.

Public Safety Retirement System

Membership Eligibility

The Public Safety Retirement System includes eligible state and local government employees directly involved in law enforcement. The Public Safety System consists of the Contributory and Noncontributory divisions. Employees are qualified for membership in the Public Safety System if: (1) they are regularly scheduled to work and be compensated for 2,080 hours a year in a recognized public safety department; (2) they have completed a certified training program; (3) their primary duty is as a peace officer, correctional officer or special function officer; and (4) in the course of employment their life or personal safety is at risk.

Vesting

Retirement benefit becomes vested upon the member's completion of 4 years of service credit. Eligible member contributions vest immediately.

Service Retirement

Age	Years of Service	Allowance Reduction
Any age	20	None
60	10	None
65	4	None

Service Benefit Formula

1) 2.5% x FAS* x years of service up to 20 years.
2) 2.0% x FAS* x years of service over 20 years.
3) Monthly benefit = total of 1 and 2.

**FAS (Final Average Salary) = highest three years' earnings converted to a monthly average. Yearly salary increases are limited to 10% plus a COLA determined by the CPI.*

Cost-of-Living Allowance

Up to 2.5% annually on original retirement benefit. Employers have the option to provide an enhanced cost-of-living (COLA) benefit to their public safety retirees that will raise the maximum COLA from 2.5% to 4% based on the CPI. Eligible after one year.

Death Benefits

DIVISION A (with Social Security)

If death is in the line of duty, the benefit to the surviving spouse is $1,000 plus a monthly benefit of 30% of the final average salary. In the noncontributory system only, if the member has 20 years of service credit, the spouse's benefit is the same as for a retired member. If death is not in the line of duty, the benefit is $1,000 or a refund of contributions for members with fewer than 10 years of service. For more than 10 years of service, the benefit to the surviving spouse is $500 plus a monthly benefit of 2% of the final average salary for each year of service to a maximum of 30% of the final average salary. If there is no spouse, the settlement is a 100% refund of vested contributions payable to the beneficiary, or $500, whichever is greater. Dependent children receive no additional benefits. A retired member's death benefit to the surviving spouse is 65% of the monthly benefit unless the member selects a reduced monthly benefit at the time of retirement to provide a 75% spousal benefit.

Continued on page 138.

Summary of Plan Provisions *(Continued)*

Public Safety Retirement System Continued

DIVISION B (without Social Security)

If death is in the line of duty, the benefit to the surviving spouse is $1,500 plus a monthly benefit of 37.5% of the final average salary. Each unmarried child under 18 or dependent unmarried mentally or physically disabled child receives $50 per month if the member had two or more years of service. If death is not in the line of duty, the benefit is a refund of contributions plus 50% of the last 12 months of salary for members with fewer than two years of service. For members with more than two years of service, the benefit is the same as that for death in the line of duty. If there is no spouse, the settlement is a 100% refund of vested contributions payable to the beneficiary, or $500, whichever is greater. A retired member's death benefit to a surviving spouse is 65% of the monthly benefit unless the member selects a reduced monthly benefit at the time of retirement to provide a 75% spousal benefit. An unmarried child under 18 or dependent unmarried mentally or physically disabled child receives $50 per month.

Refunds

A terminated member is eligible for a 100% refund of member contributions. There is a 60-day refund processing period after the last day of paid employment.

Redeposits

A redeposit with interest may be made in monthly installments, by a lump-sum payment, or by direct transfer from a qualified plan. A redeposit must be completed prior to retirement. Service credit is restored when the redeposit is completed.

Contribution Rates (as of 12-31-2010)

NONCONTRIBUTORY OPTION

Employer rates for Division A are: State units 32.75%; Provo 32.98%; Bountiful 27.73%; other law enforcement units with a 2.5% COLA 26.13% and units with a 4.0% COLA 28.82% of salary. Employer rates for Division B are: Salt Lake City 36.31%; Ogden 34.93%; Logan 31.49%; other law enforcement units with a 2.5% COLA 28.24% and units with a 4.0% COLA 32.70% of covered salary.

CONTRIBUTORY OPTION

Member rates in Division A are: State units 12.29%; all other law enforcement units with a 2.5% COLA 12.29% and units with a 4.0% COLA 12.29% of covered salary. Member rates in Division B are: Logan 11.13% and other law enforcement units with a 2.5% COLA 10.50% and units with a 4.0% COLA 10.50% of salary.

Employer rates for Division A are: State units 21.68%; all other law enforcement units with a 2.5% COLA 14.86% and units with a 4.0% COLA 18.34% of covered salary. Employer rates for Division B are: Logan 20.95% and other law enforcement units with a 2.5% COLA 18.98% and units with a 4.0% COLA 23.22% of salary.

** Employers have the option of paying all or part of member contributions on behalf of their employees.*

Interest

Up to 7.75% on member accounts.

Firefighters Retirement System

Membership Eligibility

The Firefighters Retirement System includes eligible state and local government employees directly involved in fire fighting and whose duties are classified as hazardous. If an employer does not classify the duties as hazardous, the employee will be enrolled in either the Public Employees Contributory or Noncontributory Retirement System. Employees are qualified for membership in the Firefighters System if they are regularly scheduled to work and be compensated for 2,080 hours a year in a regular constituted fire department and are regularly assigned to hazardous duty. Although volunteer firefighters who are on the rolls of a legally organized volunteer fire department do not contribute to the System and are not eligible for service retirement benefits, they or their beneficiaries receive benefits based on the salary of the lowest paid firefighters in a first-class city if they are disabled or killed in the line of duty.

Vesting

Retirement benefit becomes vested upon the member's completion of 4 years of service credit.
Eligible member contributions vest immediately.

Service Retirement

Age	Years of Service	Allowance Reduction
Any age	20	None
60	10	None
65	4	None

Service Benefit Formula

1) 2.5% x FAS* x years of service up to 20 years.
2) 2.0% x FAS* x years of service over 20 years.
3) Monthly benefit = total of 1 and 2.

**FAS (Final Average Salary) = highest three years' earnings converted to a monthly average. Yearly salary increases are limited to 10% plus a COLA determined by the CPI.*

Cost-of-Living Allowance

Up to 4.0% annually on original retirement benefit. Eligible after one year.

Disability Benefits

If disability is in the line of duty, the benefit is 50% of the final average salary with no minimum age or service requirements. If disability is not in the line of duty, the benefit is a refund of contributions for members with fewer than five years of service. For members with more than five years of service, the benefit is the same as that for disability incurred in the line of duty. Benefits are suspended while receiving Workers Compensation.

Death Benefits

DIVISION A (with Social Security)

If death is in the line of duty, the benefit to the surviving spouse is $1,500 plus a monthly benefit of 30% of final average salary. If death is in the line of duty, and the member has 20 or more years of service credit, the spouse's benefit is the same as for a retired member.

If death is not in the line of duty, the benefit is $1,000 or a refund of contributions for members with fewer than 10 years of service. For members with more than 10 years of service, the benefit to the surviving spouse consists of $500 plus a monthly benefit of 2% of the final average salary for each year of service to a maximum of 30% of the final average salary.

Continued on page 140.

Summary of Plan Provisions *(Continued)*

Firefighters Retirement System Continued

DIVISION B (without Social Security)

If death is in the line of duty, the benefit to the surviving spouse is $1,500 plus a monthly benefit of 37.5% of the final average salary. Each unmarried child under 21 or dependent unmarried mentally or physically disabled child receives $75 per month if the member had five or more years of service. If death is in the line of duty, and the member has 20 or more years of service credit, the spouse's benefit is the same as for a retired member.

If death is not in the line of duty, the benefit is a refund of contributions plus 50% of the last 12 months of salary for members with fewer than five years of service. For members with more than five years of service, the benefit is the same as that for death in the line of duty. If there is no spouse, the settlement is a 100% refund of vested contributions payable to the beneficiary, or $500, whichever is greater. Total benefits cannot exceed 75% of the final average salary.

A retired member's death benefit to a surviving spouse is 75% of the monthly benefit with a minimum monthly payment of $350. An unmarried child under 21 or dependent unmarried mentally or physically disabled child receives $75 per month.

Refunds

A terminated member is eligible for a 100% refund of member contributions. There is a 60-day refund processing period after the last day of paid employment.

Redeposits

A redeposit with interest may be made in monthly installments, by a lump-sum payment, or by direct transfer from a qualified plan. A redeposit must be completed prior to retirement. Service credit is restored when the redeposit is completed.

Contribution Rates (as of 12-31-2010)

Member rate in Division A is 15.05% of covered salary. Member rate in Division B is 16.18% of covered salary.* Employer rate in Division A is 1.72% and in Division B is 0.00% of covered salary. A fire insurance premium tax equal to 11.87% of salaries is also an additional part of the employer contribution rates. Fire insurance premium taxes are collected by the Utah State Treasurer for the Firefighters Retirement System to help fund retirement benefits.

**Employers have the option of paying all or part of member contributions on behalf of their employees.*

Interest

Member contributions receive no interest.

Judges Retirement System

Membership Eligibility

The Judges Retirement System includes justices and judges of the courts of record as authorized in state statutes.

Vesting

Retirement benefit becomes vested upon the member's completion of 6 years of service credit. Eligible member contributions and interest thereon vest immediately.

Service Retirement

Age	Years of Service	Allowance Reduction†
Any age	25	None
55	20	Full actuarial reduction
62	10	None
70	6	None

†With fewer than 30 years of service from any combination of Utah Retirement Systems, retiring before age 65 will reduce the monthly benefit by 3% for each year between ages 60 and 65.

Service Benefit Formula

1) 5.00% x FAS*x years of service up to 10 yrs.
2) 2.25% x FAS*x years of service between 10 and 20 yrs.
3) 1.00% x FAS*x years of service over 20 yrs.
4) Monthly benefit = total of 1, 2, and 3.

**FAS (Final Average Salary) = highest two years' earnings in judicial service converted to a monthly average. Yearly salary increases are limited to 10% plus a COLA determined by the CPI.*

Cost-of-Living Allowance

Up to 4% compounded annually, beginning one year after retirement.

Death Benefits

An active or inactive member's death benefit to the surviving spouse consists of a refund of member contributions and interest plus 65% of the final average salary on a yearly rate, or a monthly allowance equal to 65% of the amount computed for a service retirement with no early retirement reduction.

A retired member's death benefit to the surviving spouse is 65% of the member's monthly benefit at the time of death. If the member elected a reduced monthly benefit, the surviving spouse will receive a death benefit of 75% of the member's monthly benefit.

Refunds

A terminated member is eligible for a 100% refund of member contributions plus interest. There is a 60-day refund processing period after the last day of paid employment.

Redeposits

A redeposit with interest may be made in monthly installments, by a lump-sum payment, or by direct transfer from a qualified plan. A redeposit must be completed prior to retirement. Service credit is restored when the redeposit is completed.

Contribution Rates (as of 12-31-2010)

Employer rate includes 23.72% of covered salary and 14.08% from court fees.

Interest

Up to 7.75% on member accounts.

Utah Governors and Legislators Retirement Plan

Membership Eligibility

The Utah Governors and Legislators Retirement Plan includes only governors and legislators of the State of Utah.

Vesting

Retirement benefit becomes vested upon the member's completion of 4 years of service credit.

Service Retirement

Age	Years of Service	Allowance Reduction
65	4	None
62	10	3% each year before age 65

Service Benefit Formula

GOVERNORS: $500 per month per term increased semi-annually up to 2% based on the CPI. The amount as of 12-31-10 is $1,240 per term.

LEGISLATORS: $10 per month per each year of service as a legislator increased semi-annually up to 2% based on the CPI. The amount as of 12-31-10 is $27.20.

Cost-of-Living Allowance

Up to 4% annually on the original retirement benefit. Eligible after one year.

Death Benefits

An active or retired member's death benefit to a spouse consists of a monthly pension equal to 50% of the retirement allowance paid, or to which the member would have been entitled to upon reaching age 65, if the member has four or more years of service as a governor or legislator. The deceased member and surviving spouse must have been married at least six months.

