Defined Benefit Systems
Summary of Plan Provisions
as of January 1, 2019

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 initially began full-time employment prior to July 1, 2011, and works at least 20 hours per week and receives benefits normally provided by his or her employer as approved by the Retirement Board, and teachers who teach half-time.

Vesting
Retirement benefit becomes vested upon the member’s completion of four years of qualifying service.

<table>
<thead>
<tr>
<th>Service Retirement</th>
<th>Age</th>
<th>Years of Service</th>
<th>Allowance Reduction†</th>
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<tbody>
<tr>
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<td>Full actuarial before age 60</td>
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<tr>
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<td>3% each year before age 65</td>
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<tr>
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<td>3% each year before age 65</td>
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</tr>
<tr>
<td>65</td>
<td>4</td>
<td>None</td>
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</tbody>
</table>

† 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 a 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 10 years of service consists of a refund of transferred contributions plus interest, if applicable. For those with 10 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 12-31-2019)

Employer rate for State and School (Level A) is 22.19% of covered salary and 18.47% for Local Government (Level B).

Interest

Up to 6.95% 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 initially began full-time employment prior to July 1, 2011, and works at least 20 hours per week and receives benefits normally provided by his or her employer as approved by the Retirement Board, and teachers who teach half-time.

Vesting

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

Service Retirement

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† 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 a 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 10 years of service consists of a refund of contributions plus interest. For those with 10 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 12-31-2019)**

Member contribution rate is 6%* of covered salary. Employer rate for State and School (Level A) is 17.70% of covered salary and 14.46% 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 6.95% on member accounts.

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**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 the employee initially began employment prior to July 1, 2011, and: (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, special function officer, certified dispatcher whose employer elected coverage in the Public Safety System, or full-time member of the Board of Pardons and Parole; 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 four years of service credit. Eligible member contributions vest immediately.

**Service Retirement**

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<tr>
<td>65</td>
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</tbody>
</table>
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. Specific employers have provided an enhanced cost-of-living (COLA) benefit to their Public Safety retirees that raise the maximum COLA from 2.5 to 4% based on the CPI. Eligible after one year.

Death Benefits
Division A
(with Social Security coverage)
Non-Retired Member (Active)
If the member dies in the line of duty, the spouse at the time of death, will receive a lump-sum payment equal to six months of the member’s final average salary plus a monthly benefit of 30% of the final average monthly salary. If the member’s death is not in the line of duty and has fewer than 10 years of public safety service credit, the beneficiary(ies) will receive a $1,000 lump-sum payment or a refund of member contributions, whichever is greater. If the member has 10 or more years, but less than 20, the spouse will receive a $500 lump-sum payment, plus a monthly benefit of 2% of the member’s final average monthly salary for each year of service, up to 30% of the final average monthly salary. If the member dies and has 20 or more years of public safety service credit, they will be considered retired. The spouse, at the time of death, will receive 65% of the member’s monthly benefit.

Division B
(without Social Security coverage)
Non-Retired Member (Active)
If the member dies in the line of duty, the spouse, at the time of death, will receive a lump-sum-payment equal to six months of the member’s final average salary, plus a monthly benefit of 37.5% of the final average monthly salary. Each unmarried child under age 18 or dependent unmarried child who is mentally or physically disabled will receive $50 per month, if the member has two or more years of public safety service credit. Total monthly payments to the beneficiary(ies) cannot exceed 75% of the final average monthly salary. If the member dies and has 20 or more years of public safety service credit, the spouse at the time of death, will receive 65% of the member’s monthly benefit or a monthly benefit of 37.5% of the final average monthly salary, whichever is greater.

Both Divisions
Non-Retired Member (Active)
If the member dies and leaves no spouse or minor children, the beneficiary(ies) will receive a 100% refund of member contributions or $500, whichever is greater.

Non-Retired Member (Inactive)
If the member is inactive with less than 20 years of public safety service credit, the spouse, at the time of death, or if the member dies leaving no spouse or minor children, the beneficiary(ies) will receive a refund of member contributions or $500 whichever is greater. If the member is inactive with 20 or more years of public safety service credit when the member dies, the spouse, at the time of death, will receive a benefit of 50% of the amount payable to the member had they retired on the first of the month, following the month, in which the member’s death occurred.

Retired Member
After the member’s death, the spouse, at the time of death, will receive a monthly benefit equal to 65% of the member’s monthly benefit. If they elected a smaller monthly benefit at the time of retirement, the spouse will receive 75% of the monthly benefit.

