

Utah Retirement Systems



Tier 1 Public Safety

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 Public Safety 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.

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

Example	
Years of service	
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**

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 2.5%. (Some agencies have a maximum of 4%.)

* 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.

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?

When you apply for retirement, you may choose a continuing monthly lifetime payment to your spouse of either 65% or 75% of your benefit upon your death.

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 this Partial Lump-Sum Option (PLSO), you accept a permanently reduced lifetime monthly benefit. The 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
65% Spouse Benefit Option	Basic Monthly Benefit	\$2,000 per month	\$1,858 per month	\$1,718 per month
	Reduced Payment to Spouse	\$1,300 per month	\$1,207 per month	\$1,116 per month
75% Spouse Benefit Option	Basic Monthly Benefit	\$1,971 per month	\$1,831 per month	\$1,693 per month
	Reduced Payment to Spouse	\$1,478 per month	\$1,373 per month	\$1,269 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>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>Noncontributory only <i>20 years or more (considered retired):</i> Your spouse gets 65% 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> <p>Noncontributory only <i>20 years or more (considered retired):</i> Your spouse gets 65% of member's retirement benefit</p>

Division B (without Social Security Coverage)

Line-of-Duty	Not in Line-of-Duty
<p>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 \$50 per month (if you have at least 2 years of service)</p>	<p><i>Less than 2 years of service:</i> Beneficiary receives refund of contributions and 50% of last 12 months' salary</p> <p><i>2 years or more:</i> Your spouse gets \$1,500 lump sum and a monthly benefit (37.5% of final average salary)</p> <p>Your dependent children get \$50 per month</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.