Contribution Rates (as of 12-31-2010)

There are currently no required contributions to the Utah Governors and Legislative Retirement Plan.

Changes in Plan Provisions

The following retirement-related bills were passed by the 2010 Utah Legislature:

General

HB 233 Retirement Office Ammendments

Clarifies board appointments; retirement service purchase rules; dual employment at retirement; appointment of certain third parties on behalf of a disabled member; makes technical changes.

SB 43 Post-Retirement Employment

Commencing July 1, 2010, Utah Senate Bill 43 lengthens the hiatus between a member's retirement date and his or her return to work for a participating employer and specifies alternatives for retaining or suspending the member's retirement allowance for the purpose of earning additional service credit.

Public Employees Retirement System

SB 63 New Public Employees Retirement System

Creates a two-tier public employees retirement system. Public employees hired on or after July 1, 2011,will enter URS under a different service and benefit structure called Tier II.

- Tier II employees, those who begin initial employment ***on or after July 1, 2011***, will choose between a defined contribution (DC) retirement benefit only or a hybrid retirement benefit consisting of DC and defined benefit (DB) plans.
- Tier I employees are those who began or will begin employment ***before July 1, 2011***. These employees' defined benefit (DB) retirement benefits are not changed by SB 63, nor are promised retirement benefits for current and future Tier I retirees.

HB 246 Charter School Retirement

Outlines service purchase requirements for charter school employees.

SB 171 Higher Ed Retirement

Higher education employees hired May 1, 2010, or after, with service credit in the Contributory or Noncontributory Retirement Systems, may continue participation in that system regardless of the institution's employment classification.

SB 240 Employer Non-Participation

Allows certain employers and employees to exempt from retirement coverage in the Noncontributory Retirement System.

Defined Contribution Savings Plans Summary of Plan Provisions

Introduction

The 401(k), 457, Roth and Traditional IRA Plans administered by the Board are Defined Contribution Savings Plans. These Plans are available as supplemental plans to the basic retirement benefits of the Retirement Systems. These Plans are voluntary tax-advantaged retirement savings programs authorized under sections 401(k), 457(b), and 408 of the Internal Revenue Code and are available to state, local government, and education employees throughout Utah whose employers have adopted the plans.

Goals and Objectives

The purpose of these plans is to allow public employees throughout Utah to adequately prepare themselves for retirement by investing a portion of their income in one or more of these supplemental retirement plans.

It has long been recognized that in order for people to experience the comfortable and rewarding retirement they desire, they cannot rely entirely upon Social Security and their employer provided retirement. Employees must take the initiative to personally put aside a portion of their salary into some type of long term savings plan. These tax-advantaged plans provide exceptional vehicles to accomplish the goal of a well balanced retirement plan. Employees who begin participating in these plans early in their careers can accumulate sizeable assets by the time they retire.

Employer Contributions

In addition to accepting employee contributions, the 401(k) and 457 plans also accept employer contributions on behalf of their employees. All state and public education employees participating in the Noncontributory Retirement System receive an amount equal to 1.5% of their salary in the 401(k) Plan. All local government employers also have the option of contributing to the 401(k) and 457 Plans on behalf of their employees.

Social Security Substitute

Local governments that have exempted themselves from Social Security coverage and have part-time, temporary, or seasonal employees, who are not participating in a qualifying retirement system, must cover these employees with a substitute plan.

Employers may use the 401(k)/457 Plans as a qualifying retirement system for these employees, but must contribute a minimum of 7.5% of salary to the Plan(s) in their behalf for it to be considered a "qualifying system." The employer may contribute the 7.5% themselves, or they may require their employees to pay a portion or all of it.

Summary of Plan Provisions

DEFERRAL LIMITS

401(k) — Limited in 2010 to an annual maximum of $16,500. Employer contributions and employee deferrals combined could not exceed the lesser of $49,000 or 100% of compensation.

457 — Limited to an annual maximum of $16,500 or 100% of includable compensation.

Roth and Traditional IRA — Limited to an annual maximum of $5,000 into all IRAs owned by the participant.

COORDINATION OF DEFERRALS

401(k) — Deferrals to the 401(k) and 403(b) plans must be coordinated.

457 — Contributions to the 457 must be coordinated with all 457(b) plans offered by the employer.

Roth and Traditional IRA — All IRA contributions must be coordinated.

CATCH-UP PROVISIONS

401(k) — An additional $5,500 for participants 50 or older during the year.

457 — An additional $5,500 for participants age 50 or older during the year. There is an additional "special catch-up" provision for individuals who are within four years of retirement eligibility. It allows participants to double their contributions to a 457(b) plan during the

Defined Contribution Savings Plans
Summary of Plan Provisions *(Continued)*

three years immediately proceeding the year they qualify for retirement. However, the special catch-up is limited to unused deferrals allowed in previous years.

Roth and Traditional IRA — An additional $1,000 for participants 50 or older.

WITHDRAWALS

401(k) — Allowable upon termination of employment, age 59 1/2, retirement, disability, death, or hardship caused by immediate and heavy financial needs.

457 — Allowable upon termination of employment, age 70 1/2, retirement, death, or severe unforeseeable financial emergencies.

Roth and Traditional IRA — Allowable at any time, but with possible tax penalties if withdrawn prior to age 59 1/2.

ROLLOVERS

401(k) — Allowable from other eligible retirement plans, or to other eligible retirement plans upon termination of employment or other qualifying events. May be either a direct rollover by the Plan or by the participant within 60 days after distribution.

457 — Allowable to other eligible retirement plans or from another 457(b) plan.

Roth and Traditional IRA — Allowable from other eligible retirement plans or to other eligible plans (depending on acceptance of receiving plan).

VESTING

401(k) — Fully vested.

457 — Fully vested.

Roth and Traditional IRA — Fully vested.

LOANS

401(k) and 457 — Available up to 50% of member account balance, to a maximum of $50,000. Only one outstanding loan allowed, per plan.

Roth and Traditional IRA — Not available.

Short Term Trading Fees

Each time money managers purchase or redeem stocks and bonds there are trading costs involved. Because of the costs generated by frequent or short term trading, it became necessary to impose a short term trading fee. Individuals who transfer any or all of their current account between core investment options more often than once every 30 days, are charged 2% of the amount transferred for each additional trade. Each transfer starts a new 30 day period.

Investment Transfer Options

Changes in deferral amounts and in the investment options for future contributions may be made at any time. Participants may make one transfer of accumulated balances within each plan no more frequently than every seven calendar days.

2010 Core Investment Options

INCOME FUND

The Income Fund is a stable value option which invests in a diversified portfolio consisting of U.S. government securities, mortgages, corporate bonds, guaranteed investment contracts, and short term funds. This fund is the most conservative of the investment options and offers the most stable return.

BOND FUND

The Bond Fund invests in a diversified portfolio consisting of U.S. government securities, mortgage and asset backed securities, corporate bonds, and short term funds.

BALANCED FUND

The Balanced Fund invests in a portfolio consisting of approximately 60% stocks, and 40% bonds.

Defined Contribution Savings Plans
Summary of Plan Provisions *(Continued)*

LARGE CAP STOCK VALUE FUND

The Large Cap Stock Value Fund invests in a diversified portfolio of common stocks that appear to be undervalued by the stock market but have a favorable outlook for long term growth.

LARGE CAP STOCK INDEX FUND

The Large Cap Stock Index Fund invests in stocks included in the Standard & Poor's 500 Index and is similarly weighted. This fund represents a broad range of industries in the U.S. economy.

LARGE CAP STOCK GROWTH FUND

The Large Cap Stock Growth Fund emphasizes capital appreciation and seeks to identify companies with future relative earnings strength at a reasonable valuation.

INTERNATIONAL FUND

The International Fund invests primarily in stocks of companies outside of the United States. This fund offers international diversification, but adds currency risk and country risk not found in a U.S. fund.

SMALL CAP STOCK FUND

The Small Cap Stock Fund invests in a broad cross-section of U.S. small companies whose size (market capitalization) falls within the smallest 8% of the market universe. The market universe is comprised of companies listed on the NYSE, AMEX, and NASDAQ.

Brokerage Window

The brokerage window is a self-directed brokerage account available through Charles Schwab. The brokerage account offers a wide variety of investment options with varying degrees of risk. The brokerage window allows the participant to choose from mutual funds, stocks, bonds, and exchange traded funds (ETFs).

Horizon Funds

A **Horizon Fund** asset allocation is designed to help those who want to diversify their investment. If they select one of the three Horizon Funds, contributions will be allocated to the investment options according to the table above. The Horizon Funds will generally rebalance quarterly if target ranges are exceeded. Utah Retirement Systems reserves the right to change these percentages as needed.

The **Short Horizon Fund** is designed for investors expecting to withdraw their funds within five years. This fund provides a relatively conservative investment with a more stable rate of return. However, with reduced market risk there is usually a lower rate of return over the long term.

Horizon Funds Asset Allocation

	Short Horizon Fund	Medium Horizon Fund	Long Horizon Fund
Income Fund	15%	—	—
Bond Fund	55	45	20
Large Cap Stock Value Fund	5	10	10
Large Cap Stock Index Fund	5	15	25
Large Cap Stock Growth Fund	5	10	10
International Fund	10	15	25
Small Cap Stock Fund	5	5	10
Total	100%	100	100

The **Medium Horizon Fund** is designed for investors planning to withdraw their funds in five to ten years. This fund emphasizes moderate risk and moderate earnings potential. It has more risk than the Short Horizon Fund, but less than the Long Horizon Fund. The Medium Horizon Fund is the default vehicle when no investment option has been selected by the participant.

The **Long Horizon Fund** is designed for investors with ten or more years to invest before withdrawing their funds. The fund offers the potential for higher returns over a long period of time. There is higher market risk with this horizon fund, along with higher potential returns.

Health Reimbursement Arrangement

The Health Reimbursement Arrangement (HRA) is a tax-advantaged health savings plan funded by employer contributions to pay for qualified health care expenses incurred after retirement.

ELIGIBILITY — Benefits are eligible for the retiree, spouse, and dependents as defined by the Internal Revenue Service.

CONTRIBUTIONS — HRA rules require that all contributions be made by the employer and are determined by the employer's personnel policies. Contributions are generally from unused sick leave or other leave.

REFUNDS, ADMINISTRATION AND FEES — Money is available for the member, their spouse and dependents to pay qualified medical expenses. For a comprehensive list of eligible expenses, see IRS Publication 502, *Medical and Dental Expenses*.

Contributions are placed in a money market account managed by Northern Trust investment management. Administrative and money management fees totaling 0.6% are deducted from earnings. There is also a $2.50 monthly fee for the benefit card and claims processing.

The historical rates of returns for each investment fund are found on page 113.

