

 **URS**
Utah Retirement Systems

Cycles

Holiday 2016 For **Retired** Members of Utah Retirement System

Do-It yourself

Even if you're not handy, you can easily manage your benefits at myURS. We'll show you some simple tricks.

Medicare Presentations

Free meetings scheduled throughout Utah in 2017

Your Distribution Strategy

How to set up withdrawals to meet your needs



Remember When...

1930s » This man completes the first around-the-world flight in 1933.

1940s » This country becomes independent in 1946, after being under U.S. rule for 48 years.

1950s » In 1953, *Casino Royale* is the first James Bond novel from this author.

1960s » This team wins the first Super Bowl in 1967.

1970s » These three pontiffs serve as Pope in 1978.

1980s » This Russian nuclear reactor explodes in 1986.

1930s: Wiley Post
1940s: Philippines
1950s: Ian Fleming
1960s: Green Bay Packers
1970s: Paul IV, John Paul, and John Paul II
1980s: Chernobyl

Post-Retirement Employment

Understand the Rules for Returning to Work

A post-retired member is one who returns to work for a URS-participating employer following his or her retirement date with URS. Regardless of when you retired, if you receive a monthly benefit from URS, you're subject to current post-retirement regulations.

When you return to work for a participating employer, you're required to complete a [Post-Retirement Employment Form \(RTRT-27A\)](#) for each employer.

Also, if you have more than 120 days between working for the same employer, a new form

must be completed when you return. Complete the [Post-Retirement Employment Form](#) before your first day of work.

Restrictions for post-retirement are complex. If you're planning to be re-employed, call us at 801-366-7770 or 800-695-4877. ■



Trust • Commitment
Value • Innovation • Excellence

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

We value your privacy. We never sell or otherwise share your private information, including your email and mailing address, to any outside entity.

Cycles

*For Retired Members
of Utah Retirement Systems*

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publications@urs.org

Taxes

Savings Plans May Require Reporting

For example, if you take a distribution or rollover to an IRA

With tax season around the corner, it's important to understand two tax documents that can be generated for URS Savings Plans.

A 1099-R is required if you take a distribution, which includes the following types of transactions:

- » withdrawals
- » rollovers
- » conversions
- » recharacterizations
- » required minimum distributions (RMDs)
- » refund of excess contributions
- » loan offsets

Learn More

- » Access your 1099-R and/or 5498 at [myURS](#)
- » [Learn more at irs.gov](#)
- » Call us at 800-688-401k or 801-366-7720

A 5498 is generated if you have a balance in your traditional or Roth IRA at the end of the year. You will also get a 5498 for these types of IRA transactions:

- » contributions
- » rollover contributions
- » conversions
- » recharacterizations
- » repayment of qualified reservist distributions

You can also access your 5498 at [myURS](#). ■

Tax Statements will be mailed in January

Each January you'll get a 1099-R tax statement showing the gross and taxable amounts of benefits paid to you.

It's important your current address is on file with our office to ensure you get this.

Confirm or make changes to the address we have on file at [myURS](#) (see instructions on [Page 4](#)).

You can also view other information regarding your account such as payment detail, savings plans information, quarterly statements, and much more. ■



Cover Story

How to Do-It-Yourself » Managing your URS benefits online is easier than you might think. Here are a few examples.

Important Tasks, Simple Fixes

Create a myURS Account

Take control of your benefits, view your pension information, manage your savings plans, and more. To protect your information, you must create a new myURS account if you haven't logged in since June 10, 2014.

HOW YOU DO IT » At the [myURS log-in](#), enter your information, including your [URS account number](#).

» [SEE VIDEO WITH FULL INSTRUCTIONS](#)

Update Your Contact Info

Review your profile regularly. Keeping it updated ensures you get all the information and benefits URS provides.

HOW YOU DO IT » [Log in to myURS](#) and click "Manage Profile" from the top-right menu to review and change your contact information. Click the "edit" icon, input changes, and click "update."

» [SEE VIDEO WITH FULL INSTRUCTIONS](#)

Roll Over Old Accounts

Have a 401(k), 457, or IRA from a previous employer? Simplify your life by rolling over old accounts to URS.

HOW YOU DO IT » Just fill out [this form](#), send it to us, along with a recent statement from your old plan, and you're done. In many cases, you won't have to deal with the other institution — we'll make all the arrangements.