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 12-31-2019)

Noncontributory Option

Employer rates for Division A are: State units 41.35%; Bountiful 50.38%; other law enforcement units with a 2.5% COLA 34.04% and units with a 4.0% COLA 35.71% of salary. Employer rates for Division B are: Salt Lake City 46.71%; Ogden 48.72%; Provo 42.23%; Logan 41.97%; other law enforcement units with a 2.5% COLA 32.28% and units with a 4.0% COLA 38.97% of 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: other law enforcement units with a 2.5% COLA 10.5% and units with a 4.0% COLA 10.5% of salary.*

Employer rates for Division A with a 2.5% COLA are 22.79% and units with a 4.0% COLA are 24.37% of covered salary. Employer rates for Division B are other law enforcement units with a 2.5% COLA 22.81% and units with a 4.0% COLA 28.98% of salary.

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

Interest

Up to 6.95% 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 initially began employment prior to July 1, 2011, and 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, or are the State Fire Marshall or a Deputy State Fire Marshall. 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 four years of service credit. Eligible member contributions vest immediately.
Service Retirement

<table>
<thead>
<tr>
<th>Age</th>
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<tr>
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</table>

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

For surviving spouse benefits, a member must have been married for at least six months prior to death.

Division A (with Social Security coverage)

Non-Retired Member (Active)

If the member dies in the line of duty and has less than 20 years of firefighter service credit, the spouse at the time of death, will receive a lump-sum payment equal to six months of the member’s final average salary plus a monthly benefit of 30% of the final average monthly salary. If the member’s death is not in the line of duty and has less than 10 years of firefighter service credit, the beneficiary(ies) will receive a $1,000 lump-sum payment or a refund of member contributions, whichever is greater. If the member has 10 or more, but less than 20 years of firefighter service credit, the spouse will receive a $500 lump-sum payment, plus a monthly benefit of 2% of the member’s final average monthly salary for each year of service, up to 30% of the final average monthly salary. If the member dies and has 20 or more years of firefighter service credit, they will be considered retired and the spouse, at the time of death, will receive the death benefit payable as a retired member.

Division B (without Social Security coverage)

Non-Retired Member (Active)

If the member dies in the line of duty and the member has less than 20 years of firefighter service credit, the spouse, at the time of death, will receive a lump-sum payment equal to six months of the member’s final average salary, plus a monthly benefit of 37.5% of the final average monthly salary. Each unmarried child under age 21 or dependent unmarried child who is mentally or physically disabled will receive $75 per month, if the member has five or more years of firefighter service credit.

Total monthly payments to the beneficiary(ies) cannot exceed 75% of the final average monthly salary. If the member’s death is in the line of duty and has 20 or more years of firefighter service credit, the member will be considered retired and the spouse at the time of death, will receive the death benefit payable as a retired member. If the member’s death is not in the line of duty and has less than five years of firefighter service credit, the member, at the time of death, will receive a refund of member contributions plus 50% of the most recent 12 months’ salary. If the member has five or more years of firefighter service credit, the spouse, at the time of death, will receive a lump-sum payment of $1,500 plus a monthly benefit of 37.5% of the member’s final average monthly salary. Each unmarried child under age 21 or dependent unmarried child who is mentally or physically disabled will receive $75 per month, if the member has five or more years of firefighter service credit. Total monthly benefits to the beneficiaries cannot exceed 75% of the final average monthly salary.

Both Divisions

Non-Retired Member (Active)

If the member dies and leaves no spouse or minor children, the beneficiary(ies) will be paid a 100% refund of member contributions or $500, whichever is greater.

Non-Retired Member (Inactive)

If the member is inactive with less than 20 years of firefighter service credit, the spouse, at the time of death, or if the member dies leaving no spouse or minor children, the beneficiary(ies) will receive a refund of member contributions or $500 whichever is greater. If the member is inactive with
Defined Benefit Systems

Summary of Plan Provisions (Continued)

20 or more years of firefighter service credit when the member dies, the spouse, at the time of death, will receive a benefit of 50% of the amount payable to the member had they retired on the first of the month, following the month, in which the member’s death occurred.

Retired Member

After the member’s death, the spouse, at the time of death, will receive 75% of the member’s monthly benefit.

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 12-31-2019)

Member rate in Division A is 15.05% of covered salary. Member rate in Division B is 16.71% of covered salary.* Employer rate in Division A is 4.61% and in Division B is 7.24% of covered salary. A fire insurance premium tax equal to 11.06% 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

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<th>Age</th>
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<tr>
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<tr>
<td>70</td>
<td>………..6</td>
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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 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

For surviving spouse benefits, a member must have been married for at least six months prior to death.

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 member’s most recent 12 months’ compensation prior to death, 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 12-31-2019)

- Employer rate includes 43.75% of covered salary and 8.16% from court fees.

Interest

Up to 6.95% on member accounts.
Cost-of-Living Allowance

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

An additional $3.50 per month, for each year of service, is payable to elected and appointed legislators and governors who were members of this Plan before March 1, 2000.