Statistical

SECTION

Schedules of Changes in Fund Balance — Defined Benefit Systems

Year Ended December 31, 2010

(dollars in thousands)

System	Year	Beginning Net Assets	Member Contributions	Total Employer Contributions: Employer Contributions	Total Employer Contributions: Court Fees/ Fire Insurance Tax	Contributions as a Percent of Covered Payroll	Net Investment Income
Noncontributory Retirement System	2001	$10,423,745	10,969	331,951	—	11.72	$ (544,848)
	2002	9,905,802	12,496	291,256	—	9.95	(788,906)
	2003	9,073,766	11,517	314,511	—	10.63	2,315,577
	2004	11,280,140	14,377	369,109	—	11.97	1,547,605
	2005	12,786,130	19,817	406,795	—	12.85	1,185,095
	2006	13,892,439	22,646	440,421	—	13.24	2,006,738
	2007	15,818,483	18,245	487,803	—	14.20	1,041,414
	2008	16,751,804	14,110	522,733	—	13.50	(3,888,624)
	2009	12,714,371	14,109	535,298	—	13.53	1,667,478
	2010	14,152,562	33,528	564,154	—	14.51	1,860,976
Contributory Retirement System	2001	$ 946,420	8,604	8,480	—	5.93	$ (47,761)
	2002	843,982	8,923	6,735	—	4.73	(64,251)
	2003	716,132	8,673	7,297	—	5.23	186,339
	2004	889,808	9,023	9,564	—	6.86	117,340
	2005	949,393	10,300	10,357	—	7.52	88,388
	2006	1,018,525	9,534	10,737	—	8.02	144,012
	2007	1,115,416	9,700	11,208	—	8.56	71,640
	2008	1,131,316	9,410	11,037	—	8.29	(261,227)
	2009	835,370	8,655	10,865	—	8.50	112,626
	2010	937,587	10,299	11,851	—	10.18	121,153
Public Safety Retirement System	2001	$ 1,296,078	3,976	46,113	—	17.68	$ (67,688)
	2002	1,229,903	4,258	42,264	—	15.74	(97,816)
	2003	1,124,549	4,448	46,655	—	16.76	288,126
	2004	1,404,167	5,038	56,319	—	19.17	192,784
	2005	1,594,043	4,806	61,326	—	20.53	148,071
	2006	1,736,451	4,567	70,466	—	22.25	250,813
	2007	1,981,492	4,343	81,166	—	24.46	130,655
	2008	2,106,302	2,159	93,899	—	25.72	(491,024)
	2009	1,614,057	1,556	98,729	—	26.40	213,627
	2010	1,824,758	1,713	103,586	—	28.53	241,203
Firefighters Retirement System	2001	$ 540,822	7,549	—	8,354	12.43	$ (28,038)
	2002	508,565	5,800	—	9,454	13.25	(40,198)
	2003	461,323	6,055	—	9,059	11.98	117,392
	2004	570,160	6,292	—	8,659	10.87	77,602
	2005	637,979	6,726	—	9,601	11.42	58,827
	2006	686,062	7,761	—	9,518	10.73	98,566
	2007	773,776	9,194	—	13,797	14.41	50,738
	2008	814,674	10,428	—	10,219	9.99	(188,095)
	2009	612,699	11,273	—	16,159	15.01	79,811
	2010	682,219	14,112	238	10,677	10.37	89,122
Judges Retirement System	2001	$ 87,731	7	1,007	2,046	27.94	$ (4,559)
	2002	82,760	5	472	2,381	25.53	(6,564)
	2003	75,753	103	551	1,939	22.87	19,417
	2004	94,467	8	723	1,808	21.73	12,852
	2005	105,483	8	792	1,605	20.67	9,762
	2006	113,353	10	995	1,723	22.29	16,287
	2007	128,299	13	1,360	1,850	24.10	8,401
	2008	134,364	138	1,730	2,072	26.40	(31,053)
	2009	100,895	67	2,083	2,101	28.99	13,214
	2010	111,726	—	2,771	1,944	33.12	14,597
Utah Governors and Legislators Retirement Plan	2001	$ 11,724	—	—	—	—	$ (595)
	2002	10,448	—	—	—	—	(806)
	2003	8,932	—	—	—	—	2,202
	2004	10,390	—	—	—	—	1,381
	2005	11,066	—	—	—	—	997
	2006	11,319	—	—	—	—	1,589
	2007	12,163	—	—	—	—	780
	2008	12,196	—	—	—	—	(2,763)
	2009	8,675	—	—	—	—	1,098
	2010	8,993	—	—	—	—	1,142

Transfers from Systems	Total Additions	Benefit Payments	Refunds	Administrative & Actuarial Expense	Transfers to Systems	Total Deductions	Changes in Net Assets	Ending Net Assets
5,255	(196,673)	311,311	3,264	6,695	—	321,270	(517,943)	9,905,802
12,166	(472,988)	348,230	3,715	7,103	—	359,048	(832,036)	9,073,766
—	2,641,605	386,791	3,310	8,124	37,006	435,231	2,206,374	11,280,140
10,583	1,941,674	424,897	3,029	7,758	—	435,684	1,505,990	12,786,130
—	1,611,707	469,695	3,189	7,557	24,957	505,398	1,106,309	13,892,439
112	2,469,917	533,248	2,763	7,862	—	543,873	1,926,044	15,818,483
7,173	1,554,635	609,526	3,443	8,345	—	621,314	933,321	16,751,804
—	(3,351,781)	659,792	2,514	8,809	14,537	685,652	(4,037,433)	12,714,371
—	2,216,885	723,052	2,882	8,340	44,420	778,694	1,438,191	14,152,562
—	2,458,658	793,804	3,620	8,389	3,202	809,015	1,649,643	15,802,205
—	(30,677)	59,575	3,087	654	8,445	71,761	(102,438)	843,982
—	(48,593)	59,497	3,716	624	15,420	79,257	(127,850)	716,132
33,263	235,572	57,863	3,358	675	—	61,896	173,676	889,808
—	135,927	56,992	2,945	618	15,787	76,342	59,585	949,393
19,565	128,610	57,100	1,800	578	—	59,478	69,132	1,018,525
—	164,283	58,546	1,789	576	6,481	67,392	96,891	1,115,416
—	92,548	61,678	2,318	588	12,064	76,648	15,900	1,131,316
9,008	(231,772)	62,096	1,473	605	—	64,174	(295,946)	835,370
37,633	169,779	64,849	2,158	555	—	67,562	102,217	937,587
—	143,303	67,565	1,632	535	3,910	73,642	69,661	1,007,248
1,416	(16,183)	48,607	542	843	—	49,992	(66,175)	1,229,903
1,956	(49,338)	53,962	1,155	899	—	56,016	(105,354)	1,124,549
2,002	341,231	59,941	666	1,006	—	61,613	279,618	1,404,167
4,002	258,143	66,329	960	978	—	68,267	189,876	1,594,043
4,257	218,460	74,041	1,026	985	—	76,052	142,408	1,736,451
3,284	329,130	82,499	562	1,028	—	84,089	245,041	1,981,492
2,323	218,487	91,864	723	1,090	—	93,677	124,810	2,106,302
3,727	(391,239)	98,944	899	1,163	—	101,006	(492,245)	1,614,057
4,578	318,490	106,272	390	1,127	—	107,789	210,701	1,824,758
4,248	350,750	115,831	512	1,146	—	117,489	233,261	2,058,019
1,517	(10,618)	20,778	543	318	—	21,639	(32,257)	508,565
735	(24,209)	22,288	422	323	—	23,033	(47,242)	461,323
625	133,131	23,520	414	360	—	24,294	108,837	570,160
980	93,533	25,263	106	345	—	25,714	67,819	637,979
601	75,755	27,269	72	331	—	27,672	48,083	686,062
1,825	117,670	29,497	114	345	—	29,956	87,714	773,776
1,709	75,438	33,936	248	356	—	34,540	40,898	814,674
1,491	(165,957)	35,355	284	379	—	36,018	(201,975)	612,699
1,173	108,416	38,311	231	354	—	38,896	69,520	682,219
1,784	115,933	41,130	401	361	—	41,892	74,041	756,260
239	(1,260)	3,659	—	52	—	3,711	(4,971)	82,760
560	(3,146)	3,804	—	57	—	3,861	(7,007)	75,753
1,128	23,138	4,361	—	63	—	4,424	18,714	94,467
204	15,595	4,518	—	61	—	4,579	11,016	105,483
518	12,685	4,755	—	60	—	4,815	7,870	113,353
1,242	20,257	5,251	—	60	—	5,311	14,946	128,299
841	12,465	6,335	—	65	—	6,400	6,065	134,364
294	(26,819)	6,580	—	70	—	6,650	(33,469)	100,895
1,027	18,492	7,595	—	66	—	7,661	10,831	111,726
1,078	20,390	9,010	—	69	—	9,079	11,311	123,037
18	(577)	691	2	6	—	699	(1,276)	10,448
3	(803)	708	—	5	—	713	(1,516)	8,932
—	2,202	726	—	6	12	744	1,458	10,390
18	1,399	712	5	6	—	723	676	11,066
16	1,013	755	—	5	—	760	253	11,319
18	1,607	758	—	5	—	763	844	12,163
18	798	758	2	5	—	765	33	12,196
17	(2,746)	763	7	5	—	775	(3,521)	8,675
9	1,107	784	—	5	—	789	318	8,993
2	1,144	790	5	5	—	800	344	9,337

Schedules of Changes in Fund Balance — Defined Contribution Plans

Year Ended December 31, 2010

(in thousands)

System	Year	Beginning Net Assets	Contributions	Net Investment Income / (Loss)	Total Additions
401(k) Plan	2001	$ 1,276,732	145,557	(34,051)	111,506
	2002	1,330,045	160,267	(109,790)	50,477
	2003	1,312,764	161,212	249,313	410,525
	2004	1,653,375	170,958	152,410	323,368
	2005	1,890,555	182,744	142,760	325,504
	2006	2,104,462	193,515	226,668	420,183
	2007	2,388,556	225,975	137,399	363,374
	2008	2,604,148	229,981	(554,176)	(324,195)
	2009	2,131,945	222,369	386,989	609,358
	2010	2,607,287	222,474	254,289	476,763
457 Plan	2001	$ 215,605	5,935	(5,395)	540
	2002	199,518	10,353	(13,325)	(2,972)
	2003	171,561	13,812	29,193	43,005
	2004	196,219	17,368	17,118	34,486
	2005	213,271	22,033	14,891	36,924
	2006	230,031	23,282	24,210	47,492
	2007	258,815	26,303	14,025	40,328
	2008	277,063	29,021	(57,267)	(28,246)
	2009	229,469	26,617	41,581	68,198
	2010	283,619	26,522	27,628	54,150
Roth IRA Plan*	2005	$ —	1,007	53	1,060
	2006	1,027	2,351	283	2,634
	2007	3,588	2,745	208	2,953
	2008	6,336	3,346	(2,051)	1,295
	2009	7,088	3,623	2,008	5,631
	2010	12,248	8,116	1,827	9,943
Traditional IRA Plan*	2005	$ —	6,527	353	6,880
	2006	6,556	6,069	1,061	7,130
	2007	12,428	7,390	650	8,040
	2008	17,840	7,433	(3,488)	3,945
	2009	19,194	3,161	2,803	5,964
	2010	22,471	6,097	1,692	7,789
HRA Plan*	2006	$ —	161	2	163
	2007	129	664	19	683
	2008	685	1,129	23	1,152
	2009	1,546	1,974	7	1,981
	2010	2,988	4,274	11	4,285
All Defined Contribution Plans	2001	$ 1,492,337	151,492	(39,446)	112,046
	2002	1,529,563	170,620	(123,115)	47,505
	2003	1,484,325	175,024	278,506	453,530
	2004	1,849,584	188,326	169,528	357,854
	2005	2,103,826	212,311	158,057	370,368
	2006	2,342,076	225,378	252,224	477,602
	2007	2,663,516	263,077	152,301	415,378
	2008	2,906,072	270,910	(616,959)	(346,049)
	2009	2,389,242	257,744	433,388	691,132
	2010	2,928,613	267,483	285,447	552,930