» [SEE VIDEO WITH FULL INSTRUCTIONS](#)

Access Your Statements

Your current and past URS statements are available at [myURS](#). Pension statements are available each year in April. Savings plans statements are available quarterly.

HOW YOU DO IT » [Log in to myURS](#) and find "Document Center" at the bottom of the screen. Choose which statement you wish to view.

» [SEE VIDEO WITH FULL INSTRUCTIONS](#)

Name Beneficiaries

Make sure your beneficiaries' names and addresses are correct and updated. Outdated information could delay your wishes or leave your loved ones without any money or recourse.

HOW YOU DO IT » Click "View Summary" at the bottom left of the [myURS](#) overview page or click "Manage Profile" at the top of any page.

» [SEE VIDEO WITH FULL INSTRUCTIONS](#)

Learn About Investments

URS offers an array of investment options to suit your level of involvement, time horizon, and risk tolerance.

HOW YOU DO IT » To examine and compare the many funds available to you, find everything you need at the [Savings Plans page](#) at [www.urs.org](#).

» [SEE VIDEO WITH FULL INSTRUCTIONS](#)



Healthcare in Retirement

Free Presentations Near You

Join us for Medicare meetings scheduled throughout the year

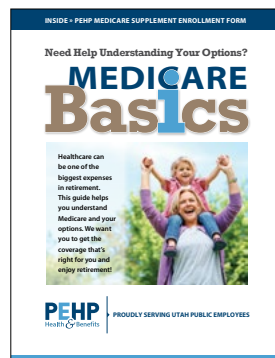
Questions about Medicare or [PEHP Medicare Supplement](#)? We're conducting [free Medicare presentations](#) throughout Utah in 2017 to help you understand your options.

[Click here for a list of dates and locations](#). Check back frequently in 2017 as we set addition meetings.

PEHP Medicare Supplement provides additional coverage for costs Medicare doesn't cover.

It's available to anyone who's ever worked for a URS-participating employer or married to someone who was. We have options for every budget. Choose from three medical plans, three prescription drug plans, two dental plans, and two vision plans. Premiums can be deducted from your URS retirement check. ■

Medicare Basics



[This guide](#) helps you understand Medicare and your options.

Enrollment Guide



[Learn more](#) about PEHP Medicare Supplement.

Video » Healthcare in Retirement



[This short video](#) introduces you to retirement healthcare resources available to you.

www.pehp.org/medsup

Get details about [PEHP Medicare Supplement](#), including free informational seminars.

Savings Plans Payout Options

Establishing Your Distribution Strategy

We can help set up withdrawals to meet your needs

During your career, as you save money for retirement, you're in the "asset accumulation phase" of your life. After retirement, and as you start drawing down from your savings, you move into the "distribution phase." Let's take a look at the various options and strategies to use as you take withdrawals from your vested savings plans.

To begin, it's important to understand your sources of income and whether they are fixed or variable. A fixed benefit could be Social Security, your monthly retirement (pension) benefit, or a combination of both. Generally, you can count on these to continue through your life, and you



Let Us Help

We can help you figure out your distribution strategy and set up withdrawals. Call or visit 8 a.m. through 5 p.m. Monday through Friday.

801-366-7720 | 800-688-401k

560 East 200 South, Salt Lake City

165 North 100 East #9, St. George

don't have to worry about running out of money.

Variable benefits are those that can change according to interest rates, investment returns, and/

or the speed at which you spend – such as a 401(k), IRA, or savings account. If your fixed benefits provide you an adequate

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Savings Plans Payout Options

STRATEGY

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income, you have more flexibility in how and when to withdraw your variable benefits. On the other hand, if you depend on your savings plans to maintain your lifestyle and health, how quickly you spend is vital.

Periodic Distributions

One of the benefits of URS Savings Plans is your ability to establish periodic withdrawals. Consistent periodic withdrawals allow you to control how long your money will last. You decide if your regular payments come monthly, quarterly, semiannually, or annually. These payments can be automatically deposited to your checking account, and will be combined with your monthly retirement benefit (if you get one).

Fixed Amount

Suppose you get \$3,000 each month from a combination of Social Security and URS pension benefits. Let's

One of the benefits of URS Savings Plans is your ability to establish **periodic withdrawals**.