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 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 12-31-2019)

There was a 2019-20 appropriation payable by June 30, 2019, to the Utah Governors and Legislators Retirement Plan of $369,226.

Tier 2 Public Employees Contributory Retirement System

Membership Eligibility

The Tier 2 Public Employees Contributory Retirement System, brought about by SB 63, became effective on July 1, 2011. All eligible employees beginning employment on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement System.

A person initially entering full-time employment with a participating employer on or after July 1, 2011, must make an election to participate in either the Tier 2 Hybrid Public Employees Retirement System or the Tier 2 Defined Contribution (DC) Plan, within one year of his or her employment date. The election made is irrevocable. If no election is made, the employee automatically becomes a member of the Tier 2 Hybrid Public Employees Retirement System.

An employee is qualified for membership in the Tier 2 Public Employees Retirement System if his or her employer participates in this system, and one of the following: the employment, contemplated to continue during a fiscal or calendar year, normally requires an average of 20 hours or more per week and the employee receives benefits normally provided by the employer as approved by the Retirement Board; the employee is a classified school employee whose...
employment normally requires an average of 20 hours or more per week regardless of benefits; the employee is a teacher who teaches half-time or more and receives benefits normally provided by the employer as approved by the Retirement Board; the employee is an appointed officer* whose position is full time as certified by the participating employer; the employee is in a probationary status and meets eligibility requirements; the employee performs services through an employee leasing or similar arrangement and meets eligibility requirements.

* Appointed officers are employees appointed to a position for a definite and fixed term of office, and the position is recorded in the employer’s charter, creation document, or similar document.

Vesting

Retirement benefit is vested upon the member’s completion of four years of qualifying service credit.

Service Retirement

Applies only to the Tier 2 Hybrid Retirement System

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† When fewer than 35 years of service from any combination of Utah Retirement Systems, the allowance will be reduced by approximately 7% for each year between ages 60 and 63 and approximately 9% for each year between ages 64 and 65.

Service Benefit Formula

Applies only to the Tier 2 Hybrid Retirement System

Service benefit formula is based upon number of years of service credit x 1.5% x highest five years’ earnings converted to a monthly average.

Cost-of-Living Allowance

The Tier 2 Hybrid Retirement System has a COLA up to 2.5% on the retirement allowance. There is no COLA in the Tier 2 Defined Contribution Plan.

Death Benefits

Death Benefits for Non-Retired Members — Applies only to the Tier 2 Hybrid Public Employees Retirement System

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. If there are any member contributions in the employee’s Tier 2 Hybrid Public Employees Retirement Account and the surviving spouse does not qualify for a career benefit, the beneficiary(ies) will receive a refund of the employee’s contributions plus interest.

Death Benefits — Applies to both the Hybrid Public Employees Retirement System and the DC Plan

If an employee is a non-retired member who is employed by a participating employer at the time of his or her death, his or her beneficiary(ies) will receive a payment representing 75% of the employee’s highest annual salary. If the employee has less than 12 months of service, the benefit is prorated. The minimum insurance payment is $1,000.

Death Benefits for Non-Retired Members — in the Tier 2 Retirement Plan

After death, any money vested in the employee’s URS Savings Plans (401(k), 457, IRAs) is payable to his or her beneficiary(ies).

Refunds

If the employee has a balance in his or her Tier 2 Defined Contribution account, he or she may be able to withdraw funds under certain circumstances. When an employee has four years of eligible employment, the employer contributions in his or her 401(k) account become vested and he or she is able to take a refund of the account upon termination of employment.

If the employee terminates employment prior to the vesting period and subsequently enters employment with a URS participating employer within 10 years of the previous termination date, all employer contributions will be reinstated upon completion of the vesting period. If he or she is not re-employed and eligible to participate in the DC Plan within 10 years of the previous termination date, the funds are forfeited. If the employee makes personal deferrals (i.e., payroll deductions) to the DC Plan, those deferrals are vested immediately and may be taken as a refund when terminating employment.

Contribution Rates* (as of 12-31-2019)

Range from 16.69% to 18.45% of salary for local government employers. The rate for State and School Employers is 20.02%.

*Includes 401(k) portion of the contribution rate.
Tier 2 Public Safety and Firefighter Contributory Retirement System

Membership Eligibility

The Tier 2 Public Safety and Firefighter Contributory Retirement System, brought about by SB 63, became effective on July 1, 2011. All eligible employees beginning employment on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Public Safety and Firefighter Retirement System.

A person initially entering full-time employment with a participating employer on or after July 1, 2011, must make an election to participate in either the Tier 2 Public Safety and Firefighter Retirement System or the Tier 2 Defined Contribution (DC) Plan, within one year of his or her employment date. The election made is irrevocable. If no election is made, the employee automatically becomes a member of the Tier 2 Hybrid Public Safety and Firefighter Retirement System.