**This plan has existed for less than 10 years.*

Refunds	Administrative Expenses	Total Deductions	Changes in Net Assets	Ending Net Assets
54,819	3,374	58,193	53,313	1,330,045
63,908	3,850	67,758	(17,281)	1,312,764
65,785	4,129	69,914	340,611	1,653,375
81,611	4,577	86,188	237,180	1,890,555
106,678	4,919	111,597	213,907	2,104,462
130,718	5,371	136,089	284,094	2,388,556
142,180	5,602	147,782	215,592	2,604,148
141,904	6,104	148,008	(472,203)	2,131,945
127,675	6,341	134,016	475,342	2,607,287
190,963	6,410	197,373	279,390	2,886,677
16,129	498	16,627	(16,087)	199,518
24,498	487	24,985	(27,957)	171,561
17,877	470	18,347	24,658	196,219
16,937	497	17,434	17,052	213,271
19,633	531	20,164	16,760	230,031
18,138	570	18,708	28,784	258,815
21,489	591	22,080	18,248	277,063
18,683	665	19,348	(47,594)	229,469
13,349	699	14,048	54,150	283,619
20,184	711	20,895	33,255	316,874
33	—	33	1,027	1,027
67	6	73	2,561	3,588
192	13	205	2,748	6,336
524	19	543	752	7,088
445	26	471	5,160	12,248
1,582	38	1,620	8,323	20,571
315	9	324	6,556	6,556
1,232	26	1,258	5,872	12,428
2,592	36	2,628	5,412	17,840
2,545	46	2,591	1,354	19,194
2,635	52	2,687	3,277	22,471
3,954	55	4,009	3,780	26,251
34	—	34	129	129
126	1	127	556	685
288	3	291	861	1,546
533	6	539	1,442	2,988
987	11	998	3,287	6,275
70,948	3,872	74,820	37,226	1,529,563
88,406	4,337	92,743	(45,238)	1,484,325
83,662	4,599	88,261	365,269	1,849,594
98,548	5,074	103,622	254,232	2,103,826
126,659	5,459	132,118	238,250	2,342,076
150,189	5,973	156,162	321,440	2,663,516
166,579	6,243	172,822	242,556	2,906,072
163,944	6,837	170,781	(516,830)	2,389,242
144,637	7,124	151,761	539,371	2,928,613
217,670	7,225	224,895	328,035	3,256,648

Schedules of Benefit Deductions by Type

Year Ended December 31, 2010

(in thousands)

System	Year	Service and Disability Benefits	Cost-of-Living Benefits	Supplemental Benefits	Total Benefits
Noncontributory Retirement System	2001	$ 265,102	46,209	—	311,311
	2002	294,735	53,495	—	348,230
	2003	327,972	58,819	—	386,791
	2004	360,819	64,078	—	424,897
	2005	397,759	71,936	—	469,695
	2006	450,659	82,589	—	533,248
	2007	513,917	95,609	—	609,526
	2008	551,391	108,401	—	659,792
	2009	599,456	123,596	—	723,052
	2010	661,713	132,086	—	793,799
Contributory Retirement System	2001	$ 36,714	20,528	2,333	59,575
	2002	37,256	20,292	1,949	59,497
	2003	36,520	19,719	1,624	57,863
	2004	36,620	19,041	1,331	56,992
	2005	37,508	18,479	1,113	57,100
	2006	39,635	18,002	909	58,546
	2007	43,248	17,694	736	61,678
	2008	44,218	17,309	569	62,096
	2009	47,319	17,086	444	64,849
	2010	50,822	16,389	353	67,564
Public Safety Retirement System	2001	$ 41,084	6,801	722	48,607
	2002	45,588	7,689	685	53,962
	2003	50,653	8,638	650	59,941
	2004	56,047	9,670	612	66,329
	2005	62,608	10,859	574	74,041
	2006	69,721	12,237	541	82,499
	2007	77,605	13,743	516	91,864
	2008	83,142	15,317	485	98,944
	2009	88,632	17,186	454	106,272
	2010	96,331	19,068	433	115,832
Firefighters Retirement System	2001	$ 16,207	3,775	796	20,778
	2002	17,314	4,223	751	22,288
	2003	18,270	4,552	698	23,520
	2004	19,757	4,851	655	25,263
	2005	21,405	5,252	612	27,269
	2006	23,122	5,806	569	29,497
	2007	26,952	6,461	523	33,936
	2008	27,792	7,093	470	35,355
	2009	30,097	7,792	422	38,311
	2010	32,490	8,242	401	41,133
Judges Retirement System	2001	$ 2,965	694	—	3,659
	2002	3,009	795	—	3,804
	2003	3,508	853	—	4,361
	2004	3,624	894	—	4,518
	2005	3,784	971	—	4,755
	2006	4,167	1,084	—	5,251
	2007	5,105	1,230	—	6,335
	2008	5,201	1,379	—	6,580
	2009	6,046	1,549	—	7,595
	2010	7,317	1,693	—	9,010
Utah Governors and Legislators Retirement Plan	2001	$ 547	144	—	691
	2002	556	152	—	708
	2003	572	154	—	726
	2004	559	153	—	712
	2005	595	160	—	755
	2006	594	164	—	758
	2007	596	162	—	758
	2008	606	157	—	763
	2009	619	165	—	784
	2010	624	165	—	789

Schedules of Retired Members by Type of Benefit Option

Year Ended December 31, 2010

(in thousands)

System	Amount of Monthly Benefit	Number of Retirees by Benefit Option 1	2	3	4	5	6	7	8	9
Noncontributory Retirement System	$1-1,000	7,056	761	1,799	242	2,344	703	—	—	—
	1,001-2,000	3,369	689	1,508	249	1,957	771	—	—	—
	2,001-3,000	2,551	643	1,778	286	2,314	793	—	—	—
	3,001-4,000	1,356	361	1,126	194	1,038	395	—	—	—
	4,001-5,000	350	79	438	85	274	109	—	—	—
	over-5,000	148	42	185	34	76	36	—	—	—
Contributory Retirement System	$1-1,000	1,418	548	265	43	258	100	—	—	—
	1,001-2,000	562	257	215	64	224	73	—	—	—
	2,001-3,000	170	86	97	18	112	40	—	—	—
	3,001-4,000	48	29	35	7	27	18	—	—	—
	4,001-5,000	10	11	11	—	5	1	—	—	—
	over-5,000	2	2	6	—	1	1	—	—	—
Public Safety Retirement System	$1-1,000	—	—	—	—	—	—	—	307	118
	1,001-2,000	—	—	—	—	—	—	—	733	272
	2,001-3,000	—	—	—	—	—	—	—	1,212	417
	3,001-4,000	—	—	—	—	—	—	—	473	177
	4,001-5,000	—	—	—	—	—	—	—	153	76
	over-5,000	—	—	—	—	—	—	—	59	15
Firefighters Retirement System	$1-1,000	—	—	—	—	—	—	—	38	—
	1,001-2,000	—	—	—	—	—	—	—	167	—
	2,001-3,000	—	—	—	—	—	—	—	409	—
	3,001-4,000	—	—	—	—	—	—	—	374	—
	4,001-5,000	—	—	—	—	—	—	—	132	—
	over-5,000	—	—	—	—	—	—	—	29	—
Judges Retirement System	$1-1,000	—	—	—	—	—	—	—	—	—
	1,001-2,000	—	—	—	—	—	—	—	—	—
	2,001-3,000	—	—	—	—	—	—	—	—	1
	3,001-4,000	—	—	—	—	—	—	—	4	1
	4,001-5,000	—	—	—	—	—	—	—	1	—
	over-5,000	—	—	—	—	—	—	—	55	53
Utah Governors and Legislators Retirement Plan*	$1-1,000	—	—	—	215	—	1	—	—	—
	1,001-2,000	—	—	—	3	—	—	—	—	—
	2,001-3,000	—	—	—	1	—	—	—	—	—
	3,001-4,000	—	—	—	—	—	—	—	—	—
	4,001-5,000	—	—	—	—	—	—	—	—	—
	over-5,000	—	—	—	—	—	—	—	—	—

1–A maximum monthly benefit for the retiree's life. No benefit to a beneficiary.

2–A reduced lifetime benefit to the retiree. A beneficiary receives the balance in retiree's account after the monthly annuity payments are deducted.

3–A reduced lifetime benefit to a retiree and a lifetime benefit equal to the retiree's benefit payable to the retiree's lawful spouse at the time of retirement.

4–A reduced lifetime benefit to the retiree and a lifetime benefit equal to half of the retiree's benefit to the retiree's lawful spouse at the time of retirement.

5–Approximately 95% of the benefit in type 3 and the same lifetime benefit for retiree's lawful spouse at the time of retirement. Benefit reverts to 100% at time of spouse's death.

6–Approximately 98% of the benefit in type 4 and a lifetime benefit for equal to half of the retiree's for retiree's lawful spouse at the time of the retirement. Benefit reverts to 100% at time of spouse's death.

7–Normal retirement for age and service and a lifetime benefit of 65% of the retiree's benefit to the retiree's lawful spouse at the time of the retiree's death.

8–Normal retirement for age and service and a lifetime benefit of 65% of the retiree's benefit to the retiree's lawful spouse at the time of the retiree's death.

9–Reduced retirement benefit for age and service and a lifetime benefit of 75% of the retiree's benefit to the retiree's lawful spouse at the time of the retirement.

**Utah Governors and Legislators Retirement Plan provides a normal lifetime pension to the retiree and 50% of the retiree's benefit to the retiree's lawful spouse at the time of death if the retiree had four or more years of service.*

Schedules of Average Benefit Payments

December 31

System	Year			Years of Credited Service 4-10	10-15	15-20	20-25	25-30	30+
Noncontributory Retirement System	2006	Average Monthly Benefit	$	366	717	1,054	1,388	2,455	3,071
		Monthly Final Average Salary		2,362	2,844	3,169	3,420	4,342	4,806
		Number of Active Retired		346	298	407	299	834	544
	2007	Average Monthly Benefit	$	350	674	1,100	1,433	2,461	3,136
		Monthly Final Average Salary		2,334	2,754	3,289	3,601	4,532	5,100
		Number of Active Retired		408	248	362	226	582	305
	2008	Average Monthly Benefit	$	321	760	1,093	1,504	2,509	3,159
		Monthly Final Average Salary		2,194	3,052	3,403	3,801	4,599	5,080
		Number of Active Retired		361	268	339	265	527	322
	2009	Average Monthly Benefit	$	325	687	1,126	1,465	2,536	3,327
		Monthly Final Average Salary		2,427	2,949	3,557	3,752	4,727	5,419
		Number of Active Retired		472	309	401	350	565	443
	2010	Average Monthly Benefit	$	368	738	1,181	1,593	2,577	3,368
		Monthly Final Average Salary		2,565	3,148	3,747	4,117	4,783	5,475
		Number of Active Retired		463	324	418	385	642	465
Contributory Retirement System	2006	Average Monthly Benefit	$	—	428	862	1,068	2,114	2,408
		Monthly Final Average Salary		—	1,687	2,519	2,560	3,682	4,134
		Number of Active Retired		—	13	18	49	85	22
	2007	Average Monthly Benefit	$	270	523	723	1,138	2,257	2,769
		Monthly Final Average Salary		2,096	2,184	2,281	3,007	3,974	4,455
		Number of Active Retired		5	14	18	56	78	26
	2008	Average Monthly Benefit	$	330	453	1,141	1,228	2,043	2,322
		Monthly Final Average Salary		2,276	1,367	3,734	2,964	3,625	4,049
		Number of Active Retired		6	7	10	43	71	14
	2009	Average Monthly Benefit	$	774	466	1,033	1,157	1,983	2,807
		Monthly Final Average Salary		2,852	2,040	3,208	3,043	3,741	4,829
		Number of Active Retired		5	13	8	28	92	35
	2010	Average Monthly Benefit	$	441	696	792	1,112	2,234	2,824
		Monthly Final Average Salary		2,393	3,159	2,502	2,851	4,271	4,857
		Number of Active Retired		10	10	13	24	114	47
Public Safety Retirement System	2006	Average Monthly Benefit	$	615	1,259	1,968	2,703	3,318	3,311
		Monthly Final Average Salary		2,623	3,363	4,011	4,419	4,981	4,745
		Number of Active Retired		4	14	77	75	25	17
	2007	Average Monthly Benefit	$	807	1,116	2,124	2,541	3,351	3,657
		Monthly Final Average Salary		3,252	3,371	4,167	4,839	5,259	5,401
		Number of Active Retired		13	16	69	51	26	15
	2008	Average Monthly Benefit	$	945	1,124	2,099	2,668	3,358	4,333
		Monthly Final Average Salary		2,934	3,643	4,458	4,789	5,136	5,328
		Number of Active Retired		5	8	97	57	22	8
	2009	Average Monthly Benefit	$	972	1,115	2,288	2,498	3,526	4,080
		Monthly Final Average Salary		3,996	3,792	4,812	4,696	5,429	5,823
		Number of Active Retired		7	10	75	36	21	21
	2010	Average Monthly Benefit	$	766	1,591	2,124	2,632	3,616	4,211
		Monthly Final Average Salary		3,711	4,711	4,565	4,988	5,807	6,016
		Number of Active Retired		7	9	92	53	35	16

