

## EMBRACING CHANGE THAT BENEFITS YOU

Summer 2014 | Volume 32, No. 2 | For Active Members of Utah Retirement Systems

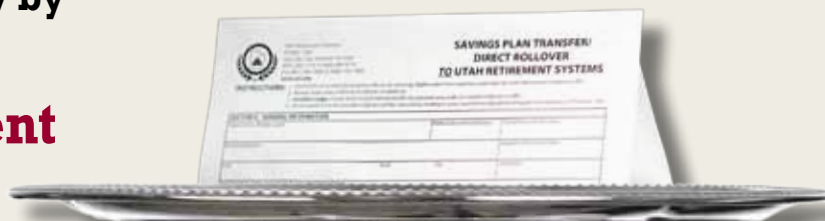
# The URS ViewPoint



# Simplicity on a silver platter

Make your life easy by  
**consolidating  
your retirement  
accounts  
with URS.** We'll make  
all the arrangements.  
Just fill out one short form,  
and we'll take it from there.

Get Full Details, Page 2



## Targeting Your Retirement Goals

New Target Date Funds on the horizon

PAGE 3

Cover Story *ViewPoint*

## Consolidating Your Retirement Accounts With URS »

It's the smart thing to do, and it couldn't be more simple. Just fill out one brief form.

# ONE EASY STEP

**P**lanning and saving for retirement isn't always easy.

But at least this is.

Do one simple thing today to put your retirement planning on better footing. Easily transfer any retirement savings you may have elsewhere to URS.

Maybe it's a 401(k) from an old employer. Or an IRA or 403(b) you opened years ago. For simplicity, peace of mind, and superior customer service, transfer any money you have in any 401(k), 457, IRA, or 403(b) to URS.

Just fill out one short form (at [www.urs.org](http://www.urs.org)), and we'll do the rest. We'll make all the arrangements with the other institution.

Transfers and direct rollovers won't require any federal tax withholding or any early withdrawal penalty tax.

Generally, they won't require any complex tax reporting. Call if you have any questions — 801-366-7720 or 800-688-4015. ■

### We'll Make It a Snap!

Transfer your retirement savings from another institution to URS — just fill out this form, send it to us, and you're done. In many cases, you won't have to deal with the other institution — we'll make all the arrangements.

#### **Find the form at [www.urs.org](http://www.urs.org).**

Find a link from the homepage under the headline "One Easy Step." Or we can email it to you. Send a request to [dcplans@urs.org](mailto:dcplans@urs.org). Or call us at 801-366-7720 or 800-688-4015.



### Consolidating With URS Makes Sense

#### **Customer Service and Peace of Mind »**

Have questions or need help? Call our office. You'll never be directed to an overseas call center. You can walk right in and visit our Salt Lake City and St. George offices.

**Convenience »** Having your pension with us helps keep things simple. For example, you can conveniently manage all of your URS accounts online at myURS. Also, if you have a payment from both your pension and

your savings plan, they'll be combined into one payment.

#### **High-Quality Investments**

» Our core funds are professionally managed by some of the most trusted names in the investment world. Our low annual fees are among the best in the business.





# Embracing Change

*We've made it our mission to stay the course when traditional wisdom dictates and to embrace change when it helps us serve you better.*

*"There is nothing permanent except change."*

HERACLITUS

Dear valued member:

Last year Bob Newman retired after 14 years as URS Executive Director. Bob decided it was time for a change. And time for him to take that cruise to Antarctica (no kidding) that he had finally talked his wife into. Bob left URS with a legacy of wise leadership that embraced change when appropriate and stayed the course when traditional wisdom dictated. Now, it's up to the rest of us to carry on that tradition.

And while conditions for retirement benefits have changed over the past few years, our primary purpose hasn't: to provide retirement security and professional service to members and retirees. To merge the concepts of appropriate change and traditional wisdom, we recently revised our mission statement, which reads: *"We serve Utah public employees with retirement and insurance benefits in a partnership of trust with a commitment to value, innovation, and excellence."*

But enough of ideas and words. Here are some of the concrete changes we're implementing to live by our mission statement.

**Target Date Funds »** These savings plan funds will allow you to choose a single investment option based on your age and expected retirement date. Your fund will be professionally allocated and rebalanced throughout your career. These will be rolled out at the beginning of 2015.

**Simplified Retirement Packet / Process »** There are many moving parts to the retirement process, and making sure that members understand the process and make their elections and documenting each step requires thought and planning. We're currently revising the retirement documents into a single, easy-to-follow handbook.

**"Easy Button" Savings Plan Enrollment for New Hires »** Like retirement, the process of starting public employment has education and election components as well. We're working on an "Easy Button" enrollment process that allows new hires to make their Target Date Fund election and employee contribution elections with a single click of a mouse.