An employee qualifies for membership if: The employment normally requires an average of 2,080 hours of regularly scheduled employment per year in a recognized public safety department, as a law enforcement officer, correctional officer, special function officer, or full-time member of the Board of Pardons and Parole, and in the course of employment the employee’s life or personal safety is at risk, and he or she has completed a certified training program, which is documented with our office, OR, if the employment normally requires an average of 2,080 hours of regularly scheduled employment per year in a regularly constituted fire department, the employee has been trained in firefighter techniques, and is assigned to a position of hazardous duty.

If the employee doesn’t meet the eligibility requirements outlined in the previous explanation, based on the employer’s participation, the employee will be enrolled in the Tier 2 Public Employees Contributory Retirement System as long as eligibility requirements are met.

Vesting

Retirement benefit is vested upon the member’s completion of four years of qualifying service credit.

Service Retirement

Applies only to the Tier 2 Hybrid Public Safety and Firefighter Retirement System

<table>
<thead>
<tr>
<th>Age</th>
<th>Years of Service</th>
<th>Allowance Reduction†</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any age</td>
<td>25</td>
<td>None</td>
</tr>
<tr>
<td>60-61</td>
<td>20</td>
<td>Full actuarial before age 65</td>
</tr>
<tr>
<td>62-64</td>
<td>10</td>
<td>Full actuarial before age 65</td>
</tr>
<tr>
<td>65</td>
<td>4</td>
<td>None</td>
</tr>
</tbody>
</table>

† When fewer than 25 years of service from any combination of Utah Retirement Systems, the allowance will be reduced by approximately 7% for each year between ages 60 and 63 and approximately 9% for each year between ages 64 and 65.
Defined Benefit Systems

Summary of Plan Provisions (Concluded)

Service Benefit Formula

 Applies only to the Tier 2 Hybrid Public Safety and Firefighter Retirement System

The service benefit formula is based upon the number of years of service credit x 1.5% x highest five years' earnings converted to a monthly average.

Cost-of-Living Allowance

The Tier 2 Hybrid Public Safety and Firefighter Retirement System has a COLA up to 2.5% on the retirement allowance. There is no COLA in the Tier 2 Defined Contribution Plan.

Death Benefits

 Applies only to the Tier 2 Hybrid Public Safety and Firefighter Retirement System

An active member's death benefit consists of a payment equal to 75% of the highest annual salary with a minimum of $1,000. 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. If there are any member contributions in the employee's Tier 2 Hybrid Public Employees Retirement Account and the surviving spouse does not qualify for a career benefit, the beneficiary(ies) will receive a refund of the employee's contributions plus interest.

Line-of-Duty Death — Applies only to the Tier 2 Hybrid Public Safety and Firefighter Retirement System

If an employee accrued less than 20 years of public safety or firefighter service credit, his or her spouse at the time of death will receive a lump-sum payment equal to six months of the final average salary and a monthly benefit equal to 30% of the employee's monthly final average salary.

If an employee accrued 20 or more years of public safety or firefighter service credit upon death, he or she will be considered to have retired with an option one selection, calculated without an actuarial reduction, and his or her spouse will receive the allowance that would have been payable to the employee.

Death Benefit — Applies to both the Hybrid Public Safety and Firefighter Retirement System and the Tier 2 DC Plan

If an employee is a non-retired member who is employed by a participating employer at the time of his or her death, his or her beneficiary(ies) will receive a payment representing 75% of the employee's highest annual salary. If the employee has less than 12 months of service, the benefit is prorated. The minimum insurance payment is $1,000.

Death Benefits for Non-Retired Members — in the Tier 2 DC Plan

After death, any money vested in the employee's URS Savings Plans (401(k), 457, IRAs) is payable to his or her beneficiary(ies).

Refunds

If the employee has a balance in his or her Tier 2 Defined Contribution account, he or she may be able to withdraw funds under certain circumstances. When an employee has four years of eligible employment, the employer contributions in his or her 401(k) account becomes vested and he or she is able to take a refund of the account upon termination of employment.

If the employee terminates employment prior to the vesting period and subsequently enters employment with a URS participating employer within 10 years of the previous termination date, all employer contributions will be reinstated upon completion of the vesting period. If he or she is not re-employed and eligible to participate in the DC Plan within 10 years of the previous termination date, the funds are forfeited. If the employee makes personal deferrals (i.e., payroll deductions) to the DC Plan, those deferrals are vested immediately and may be taken as a refund when terminating employment.

Contribution Rates*(as of 12-31-2019)

Public Safety rates range from a low of 21.74% to a high of 38.97% of salary. The Firefighter rate is 12.08% of salary.

*Includes 401(k) portion of the contribution rate.