Schedules of Average Benefit Payments *(Continued)*

December 31

System			Years of Credited Service 4-10	10-15	15-20	20-25	25-30	30+
Firefighters Retirement System	2006	Average Monthly Benefit	$ 1,856	1,032	2,367	2,772	4,141	3,832
		Monthly Final Average Salary	3,712	3,305	4,765	5,099	4,947	5,533
		Number of Active Retired	4	2	7	10	10	11
	2007	Average Monthly Benefit	$ 1,523	—	2,417	2,857	3,643	3,533
		Monthly Final Average Salary	3,047	—	5,111	5,380	5,759	5,492
		Number of Active Retired	3	—	6	15	15	14
	2008	Average Monthly Benefit	$ 1,852	2,582	2,581	2,893	3,808	3,814
		Monthly Final Average Salary	3,704	5,164	5,372	5,347	5,930	5,631
		Number of Active Retired	2	1	7	6	9	8
	2009	Average Monthly Benefit	$ 2,416	2,036	2,230	3,028	3,534	4,891
		Monthly Final Average Salary	4,833	5,281	4,555	553	5,796	7,267
		Number of Active Retired	2	1	2	8	12	13
	2010	Average Monthly Benefit	$ —	2,946	2,725	3,062	3,575	4,166
		Monthly Final Average Salary	—	5,891	5,620	5,735	5,978	5,845
		Number of Active Retired	—	1	12	5	14	12
Judges Retirement System	2006	Average Monthly Benefit	$ —	—	6,365	—	—	8,395
		Monthly Final Average Salary	—	—	8,860	—	—	8,995
		Number of Active Retired	—	—	1	—	—	2
	2007	Average Monthly Benefit	$ —	—	5,927	7,142	6,979	8,731
		Monthly Final Average Salary	—	—	9,518	9,202	9,202	9,257
		Number of Active Retired	—	—	1	2	3	1
	2008	Average Monthly Benefit	$ 4,338	—	—	6,634	—	—
		Monthly Final Average Salary	9,171	—	—	10,321	—	—
		Number of Active Retired	2	—	—	1	—	—
	2009	Average Monthly Benefit	$ 3,562	5,879	6,961	7,556	8,511	8,100
		Monthly Final Average Salary	7,227	10,750	10,774	10,445	10,932	10,644
		Number of Active Retired	1	1	1	3	1	3
	2010	Average Monthly Benefit	$ —	6,564	7,389	8,036	—	9,027
		Monthly Final Average Salary	—	12,076	10,969	11,136	—	11,151
		Number of Active Retired	—	1	1	4	—	3
Utah Governors and Legislators Retirement Plan	2006	Average Monthly Benefit	$ 171	284	—	—	—	—
		Monthly Final Average Salary	—	—	—	—	—	—
		Number of Active Retired	2	1	—	—	—	—
	2007	Average Monthly Benefit	$ 138	282	520	—	—	—
		Monthly Final Average Salary	—	—	—	—	—	—
		Number of Active Retired	4	1	1	—	—	—
	2008	Average Monthly Benefit	$ 191	362	433	549	—	—
		Monthly Final Average Salary	—	—	—	—	—	—
		Number of Active Retired	3	3	1	1	—	—
	2009	Average Monthly Benefit	$ 212	—	—	—	—	—
		Monthly Final Average Salary	—	—	—	—	—	—
		Number of Active Retired	5	—	—	—	—	—
	2010	Average Monthly Benefit	$ 190	324	—	465	—	—
		Monthly Final Average Salary	—	—	—	—	—	—
		Number of Active Retired	3	1	—	1	—	—

Schedules of Active Members by Age and Gender

Year Ended December 31, 2010

System	Ages	Male	Female	Total
Noncontributory Retirement System	Under 20	78	276	354
	20 to 29	3,823	8,439	12,262
	30 to 39	8,226	11,843	20,069
	40 to 49	8,099	14,251	22,350
	50 to 54	4,391	9,082	13,473
	55 to 59	4,064	8,835	12,899
	60 to 69	3,543	6,798	10,341
	70 and Older	316	328	644
	Total	32,540	59,852	92,392
Contributory Retirement System	Under 20	4	1	5
	20 to 29	50	67	117
	30 to 39	100	80	180
	40 to 49	218	205	423
	50 to 54	260	271	531
	55 to 59	275	318	593
	60 to 69	206	253	459
	70 and Older	11	11	22
	Total	1,124	1,206	2,330
Public Safety Retirement System	Under 20	—	2	2
	20 to 29	1,102	110	1,212
	30 to 39	2,805	348	3,153
	40 to 49	1,862	281	2,143
	50 to 54	442	94	536
	55 to 59	309	54	363
	60 to 69	182	27	209
	70 and Older	6	—	6
	Total	6,708	916	7,624

System	Ages	Male	Female	Total
Firefighters Retirement System	Under 20	—	—	—
	20 to 29	232	17	249
	30 to 39	806	25	831
	40 to 49	497	18	515
	50 to 54	152	1	153
	55 to 59	100	1	101
	60 to 69	38	—	38
	70 and Older	—	—	—
	Total	1,825	62	1,887
Judges Retirement System	Under 20	—	—	—
	20 to 29	—	—	—
	30 to 39	—	1	1
	40 to 49	14	5	19
	50 to 54	12	6	18
	55 to 59	31	5	36
	60 to 69	28	7	35
	70 and Older	—	—	—
	Total	85	24	109
Utah Governors and Legislators Retirement Plan	Under 20	—	—	—
	20 to 29	—	1	1
	30 to 39	10	1	11
	40 to 49	24	6	30
	50 to 54	16	6	22
	55 to 59	19	5	24
	60 to 69	28	6	34
	70 and Older	2	1	3
	Total	99	26	125

Schedules of Retirees by Age and Gender

Year Ended December 31, 2010

System	Ages	Male	Female	Total
Noncontributory Retirement System	Under 55	280	460	740
	55 to 59	869	1,080	1,949
	60 to 64	2,270	3,285	5,555
	65 to 69	3,475	5,548	9,023
	70 to 74	2,986	4,639	7,625
	75 to 79	2,408	3,476	5,884
	80 to 84	1,529	2,237	3,766
	85 to 89	604	829	1,433
	90 to 94	48	107	155
	95 to 100	2	7	9
	Over 100	—	—	—
	Total	14,471	21,668	36,139
Contributory Retirement System	Under 55	55	55	110
	55 to 59	91	99	190
	60 to 64	165	234	399
	65 to 69	193	346	539
	70 to 74	155	328	483
	75 to 79	122	291	413
	80 to 84	174	416	590
	85 to 89	309	722	1,031
	90 to 94	220	588	808
	95 to 100	35	153	188
	Over 100	2	11	13
	Total	1,521	3,243	4,764
Public Safety Retirement System	Under 55	600	198	798
	55 to 59	536	139	675
	60 to 64	690	147	837
	65 to 69	509	130	639
	70 to 74	341	106	447
	75 to 79	222	96	318
	80 to 84	93	79	172
	85 to 89	42	44	86
	90 to 94	11	22	33
	95 to 100	3	3	6
	Over 100	—	1	1
	Total	3,047	965	4,012

System	Ages	Male	Female	Total
Firefighters Retirement System	Under 55	134	46	180
	55 to 59	155	22	177
	60 to 64	202	31	233
	65 to 69	167	26	193
	70 to 74	107	26	133
	75 to 79	58	29	87
	80 to 84	49	35	84
	85 to 89	26	18	44
	90 to 94	4	12	16
	95 to 100	—	3	3
	Over 100	—	—	—
	Total	902	248	1,149
Judges Retirement System	Under 55	—	—	—
	55 to 59	1	1	2
	60 to 64	14	3	17
	65 to 69	17	4	21
	70 to 74	15	4	19
	75 to 79	10	6	16
	80 to 84	11	10	21
	85 to 89	7	5	12
	90 to 94	2	5	7
	95 to 100	—	—	—
	Over 100	—	—	—
	Total	77	38	115
Utah Governors and Legislators Retirement Plan	Under 55	—	2	2
	55 to 59	—	1	1
	60 to 64	3	4	7
	65 to 69	14	7	21
	70 to 74	34	10	44
	75 to 79	29	18	47
	80 to 84	25	27	52
	85 to 89	21	7	28
	90 to 94	8	8	16
	95 to 100	—	2	2
	Over 100	—	—	—
	Total	134	86	220

Schedules of Principal Participating Employers

Year Ended December 31

System	Employer	2010 Active Members	2010 Rank	2010 Percent of Total Active Member	2009 Active Members	2009 Rank	2009 Percent of Total Active Members
Noncontributory Retirement System	State of Utah	16,071	1	17.39%	16,435	1	17.72%
	Granite School District	5,781	2	6.26	6,148	2	6.63
	Alpine School District	5,551	3	6.01	5,487	3	5.91
	Davis School District	5,330	4	5.77	5,433	4	5.86
	University of Utah	4,217	5	4.56	4,274	5	4.61
	Jordan School District	3,366	6	3.64	3,560	6	3.84
	Salt Lake County	2,869	7	3.11	2,968	7	3.20
	Weber School District	2,861	8	3.10	2,875	8	3.10
	Salt Lake School District	2,683	9	2.90	2,842	9	3.06
	Canyons School District	2,637	10	2.85	2,572	10	2.77
	Nebo School District	—	—	—	—	—	—
	Other	41,026		44.41	40,172		43.30
	Total Noncontributory System active members	92,392		100.00%	92,766		100.00%
Contributory Retirement System	State of Utah	325	1	13.95%	387	1	15.39%
	South Jordan City	203	2	8.71	208	2	8.27
	Uintah County	187	3	8.03	193	3	7.67
	University of Utah	162	4	6.95	178	4	7.08
	Granite School District	114	5	4.89	131	5	5.21
	Salt Lake City Corp.	112	6	4.81	128	6	5.09
	Duchesne County	104	7	4.46	90	7	3.58
	DDI Vantage	91	8	3.91	82	8	3.26
	Salt Lake County	61	9	2.62	80	9	3.18
	Salt Lake School District	58	10	2.49	67	10	2.66
	Jordan School District	—	—	—	—	—	—
	Other	913		39.18	971		38.61
	Total Contributory System active members	2,330		100.00%	2,515		100.00%
Public Safety Retirement System	State of Utah	2,380	1	31.22%	2,448	1	31.81
	Salt Lake County	547	2	7.17%	828	2	10.76
	Salt Lake City Corp.	480	3	6.30%	480	3	6.24
	Unified Police Department	293	4	3.84%	—	—	—
	Weber County Corp.	246	5	3.23%	252	4	3.27
	Utah County	233	6	3.06%	238	5	3.09
	Davis County	209	7	2.74%	209	6	2.72
	West Valley City	177	8	2.32%	175	7	2.27
	Washington County	126	9	1.65%	123	8	1.60
	Ogden City Corp	119	10	1.56%	117	9	1.52
	Sandy City	—	—	—	109	10	1.42
	Other	2,814		36.91	2,716		35.30
	Total Public Safety System active members	7,624		100.00%	7,695		100.00%

Additional information will be added when it becomes available.

