

Utah Retirement Systems



Tier 1 Firefighters

PENSION BASICS

Your Utah Retirement Systems pension, or defined benefit, gives you stable income throughout your retirement.

After you retire, your pension pays you monthly for the rest of your life and possibly your spouse's.

How much can you expect? Look inside for a quick overview.



This brochure provides a brief overview of Tier 1 Firefighters Retirement System pension benefits. Go to www.urs.org for more details about your pension or to download the URS *Pension Basics* brochure that applies to you.



How Much Will My Pension Pay Me?

Estimating your basic retirement benefit is simple. Just follow the formula below. Use our calculators at www.urs.org for a more detailed estimate.

$$\begin{array}{rcl}
 \text{Years of Service (up to 20 years)} & \times & 2.5\% \times \text{Average 3 Highest Years' Salary} \\
 & + & \\
 \text{Years of Service (after 20 years)} & \times & 2\% \times \text{Average 3 Highest Years' Salary} \\
 & = & \\
 & \text{Basic Yearly Pension Benefit} &
 \end{array}$$

Example	
<i>Years of service</i>	
Up to 20 years x 2.5%	→ 50% (20 yrs x 2.5%)
+	+
After 20 years x 2%	→ 10% (5 yrs x 2%)
	= 60%
x
Average salary*	→ \$40,000
(Average of 3 highest years)
=	
Benefit	→ \$24,000 / year \$2,000 / month**

* Average salary doesn't include allowances and/or overtime pay.

** If you have service credit before 1989, you may get an additional 3% added to your pension benefit.

Cost-of-Living Adjustment (COLA)

You'll get an annual cost-of-living-adjustment (COLA) on the anniversary of your retirement date, equal to the rate of inflation, based on the consumer price index. This increase is a simple COLA limited to an annual maximum of 4%.

When Can I Retire?

Your pension eligibility depends on your age and years of service. Here are the minimum qualifications:

- » **65** with at least **4** years of service
- » **60** with at least **10** years of service
- » **Any age** with at least **20** years of service

Purchasing Service Credit

Increase the amount of service credit you have

and increase your retirement benefit by reinstating and/or purchasing service credit.

Download this brochure at www.urs.org for more information.





What Are My Payout Options?

Upon your death, your spouse will get an automatic continuing monthly lifetime payment of 75% of your benefit.

At retirement, you can choose to get a lump-sum payment equal to 12 months or 24 months of your lifetime monthly retirement benefit. By choosing a lump-sum payment, you accept a permanently reduced lifetime monthly benefit. This Partial Lump-Sum Option (PLSO) benefit is fully taxable and may be subject to a 10% IRS penalty under certain circumstances.



Examples

Based on:

» \$40,000 final average salary » 25 years of service » Member age 62 and spouse age 60

	Basic	12-Month PLSO: \$24,000	24-Month PLSO: \$48,000
Basic Monthly Benefit	\$2,000 per month	\$1,864 per month	\$1,726 per month
Reduced Payment to Spouse (75% of Basic Monthly Benefit)	\$1,500 per month	\$1,398 per month	\$1,294 per month

How Do I Learn More?

Access your personal accounts at myURS. View information such as: years of service credit, beneficiaries, statements, and much more. You can also contribute to and manage URS Retirement Savings Plans. Go to www.urs.org and click "Create Account" in the upper-right corner. You'll need your URS account number and Social Security number.





What Are My Death Benefits?

ACTIVE MEMBERS

Division A (with Social Security Coverage)

Line-of-Duty	Not in Line-of-Duty
<p><i>Less than 20 years of service:</i> Your spouse gets a payment equal to six months of your final average salary and a monthly benefit (30% of final average salary)</p> <p><i>20 years or more (considered retired):</i> Your spouse gets 75% of your retirement benefit</p>	<p><i>Less than 10 years of service:</i> Your beneficiary gets \$1,000 lump sum or refund of contributions</p> <p><i>10 years or more:</i> Your spouse gets \$500 lump sum and a monthly benefit (2% of final average salary for every year of service, up to 30%)</p>

Division B (without Social Security Coverage)

Line-of-Duty	Not in Line-of-Duty
<p><i>Less than 20 years of service:</i> Your spouse gets a payment equal to six months of your final average salary and a monthly benefit (37.5% of final average salary)</p> <p>Your dependent children get \$75 per month (if you have at least 5 years of service)</p> <p><i>20 years or more (considered retired):</i> Your spouse gets 75% of your retirement benefit</p>	<p><i>Less than 5 years of service:</i> Your spouse gets refund of contributions and 50% of last 12 months' salary</p> <p><i>5 years or more:</i> Same as Line-of-Duty</p>

Supercharge Your Retirement

Don't rely on your pension alone

for a comfortable retirement. URS Savings Plans offer an outstanding way to supplement your retirement and secure your financial future. The key is to start saving early and consistently. Go to www.urs.org to start saving today.



Go to www.urs.org to learn more about URS Retirement Savings Plans. Download this brochure for savings plan comparisons and investment options.

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