Consistent periodic withdrawals allow you to **control how long your money will last**.

also suppose you need an extra \$500 per month to live comfortably. You can setup a fixed amount to withdraw from your savings plans each month and modify it as your needs change.

With this method, be sure to multiply how many years your money could last. You can also instruct us to calculate a fixed amount determined by the number of years you want your savings to last, combined with an assumed rate of return.

For example, if you have \$50,000 in your account, you want it to pay monthly for 20 years, and you believe the plan will earn at least 4% per year over that period, your payment stream would be \$300 per month. Each year you can review the rate of return your investments have earned and make adjustments to your assumptions,

increasing or decreasing your withdrawal rate accordingly.

Finally, you can simply tell us how many years you want your money to last. Each year we divide your balance by the number of years remaining and adjust the payout accordingly.

For example, suppose you have \$50,000 and you want it to last 20 years. The first year we would pay you \$208 per month ($(\$50,000/20)/12$). The next year we would divide your remaining balance by 19 years, etc. Using this method, you control the number of years your account will pay you, regardless of stock market movement and earnings.

Minimum Distributions

When it comes to tax-deferred retirement plans (such as a 401(k)

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Savings Plan Payout Options

STRATEGY

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or traditional IRA), federal law requires you to withdraw a portion of your account each year, beginning the year you turn 70½. If your fixed assets pay you an adequate income, you could choose to take the bare minimum from your savings plans.

URS can compute the amount for you, and send it monthly, quarterly, semiannually, or annually – your choice. If you don't specify otherwise, we send it each fall, combined with your retirement benefit.

The IRS publishes a chart to determine how much you must withdraw. The following is a sample:

Age	Factor
70.5	27.4
71	26.5
72	25.6
73	24.7
74	23.8
75	22.9

Another **benefit** we provide: Each year we **monitor your accounts** to make sure they meet **minimum distribution** requirements.

How it works: You obtain the balance in your account as of Dec. 31 in the year before your age shown in the chart. You divide that balance by the corresponding factor. For example, someone who is 70½ years old with an account worth \$50,000 must withdraw \$1,825 for that year ($50,000/27.4 = 1,825$).

Again, URS is happy to compute this for you and send it each year. If you choose to use one of the periodic distribution options discussed above, and if those payments exceed the required minimum distribution, you will not need to go through this process.

Another benefit we provide: Each year we monitor your accounts to make sure they meet this requirement, regardless of the other withdrawal methods used.

Roth IRA

You're never required to withdraw money from a Roth IRA. If you're over 59½ and have had the account for at least five years, all withdrawals are tax-free. Therefore, the IRS isn't concerned if you do not withdraw the money during your lifetime (if yours is a beneficiary, or inherited, Roth IRA – you must still take out a required distribution).

Partial Balance Distributions

You're always allowed to withdraw a portion of your account, even if you've set other methods of periodic distributions.

A word of caution: When you take large chunks from your account, the withdrawal is taxable. It's often advisable to spread your taxable distributions over several years to soften the tax impact. ■

Retirement Savings Plans

Advantages of URS Target Date Funds »

Simplicity, Diversity, Value

No need to stress about choosing investment options in your URS Savings Plans. URS Target Date Funds give you a hassle-free option with many benefits you may not have considered.

Simplicity

URS Target Date Funds give you a diversified retirement portfolio

Get the Facts

Read the [Fact Sheets](#) for detailed information about each Target Date Fund.