2008 Active Members	2008 Rank	2008 Percent of Total Active Members	2007 Active Members	2007 Rank	2007 Percent of Total Active Members	2006 Active Members	2006 Rank	2006 Percent of Total Active Members
16,979	1	18.14%	16,948	1	18.91%	16,664	1	19.11%
6,130	2	6.55	5,922	2	6.61	5,363	3	6.15
5,354	5	5.72	4,910	5	5.48	4,697	5	5.39
5,501	4	5.88	5,391	4	6.02	5,187	4	5.95
4,406	6	4.71	4,453	6	4.97	4,480	6	5.14
5,819	3	6.22	5,705	3	6.37	5,448	2	6.25
3,084	7	3.30	2,981	7	3.33	2,909	7	3.34
2,859	9	3.06	2,793	9	3.12	2,670	9	3.06
2,950	8	3.15	2,805	8	3.13	2,689	8	3.08
—	—	—	—	—	—	—	—	—
2,465	10	2.63	2,330	10	2.60	2,917	10	3.34
38,029		40.64	35,367		39.47	34,195		39.21
93,576		100.00%	89,605		100.00%	87,219		100.00%
435	1	15.86%	473	1	16.58%	508	1	16.88%
212	2	7.73	207	2	7.26	216	2	7.18
191	4	6.96	188	4	6.59	185	4	6.15
195	3	7.11	207	3	7.26	214	3	7.11
141	5	5.14	150	5	5.26	162	5	5.38
137	6	4.99	144	6	5.05	156	6	5.18
87	7	3.17	85	8	2.98	79	10	2.62
76	10	2.77	—	—	—	—	—	—
90	8	3.28	97	7	3.40	107	7	3.55
—	—	—	78	10	2.73	83	9	2.76
76	9	2.77	82	9	2.88	86	8	2.86
1,103		40.21	1,141		40.01	1,214		40.33
2,743		100.00%	2,852		100.00%	3,010		100.00%
2,592	1	32.84%	2,444	1	32.21%	2,468	1	33.02%
860	2	10.89	783	2	10.32	763	2	10.21
479	3	6.07	472	3	6.22	448	3	5.99
—	—	—	—	—	—	—	—	—
266	4	3.37	275	4	3.62	291	4	3.89
244	5	3.09	233	5	3.07	223	5	2.98
208	6	2.63	206	6	2.72	199	6	2.66
176	7	2.23	169	7	2.23	159	7	2.13
120	9	1.52	113	9	1.49	107	10	1.43
122	8	1.55	122	8	1.61	114	8	1.53
115	10	1.46	108	10	1.42	109	9	1.46
2,712		34.36	2,662		35.09	2,593		34.69
7,894		100.00%	7,587		100.00%	7,474		100.00%

Schedules of Principal Participating Employers *(Continued)*

Year Ended December 31

System	Employer	2010 Active Members	2010 Rank	2010 Percent of Total Active Member	2009 Active Members	2009 Rank	2009 Percent of Total Active Members
Firefighters Retirement System	Unified Fire Authority	356	1	18.88%	365	1	19.13%
	Salt Lake City Corp.	312	2	16.53	309	2	16.20
	Ogden City Corp.	111	3	5.88	113	3	5.92
	West Valley City	100	4	5.30	97	4	5.09
	Park City Fire Service	77	5	4.08	80	5	4.20
	City of West Jordan	73	6	3.87	70	8	3.67
	Sandy City	70	7	3.71	72	7	3.78
	Orem City	68	8	3.60	69	9	3.62
	Provo City	64	9	3.39	76	6	3.99
	Murray City	60	10	3.18	59	10	3.09
	Weber Fire District	—	—	—	—	—	—
	South Davis Metro Fire Agency	—	—	—	—	—	—
	Other	596		31.59	597		31.31
	Total Firefighters System active members	1,887		100.00%	1,907		100.00%
Judges Retirement System	State of Utah	109	1	100.00%	104	1	100.00%
Utah Governors and Legislators Retirement Plan	State of Utah	125	1	100.00%	119	1	100.00%

Additional information will be added when it becomes available.

Schedules of Utah Retirement Office Employees

Year Ended December 31

Year	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Number of Employees	161	165	164	156	154	156	160	156	148	142

2008 Active Members	2008 Rank	2008 Percent of Total Active Members	2007 Active Members	2007 Rank	2007 Percent of Total Active Members	2006 Active Members	2006 Rank	2006 Percent of Total Active Members
352	1	19.04%	344	1	19.44%	229	2	13.60%
324	2	17.52	322	2	18.18	330	1	19.60
111	3	6.00	110	3	6.21	106	3	6.29
97	4	5.25	92	4	5.19	88	4	5.23
80	5	4.33	81	5	4.57	75	6	4.45
72	8	3.89	70	8	3.95	73	7	4.33
75	7	4.06	73	7	4.12	72	8	4.28
66	9	3.57	58	9	3.27	54	9	3.21
75	6	4.06	74	6	4.18	77	5	4.57
—	—	—	—	—	—	51	10	3.03
55	10	2.97	—	—	—	—	—	—
—	—	—	52	10	2.94	—	—	—
542		29.31	495		27.95	529		31.41
1,849		100.00%	1,771		100.00%	1,684		100.00%
106	1	100.00%	108	1	100.00%	106	1	100.00%
97	1	100.00%	97	1	100.00%	105	1	100.00%

A Schedule of Participating Employers

N = Public Employees Retirement System — Noncontributory • C = Public Employees Retirement System — Contributory
PS = Public Safety Retirement System • F = Firefighters Retirement System • D = 457 Plan • K = 401(k) Plan

School Districts and Education Employers

Employer	N	C	PS	F	D	K
Academy for Math, Engineering and Science Charter School	N					K
Active Re-Entry Incorporated	N					K
Alpine School District	N	C			D	K
American Leadership Academy	N					K
Beaver School District	N					K
Box Elder School District	N	C			D	K
Bridgerland Applied Technology Center	N					K
Cache School District	N	C			D	K
Canyons School District	N					K
Carbon School District	N	C			D	K
Daggett School District	N	C			D	K
Davis Applied Technology Center	N					K
Davis School District	N	C			D	K
Dixie Applied Technology College	N					K
Dixie State College	N	C	PS			K
Duchesne School District	N	C			D	K
East Hollywood High School	N					K
Educators Mutual Insurance	N	C			D	K
Emery School District	N	C			D	K
Fast Forward Charter High School	N					K
Garfield School District	N	C				K
Grand School District	N	C				K
Granite School District	N	C			D	K
High School Activity Association	N	C				K
Intech Collegiate Charter High School	N					K
Iron School District	N	C			D	K
Jordan School District	N	C			D	K
Juab School District	N	C			D	K
Kane School District	N	C			D	K
Liberty Academy Charter School	N					K
Logan School District	N	C			D	K
Master Academy, Inc	N					K
Millard School District	N	C				K
Monticello Academy	N					K
Morgan School District	N				D	K
Mountainland Applied Technology Center	N					K
Murray School District	N	C			D	K
Nebo School District	N	C			D	K
Noah Webster Academy, Inc	N					K
North Sanpete School District	N	C			D	K
North Summit School District	N	C			D	K
Northern Utah Academy of Math, Engineering and Science Charter School	N					K
Ogden School District	N	C			D	K
Ogden-Weber Applied Technical Center	N	C				K
Park City School District	N	C			D	K
Piute School District	N	C				K
Provo School District	N	C			D	K
Recreation and Habilitation Services	N					K
Rich School District	N	C				K
Salt Lake Arts Academy	N					
Salt Lake Community College	N	C			D	K
Salt Lake School District	N	C			D	K
Salt Lake/Tooele Applied Technical Center	N					K
San Juan School District	N	C			D	K
Sevier School District	N	C			D	K
Snow College	N	C			D	K
Soldier Hollow Charter School	N					K
South Sanpete School District	N	C			D	K
South Summit School District	N					K
Southern Utah University	N	C	PS			K
Southwest Applied Technology Center	N					K
Southwest Educational Development Center	N					K
Space Dynamics Lab/USU	N					K
Success Academy	N					K
Summit Academy Charter School	N					K
Summit Academy High School	N					K
Tintic School District	N	C				K
Tooele School District	N	C			D	K
Tuacahan High School	N					K
Uintah Basin Applied Technology Center	N	C			D	K
Uintah School District	N	C			D	K
University of Utah	N	C	PS			K
Utah County Academy of Sciences	N					K
Utah Education Association	N	C			D	K
Utah School Boards Association	N					K
Utah School Boards Risk Man Mut Ins Assn	N					K
Utah School Employee Association	N				D	K
Utah State University	N	C	PS		D	K
Utah Uniserv	N	C			D	K
Utah Valley State College	N	C			D	K
Wasatch School District	N	C			D	K
Washington School District	N	C			D	K
Wayne School District	N				D	K
Weber County School District	N	C			D	K
Weber State University	N	C				K

State and Other Employers

Employer	N	C	PS	F	D	K
Heber Valley Historic Railroad Authority	N					K
State of Utah (also participates in the Judges Retirement System and the Governors and Legislative Retirement Plan)	N	C	PS	F	D	K
Utah Communications Agency Network	N					K
Utah Dairy Council	N					
Utah Housing Finance Agency	N	C				K
Utah Retirement Systems	N				D	K
Utah Safety Council	N					K
Utah State Fair Corporation	N					K
Workers Compensation Fund	N	C			D	K

Schedule of Participating Employers

(Continued)

Counties and County Organizations

Employer	N	C	PS	F	D	K
Beaver County	N		PS		D	K
Box Elder County	N	C	PS		D	K
Cache County	N	C	PS	F	D	K
Carbon County	N	C	PS		D	K
Daggett County	N		PS			K
Davis County	N		PS		D	K
Duchesne County		C	PS		D	K
Emery County	N	C	PS		D	K
Garfield County	N	C	PS		D	K
Grand County	N	C	PS			K
Iron County	N	C	PS		D	K
Juab County	N	C	PS			
Kane County	N		PS			
Millard County	N	C	PS		D	K
Morgan County	N		PS			K
Piute County	N		PS			K
Rich County		C	PS			
Salt Lake County	N	C	PS	F	D	K
San Juan County	N	C	PS		D	K
Sanpete County	N	C	PS			K
Sevier County	N	C	PS		D	
Summit County	N	C	PS			
Tooele County	N	C	PS	F	D	K
Uintah County		C	PS		D	K
Unified Fire Authority	N		PS	F		K
Utah County	N	C	PS		D	
Wasatch County	N		PS			K
Wasatch Co. Fire Dist	N			F		K
Washington County	N		PS		D	K
Wayne County	N		PS			
Weber County	N	C	PS		D	K
Weber Fire District		C		F	D	K

Cities and Towns

Employer	N	C	PS	F	D	K
Alpine City	N					K
Alta Town	N					K
American Fork City	N		PS	F		
Annabella Town	N					K
Aurora City	N					K
Ballard City	N					K
Beaver City	N					K
Bicknell Town	N					
Blanding City	N		PS			K
Bluffdale City		C	PS		D	K
Bountiful City	N	C	PS	F	D	K
Brian Head Town		C	PS		D	
Brigham City	N	C	PS		D	K
Castle Dale City	N					
Cedar City	N		PS	F		K
Cedar Hills City	N					
Centerfield City	N		PS			
Centerville City	N	C	PS		D	K
Clearfield City	N		PS	F	D	K
Cleveland Town	N					
Clinton City	N	C	PS	F	D	K
Coalville City	N					K
Corinne City		C				
Cottonwood Heights City	N		PS		D	K
Delta City	N	C				K
Draper City	N					K
Duchesne City	N					
Eagle Mountain City	N			F		
East Carbon City	N		PS		D	K
Elk Ridge Town	N					K
Emery Town		C				K

Employer	N	C	PS	F	D	K
Enoch City	N		PS			K
Enterprise City	N					K
Ephraim City	N		PS			K
Escalante Town	N		PS			
Eureka City	N					
Fairview City	N		PS			K
Farmington City	N		PS	F		
Farr West City	N				D	K
Ferron City	N					K
Fillmore City	N				D	K
Fountain Green City	N		PS			
Francis Town	N					K
Fruit Heights City	N					K
Garden City	N					K
Garland City		C	PS			K
Genola Town	N					
Goshen Town	N					
Grantsville City	N		PS		D	K
Green River City	N					K
Gunnison City	N		PS		D	K
Harrisville City	N	C	PS			K
Heber City	N		PS		D	K
Helper City	N		PS			K
Herriman City	N					K
Highland City	N				D	K
Hinckley Town	N					K
Holden Town	N					
Holladay City	N					K
Hooper City	N					K
Huntington City	N				D	K
Hurricane City	N		PS	F		K
Hyde Park City	N					K
Hyrum City	N					K
Ivins City	N		PS	F		K
Kamas City	N		PS		D	K
Kanab City	N		PS		D	K
Kaysville City	N	C	PS			
La Verkin City		C	PS			K
Layton City	N	C	PS	F	D	
Lehi City	N	C	PS	F		
Levan Town	N					
Lewiston City	N					K
Lindon City	N		PS			K
Logan City	N	C	PS	F	D	K
Lone Peak Safety Dist.	N		PS	F		K
Manila Town		C				K
Manti City	N					K
Mantua City	N		PS			K
Mapleton City	N		PS			K
Marriott/ Slaterville City	N					K
Mayfield Town	N					K
Meadow Town	N					K
Mendon City	N					
Midvale City	N	C	PS	F	D	
Midway City	N	C				K
Milford City	N		PS			K
Millville City	N				D	K
Minersville Town	N					K
Moab City	N	C	PS		D	K
Monroe City	N					K
Monticello City	N		PS			
Morgan City	N					K
Moroni City	N		PS			
Mt Pleasant City	N	C	PS			K
Murray City	N	C	PS	F	D	K
Myton City	N					
Naples City		C	PS			K
Nephi City	N		PS		D	K

Employer	N	C	PS	F	D	K
Nibley City	N					K
North Logan City	N	C	PS	F		K
North Ogden City	N	C	PS	F		
North Salt Lake City	N		PS		D	K
Oakley City		C				K
Ogden City	N	C	PS	F	D	K
Orangeville City	N					K
Orderville Town	N					
Orem City	N	C	PS	F	D	K
Panguitch City	N					K
Paragonah Town		C				
Park City	N	C	PS			
Parowan City	N	C	PS			K
Payson City	N		PS	F		K
Perry City	N		PS			K
Plain City	N					K
Pleasant Grove City	N		PS	F		
Pleasant View City	N	C	PS		D	K
Price City	N	C	PS	F		K
Providence City	N					K
Provo City	N	C	PS	F	D	K
Randolph Town	N					
Redmond Town	N					
Richfield City	N	C	PS		D	
Richmond City	N					K
Riverdale City	N	C	PS	F		K
Riverton City	N	C		F	D	K
Roosevelt City	N		PS	F	D	K
Roy City	N	C	PS	F	D	K
Salem City	N		PS		D	K
Salina City	N		PS			
Salt Lake City	N	C	PS	F	D	K
Sandy City	N	C	PS	F	D	
Santa Clara City	N		PS			K
Santaquin City	N		PS			K
Saratoga Springs Town	N		PS	F		K
Smithfield City	N		PS	F		K
South Jordan City		C	PS	F		K
South Ogden City	N		PS	F		K
South Salt Lake City	N		PS	F	D	K
South Weber City	N					K
Spanish Fork City	N		PS			
Spring City		C	PS			
Springdale Town	N		PS			K
Springville City	N	C	PS	F		
St. George City	N	C	PS		D	K
Stockton Town	N					
Sunnyside City	N				D	K
Sunset City	N	C	PS		D	K
Syracuse City	N		PS	F	D	K
Taylorsville City	N		PS			K
Tooele City	N	C	PS		D	
Tremonton City	N	C	PS		D	K
Uintah City	N					K
Vernal City	N	C	PS			K
Vineyard Town	N					K
Washington City	N			F		K
Washington Terrace City	N		PS	F	D	K
Wellington City	N		PS			K
Wellsville City	N					K
Wendover City	N		PS		D	K
West Bountiful City		C	PS			K
West Haven City	N					K
West Jordan City	N	C	PS	F	D	
West Point City	N					K
West Valley City	N	C	PS	F		
Willard City	N		PS			
Woods Cross City	N	C	PS		D	K

Schedule of Participating Employers

(Continued)

Other Government Entities

Employer	N	C	PS	F	D	K
Ash Creek Special Service District	N				D	K
Ashley Valley Sewer Management Board	N					
Ashley Valley Water & Sewer	N					
Bear Lake Special Service District	N					K
Bear River Association of Governments	N				D	K
Bear River Health District	N	C			D	K
Bear River Mental Health	N				D	K
Bear River Water Conservancy	N					K
Beaver County Special Service District	N					K
Beaver Housing Authority	N					K
Beaver Valley Hospital	N					K
Benchland Water Company	N					K
Bona Vista Water Improvement	N				D	K
Bountiful Water District	N				D	K
Box Elder County Mosquito District	N					K
Cache Metro Planning Organization	N					
Castle Valley Special Service District	N	C				K
Cedar City Housing Authority	N					
Cedar Mountain Fire Protection District	N			F		K
Central Iron County Water Conservancy District	N					K
Central Davis Sewer District	N				D	K
Central Utah Counseling Center	N					K
Central Utah Public Health	N					K
Central Utah Water District	N				D	K
Central Weber Sewer District	N	C			D	K
Children's Aid Society—Utah	N					K
Cottonwood Heights P&R Services	N				D	K
Cottonwood Improvement District	N				D	K
Council on Aging — Golden Age Center Special Service Dist	N					K
Davis & Weber County Canal		C				K
Davis Behavioral Health	N				D	K
Davis County Housing		C				K
Davis County Mosquito Abatement	N					K
Davis County Solid Waste Management	N				D	K
DDI Advantage		C				K
Duchesne County Mosquito District		C				
Duchesne County Water Conservancy Dist		N				
East Duchesne Culinary Water Imp District	N					K
Emery County Care and Rehabilitation Center		C			D	K
Emery County Recreation Special Service District	N					K
Emery Water Conservancy District	N					K
Five-County Association of Governments	N	C			D	K
Four Corners Mental Health	N	C			D	K
Garden City Fire District				F		K
Grand County Cemetery Maintenance Dist	N					K
Grand County Solid Waste Management	N					K
Grand County Water Sewer /Service	N					
Granger-Hunter Improvement District	N				D	K
Gunnison Valley Hospital	N	C				K
Heber Light & Power	N				D	K
Heber Valley Special District	N					
Hooper Water Improvement District	N					
Housing Authority of Carbon County	N					K
Housing Authority of Ogden City	N					
Housing Authority of Salt Lake City	N	C				K
Housing Authority of Salt Lake County	N					
Hurricane Valley Fire Spec. Serv. District				F		K
Impact Mitigation Special Service District	N					K

Employer	N	C	PS	F	D	K
Jordan Valley Water Conservancy District	N	C			D	K
Jordanelle Special Service District	N					K
Kane Water Conservancy District	N					
Kearns Improvement District	N	C				K
Leeds Area Special Service District				F		
Maesar Water District	N					K
Magna Mosquito Abatement	N					K
Metro Water District—SLC/Sandy	N				D	K
Midvalley Improvement District	N					K
Military Installation Development Authority	N					K
Millard Country Care and Rehabilitation, Inc	N					
Moab Valley Fire District	N			F		K
Mountain Regional Water Special Service District	N					K
Mountainland Association of Governments	N	C			D	K
Nebo Credit Union	N					K
North Davis County Sewer District	N	C				
North Davis Fire District	N			F		
North East Counseling Center	N					K
North Emery Water Users Special Service District	N					
North Fork Special Service District	N					
North Pointe Solid Waste Special Service District	N					K
North View Fire Agency	N			F		
Oquirrh Recreation and Parks District	N					K
Park City Fire Service District	N			F		K
Price River Water Improvement	N				D	K
Provo Housing Authority	N					
Provo River Water Users	N				D	K
Roosevelt City Housing Authority	N					
Roy Water Conservancy District	N					K
Salt Lake City Library	N					K
Salt Lake City Mosquito Abatement	N					K
Salt Lake City Sub. Sanitation #1	N					K
Salt Lake County Service Area #3	N				D	K
San Juan Mental Health/ Substance Abuse District	N					K
Sandy Suburban Improvement District	N					K
Six-County Association of Governments	N	C			D	K
Snyderville Basin	N	C			D	K
Solitude Improvement District	N					K
South Davis County Sewer Improvement District	N	C			D	K
South Davis County Water Improvement District	N					K
South Davis Metro Fire Agency	N			F		K
South Davis Recreation Center	N					
South Ogden Conservancy District	N				D	K
South Utah Valley Animal Services Special Service District	N					
South Utah Valley Electric Service District	N					K
South Utah Valley Solid Waste	N					K
South Valley Sewer District	N	C			D	K
South Valley Water Reclamation Facility	N					K
Southeastern Utah Assoc. of Governments	N	C			D	K
Southeastern Utah Health	N	C				K
Southern Salt Lake Valley Mosquito Abatement	N					K
Southern Utah Valley Power System	N					K
Southwest Center	N					K
Southwest Utah Public Health Department	N	C			D	K
St. George Housing Authority	N					K

Schedule of Participating Employers

(Continued)

Employer	N	C	PS	F	D	K
Taylorsville — Bennion Improvement	N				D	K
Timber Lakes Special Service District	N					K
Timpanogos Special Service District	N	C				
Tooele County Housing	N					K
Trans-Jordan Cities	N				D	
Tri-City Golf Course	N					K
Tridell-Lapoint Water District	N					K
Uintah Animal Control and Shelter Special Service District	N					K
Uintah Basin Assistance Council	N					
Uintah Basin Association of Government	N					
Uintah County Care Center	N					K
Uintah County Mosquito Abatement	N					K
Uintah Fire Suppression Special Service Dist				F		K
Uintah Highlands Improvement Dist	N					
Uintah Recreation District	N					K
Uintah Transportation Special Service Dist	N					K
Uintah Water Conservancy District	N					
United Police Department	N		PS			K
Upper Country Water District	N					
Utah Association of Counties	N					K
Utah Counties Insurance Pool	N					K
Utah County Housing Authority	N	C			D	
Utah Local Governments Trust	N					K
Utah Lake Commission	N					K
Utah League of Cities & Towns		C				
Utah Municipal Power Agency	N					K
Utah Public Employees Association	N	C				K
Utah Telecommunication Open Infrastructure Agency	N					K
Utah Valley Dispatch Special Services Dist	N					K
Utah Zoological Society	N	C				K
Valley Emergency Communication Center	N				D	K
Valley Mental Health	N	C			D	K
Wasatch Front Regional Council		C			D	K
Wasatch Integrated Waste Management	N				D	K
Wasatch Mental Health Special Services District	N	C			D	K
Washington County Solid Waste #1	N					K
Washington County Water District		C				K
Weber Area Dispatch 911 & Emergency Services District	N					K
Weber Basin Water Conservancy	N				D	K
Weber County Mosquito Abatement	N				D	K
Weber Human Services	N				D	K
Weber River Water Users		C				K
Western Kane County Special Service District #1	N					K
White City Water Improvement District	N					K

Total Participating Employers	449
Noncontributory	419
Contributory	159
Public Safety	130
Firefighters	56
Judges	1
Governor and Legislative	1
457 Plan	152
401(k) Plan	365

Employer

Inactive Units with Retirees

American Fork Hospital
Bay Area Refuse Disposal
Bear River Town
Bingham City
Box Elder County Nursing Home
Carbon County Hospital
Carbon Nursing Home
Cedar City Library
Central Utah Ed Ser
Circleville
Coalville Health Center
College of Eastern Utah
Copperton Improvement District
Cottage Program
Davis County Department of Human Services
Department of Employment Security
Dixie Center at St. George
Dixie Hospital
East Layton
Emery Medical Center
Four Corners Regional Hospital
Genola
Golden Hours Homemaker
Grand County Road Special Service District
Hiawatha Town
Honeyville Town
I W Allen Hospital
Juab County Hospital
Kanosh Town Corporation
Leeds Town
Marysvale Town
Metro Water District — Orem
Metro Water District — Provo
Midvale Wastewater Treatment
Midway Sanitation District
Milford Valley Hospital
Morgan County Historical Society
Morgan County Library
Mountain America Credit Union
Nebo Credit Union
New Harmony Town
Northern Utah Crime
Payson City Hospital
Pioneer Care Center
Randolph Town
Reg 2 Law Enforcement Plan Agency
Salt Lake County Fair
Salt Lake School District Credit Union
San Juan County Hospital
Six-County Economic Development
Snow College South
South Davis Fire Department
Southeastern Utah Economic Development
Statewide Assn of Prosec
Sugarhouse Park Authority
Summit Employment
Summit Park Water Special Service District
Thomas Edison Charter School
Timpanogos Academy
Tooele Council of Aging
Tooele Valley Hospital
Trail Incorporated
Twin Creeks Special Service District
U of U Research Institute
U S H Patients Funds
Uintah Basin Counseling
Uintah Basin Dist Health
Uintah Basin Medical Center
Uintah County Council on Aging
Uintah County Hospital
USU Comm Credit Union
USU Community Credit Union
Ut Assn of Sec Sch Princ
Utah College of Applied Technology
Utah County Council of Govt
Utah Industries for the Blind
Utah Partnership for Education Economics
Utah Technology Corporation
Washington County Association for Retarded Citizens
Wasatch County Hospital
Wasatch County Special Service District #1
Weber County Hospital
Weber Economic Development Corp
Weber River Water Quality
West Millard Hospital
West Millard Recreation
Woodland Hills City

A Highlight History 1907-2010

1907

The Legislature authorizes the organization of local teacher retirement associations.