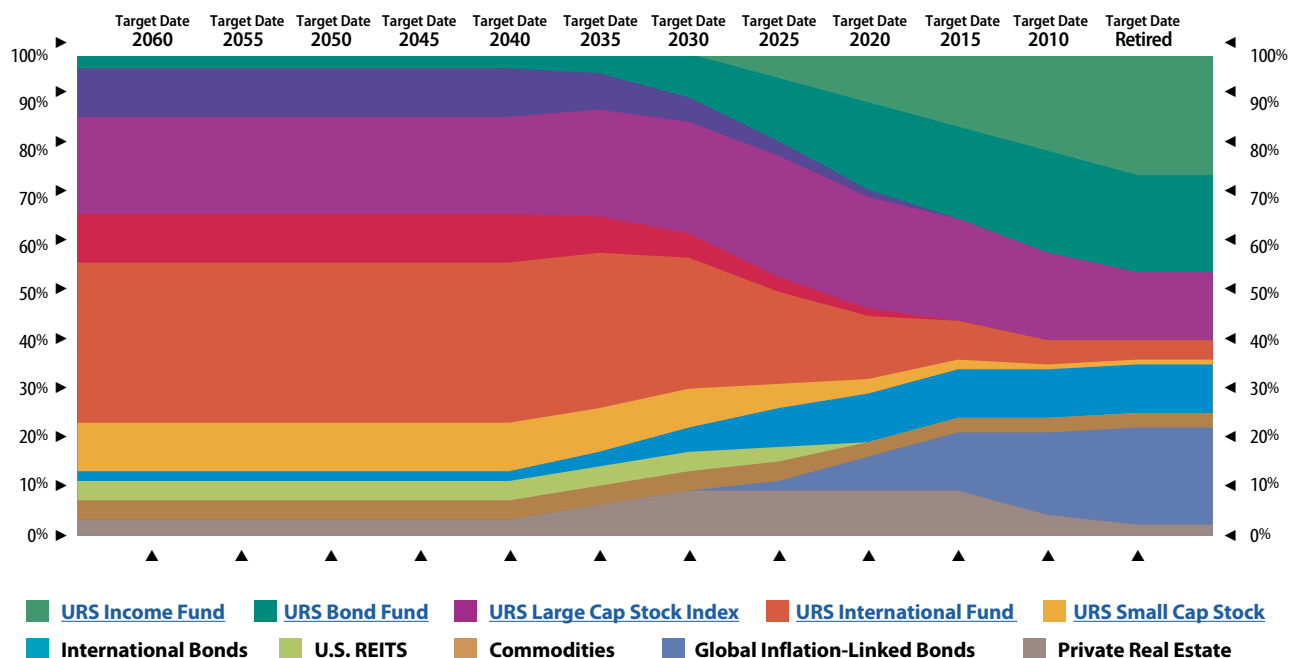
approach to investing for retirement. It removes the responsibility and stress of researching and managing a retirement portfolio by yourself. Instead, you get a professionally managed and diversified portfolio tailored to you.

The Target Date Fund you choose gradually adjusts throughout your career

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through a single investment option. They offer a true “one-fund”

Allocation of Stocks, Bonds, and Real Assets Over Time



TARGET Date Funds Offer Vast Benefits

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and into retirement. The investment mix within your fund — including stocks, bonds, and real assets — automatically reallocates more conservatively as you age and enter retirement. No need to research and adjust investments as your time horizon changes; your Target Date Fund does the work for you.

In addition to adjusting and reallocating over time, each Target Date Fund is reviewed at least quarterly to determine if a rebalance is required. Any asset class (e.g., Large Cap Index Fund, International Bonds, U.S. REITs, etc.) exceeding its target range is rebalanced to its target.

Diversification

How diversified are the Target Date Funds? Each contains a mix of stocks, bonds, and real assets, but the diversification doesn't end there. Depending on your Target Date Fund,

each category has several different asset classes.

Within the stock category you may have Large Cap Stock (Value and Growth), Small Cap Stock, and International Stock. Within bonds you may have Domestic Bonds, International Bonds, Global Inflation-Linked Bonds, and Stable Value. And within real assets you may have REITs, Commodities, and Private Real Estate.

Target Date Funds have layers of diversification, all



How Do I Choose a Target Date Fund?

The Target Date Fund appropriate for your age is the default investment option in your URS Savings Plans. If the default option doesn't fit your situation, select the fund with the date closest to when you expect to start withdrawing funds for retirement. For example: If you're young and plan to retire and begin withdrawals around 2055, choose the Target Date 2055 Fund. If you're farther along in your career and plan to withdraw around 2020, choose the Target Date 2020 Fund.

You can also adjust your personalized Target Date Fund by the level of risk with which you are comfortable. To get a customized recommendation, complete the Investor Profile Questionnaire at [myURS](#). To find it, once you're logged in, choose the Education tab at the right of the screen. On the menu at the left click "Investor Profile."

professionally managed for your specific retirement situation.

Low Costs

URS Target Date Funds offer some of the lowest costs on the market, ranging from 0.35% to 0.38% annually, depending on the fund. For example: If you invest in a Target Date Fund with a fee of 0.38%, you will pay \$3.80 annually for every \$1,000 you have invested. That's a small price to pay for professional management, simplicity, diversification, and peace of mind. ■