1908

Salt Lake City institutes the first teacher retirement commission. Ogden follows in 1933 and Provo in 1934.

1919

First statewide pension plan for all full-time paid and volunteer firemen. Actuarially unsound, the system would be transferred to the Retirement Office in 1965.

1921

First police pension plans in Salt Lake, Ogden, Provo and Logan. Actuarially unsound, these plans would be transferred to the Public Safety Retirement System in 1969.

1927

The Prison and Industrial School Guards Retirement System is enacted. Industrial school guards join the teachers retirement system in 1937. Prison guards transfer to the Public Safety Retirement System in 1970.

1934

The Utah Education Association prepares a teacher retirement plan to present to the Legislature. This plan will form much of the basis for a new retirement system.

1937

First statewide teachers retirement system. Seven member board hires Ray L. Lillywhite as the first executive secretary.

1943

Utah Supreme Court rules that a retiree's statutory retirement benefit cannot be reduced, affirming the principle of vested rights. The Court would later affirm that a vested retirement benefit may not be reduced without providing a "substantial substitute."

1947

The State Officers' and Employees' Retirement System is created with a 3% contribution rate each by employee and employer.

Teachers in local systems are required to join the State Teachers Retirement System.

1948

The Utah Supreme Court permits service credit for prior service in parochial schools.

1949

The State Officers and Employees Retirement System is renamed The Public Employees Retirement System; it will cover all public employees and judges. Retirement benefit ceiling is $100 a month.

1952

Ray Lillywhite resigns; Leonard W. McDonald is hired as 2nd executive secretary of the Teachers Retirement System.

1953

The short-lived Teachers Retirement System is liquidated in favor of Social Security.

1954

The Teachers Retirement System is replaced by the Utah School Employees Retirement System and integrated with Social Security to preserve its solvency. Local teacher retirement associations are terminated.

1957

Minimum monthly retirement benefit is $85.

1959

The Utah State Public Employees Association is formed with the intent to produce a comprehensive plan for a statewide public employee retirement system.

1961

The Public Employees Retirement System is created with a seven member board.

The public employees and teachers retirement systems retain separate boards but unite under a single administrator and office.

A Highlight History 1907-2010 *(Continued)*

1963

Creation of a single board for all retirement systems is the crowning achievement in Utah public retirement history and the birth of today's Utah Retirement Systems.

1967

The heretofore separate school and public retirement systems are consolidated into a single Utah State Retirement System.

1969

The Utah Public Safety Retirement Act covers all public safety employees engaged full time in hazardous duty. Benefits would be uniform in each jurisdiction, but contribution rates would vary.

1971

Members gain a salary deferral program.

1975

Current service formula rises from 1.25% to 2%. The cost-of-living ceiling rises to 4%.

1976

Leonard W. McDonald retires. Bert D. Hunsaker becomes executive director.

1977

Governor Scott Matheson dedicates the new Leonard W. McDonald Building for the Utah Retirement Systems.

1979

Board gains custody of the retirement fund and greater investment authority.

1982

The court affirms that the Board is independent of the executive department and has authority to hire its own legal counsel.

1983

The Retirement Board sees its first actuarial surplus as new investments prove their worth; hires a full time investment manager.

1986

Public Employees Noncontributory Retirement System debuts: employers pay all contributions; 3-year final average salary; State and education employers pay 1.5% of salary into URS' 401(k) plan. Employees forfeit access to contributions, but the new system portends a superior career retirement.

1987

A "25-and-out" retirement incentive plan permits public employees to retire after 25 years with no actuarial reduction; and increases to 2% the value of each year of service. Over 3000 employees take advantage of its 6-month window.

1989

The U.S. Supreme Court rules that if federal retirement benefits are taxable, then state-provided retirement benefits cannot be exempt. Legislature grants a 3% substantial substitute benefit for affected members.

Bert Hunsaker steps down. Dee Williams becomes executive director.

The Public Safety Noncontributory Retirement System is created.

The Systems' assets nearly quadruple from $1 billion to $3.85 billion during the 1980s.

1990

Public Employees Noncontributory Retirement members receive 2% for all years of service.

1994

URS begins dividing pension, death, and DC benefits after court rules that a former spouse may be awarded death and retirement benefits, whether or not the spouse remarries.

1995

Members with 25 years of service in the Public Employees Noncontributory System may buy future service credit to permit immediate retirement.

1996

URS recovers 100% of member assets originally invested in Guaranteed Investment Contracts which failed when Confederation Life Insurance Company of Canada was declared insolvent in August, 1994.

A Highlight History 1907-2010 *(Continued)*

1997

Judges Noncontributory Retirement System is created.

The URS DC video receives a Telly Award — the commercial equivalent of an "Oscar" for motion pictures; URS' publication for retirees, *Cycles*, places 2nd worldwide among corporate and institutional newsletters.

Legislature affirms the Board's authority to define provisions and terms of the retirement code.

1998

The 401(k) plan launches a bold marketing program to help members better map a retirement investment strategy. Investment options are enhanced and expanded.

State employees at retirement may defer 25% of accumulated sick leave to the 401(k) plan, convert it to paid-up health or Medicare supple-ment insurance or take it as cash.

1999

Members may buy up to 5 years of future service credit, even if it exceeds the years required to retire.

Leonard W. McDonald, director of the Utah Retirement Systems 1952-1976 and to whom much of the structure of the Systems can be attributed, dies.

Dee Williams retires. Robert V. Newman becomes executive director.

Systems' assets rise from $3.85 billion to over $13 billion during the 1990s.

2000

401(k) plan participants may now apply for a fixed rate loan for any purpose of up to 50% of his or her 401(k) account balance.

2001

A value stock fund joins the menu of DC investment options.

URS website calculators invite members to estimate pension benefits and compute potential 401(k)/457 earnings.

2002

The Olympic Winter Games are staged in Salt Lake City. URS adopts telecommuting.

457 plan permits deferrals up to 100% of includable compensation; offers a new catch-up feature; drops irrevocable withdrawal decisions; allows roll-overs to any acceptant 457, 403(b), 401(k), or IRA; allows use for URS pension redeposits or to buy URS service credit.

Internet-based personal retirement account manager, myURS, lets members view and transfer account balances, alter deferrals, estimate payouts, integrate Social Security, and more.

2003

To protect 401(k) and 457 investors from the costs of others' adverse trading activities, URS restricts frequent trading privileges. Systems assets are $14.2 billion.

2004

Ray L. Lillywhite, executive secretary of the Teachers Retirement System from 1937 to 1952, dies.

2005

Legislature repeals 1998 benefit allowing 25% of a state employee's accumulated sick leave to be converted to other retirement benefits.

2006

Members gain a partial lump sum payment option (PLSO) at retirement.

2007

Retirement Systems' assets reached $23.9 billion.

Members of the Public Safety Contributory Retirement System gain a window to convert to the Public Safety Noncontributory System.

2008

The Retirement Systems pay over $1,000,000,000 in annual benefits.

2009

New online enrollment feature at urs.org offers simple, convenient way to enroll for benefits electronically.

IRS Private Letter Ruling confirms URS 457 Plan is an eligible deferred compensation plan as defined in IRC Section 457(b).

2010

Retirees who resume work for a URS employer within a year after retiring will be returned to active status to earn further service credit and may thereafter choose between retirement allowance options.

Utah Retirement Systems

Systems and Plans Statistical Highlights

Year ended December 31, 2010

Utah Retirement Systems

	Noncontributory	Contributory	Public Safety	Firefighters	Judges	Governors and Legislators	Averages and Totals All Systems
Membership Information							
TOTAL MEMBERSHIP	160,365	8,380	14,037	3,167	230	421	186,600
Active	92,392	2,330	7,624	1,887	109	125	104,467
Terminated vested	31,834	1,286	2,401	131	6	76	35,734
Retired	36,139	4,764	4,012	1,149	115	220	46,399
TOTAL 2010 ACTIVE MEMBERS	92,392	2,330	7,624	1,887	109	125	104,467
Average age	45.4	52.2	39.5	39.6	56.6	53.6	45.0
Average years of service	10.5	20.7	9.0	10.3	10.0	6.4	10.6
Average annual salary	$ 41,854	47,620	46,898	54,741	133,692	NA	42,636
2010 RETIREES							
Number	2,697	218	212	44	9	5	3,185
Average age	62.8	60.9	54.3	55.3	63.7	65.5	62.0
Average years of service	22.0	26.9	22.8	28.1	26.2	11.2	22.5
Final average annual salary	$ 48,642	48,009	59,320	70,576	134,768	NA	49,779
Average annual benefit	$ 20,681	23,696	31,262	42,731	97,600	3,142	22,086
Average annual benefit —all retirees	$ 20,432	12,890	26,497	31,044	68,784	3,076	20,483
Financial Information							
CHANGES IN NET ASSETS (in thousands)							
Contributions	$ 597,682	22,150	105,299	25,027	4,715	—	754,873
Investment income	1,860,976	121,153	241,203	89,122	14,597	1,142	2,328,193
Pension benefits	797,424	69,197	116,343	41,531	9,010	795	1,034,300
Net assets at market value	$15,802,205	1,007,248	2,058,019	756,260	123,037	9,337	19,756,106
Actuarial Information							
FUNDING PROGRESS (dollars in thousands)							
Actuarial value of assets	$16,895,039	1,090,313	2,194,016	810,216	131,869	10,197	21,131,650
Actuarial accrued liability	$20,544,827	1,265,137	2,840,359	883,635	166,344	11,356	25,711,658
Unfunded actuarial accrued liability	$ 3,649,788	174,824	646,343	73,419	34,475	1,159	4,580,008
Funded ratios	82.2%	86.2%	77.2%	91.7%	79.3%	89.8%	82.2%

Defined Contribution Plans

	401(k)	457	Roth IRA	Traditional IRA	Health Reimbursement Arrangement (HRA)	Total
Membership Information						
Number of active employees eligible to participate	100,617	87,461	104,467	104,467	1,452	
Employee contributions (excluding employer contributions):						
Number of employees contributing	43,228	8,630	1,813	107	NA	
Percent of eligible employees contributing	43.0%	9.9%	1.7%	0.1%	NA	
Average percent of salary deferred by employees	5.9%	6.6%	3.9%	2.9%	NA	
Total participants	143,807	16,586	2,542	595	1,452	
Average participant account balance	$ 20,073	19,105	8,092	44,119	4,322	
Financial Information						
CHANGES IN NET ASSETS (in thousands)						
Contributions	$ 222,474	26,522	8,116	6,097	4,274	267,483
Net investment income	254,289	27,628	1,827	1,692	11	285,447
Refunds	190,963	20,184	1,582	3,954	987	217,670
Net assets at market value	$2,886,677	316,874	20,571	26,251	6,275	3,256,648

Utah Retirement Systems
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Pictured on cover: COLLEEN SMITH, Curriculum Teacher Specialist, Murray School District