**Enhanced Investment Guidance »** We provide you lots of investment options, but not a lot of advice. That's about to change. We're working on new investment guidance tools to help you make critical investment decisions.



## Phones

*As we renew our commitment to embrace change that benefits members, in the following pages, we reflect how change has transformed modern life.*

**Other Customer Service Improvements »** Many more changes are in the works, such as: an updated website that's more user-friendly and mobile-compatible; elimination of menu layers to make it easier to reach a live person when you call; a new online service credit purchase calculator; and a greatly expanded public website (the URS Newsroom) that provides access to financial reports, news, stats, and more ([www.retirement.utah.gov](http://www.retirement.utah.gov)).

**Enhanced Employer Service »** As fiduciaries we work in the best interest of our beneficiaries (you). Part of that duty is to help employers as they play their part. Some of the recent and current projects in this area include batch ineligible reporting, batch termination reporting, Retirement 101 sessions for newly hired HR employees, and training and implementation assistance for new governmental accounting rules. They will make it easier for employers to provide you with the benefits you earn.

So, things are changing. And they're staying the same. If you talk to a URS employee, ask him or her how the new mission statement is working out. If you see situations where the new mission statement is, or is not, being lived up to, let us know. We serve 467 employers and 200,000 members. And we're committed to change, for the better.



Daniel D. Andersen, Executive Director, Utah Retirement Systems

## Net Position

Statements of Fiduciary Net Position present the assets of the Systems that have been accumulated for the payment of your retirement benefits.

### UTAH RETIREMENT SYSTEMS

#### Schedules of Net Pension Liability

December 31, 2013

(dollars in thousands)

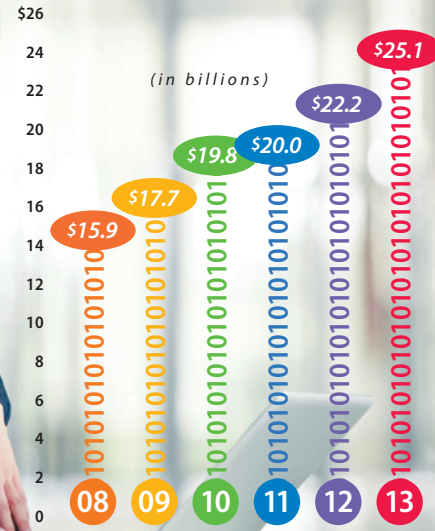
Retirement System	(1) Total Pension Liability	(2) Plan Fiduciary Net Position	(3) Employers' Net Pension Liability/ (Asset) (1) - (2)	(4) Plan Fiduciary Net Position as a % of the Total Pension Liability (2) / (1)	(5) Covered Employee Payroll	(6) Net Pension Liability as a % of Covered Employee Payroll (3) / (5)
Noncontributory	\$23,344,325	19,915,815	3,428,510	85.3%	\$3,705,771	92.5%
Contributory	1,312,921	1,281,945	30,976	97.6	98,023	31.6
Public Safety	3,269,140	2,712,184	556,956	83.0	365,998	152.2
Firefighters	999,024	968,661	30,363	97.0	110,741	27.4
Judges	182,638	155,676	26,962	85.2	15,195	177.4
Utah Governors & Legislative Plan	11,879	10,166	1,713	85.6	390	439.2
Tier 2 Public Employees	48,292	47,690	602	98.8	353,227	0.2
Tier 2 Public Safety & Firefighter	3,345	3,935	(590)	117.6	20,215	(2.9)
All Retirement Systems	\$29,171,564	25,096,072	4,075,492	86.0%	\$4,669,560	87.3%

## Computers

## Defined Benefit Pension Assets

at Fair Value

Our asset growth has been fueled by wise investments. As of December 31, 2013, the net assets of the Systems were worth nearly \$25.1 billion.



### UTAH RETIREMENT SYSTEMS

#### Combined Statements of Fiduciary Net Position — Pension Trust Funds

December 31, 2013

(in thousands)

	Noncontributory System	Contributory System	Public Safety System	Firefighters System	Judges System	Utah Governors & Legislators Plan	Tier 2 Public Employees System	Tier 2 Public Safety & Firefighter System	Total Defined Benefit Pension Plans
<b>Assets:</b>									
Cash	\$ 5,082	2	20	2	1	1	2	2	5,112
Receivables:									
Member contributions	—	257	26	540	—	—	—	—	823
Employer contributions	43,714	651	4,413	—	207	189	2,097	115	51,386
Court fees and fire insurance tax	—	—	—	895	135	—	—	—	1,030
Investments	196,209	12,648	26,736	9,550	1,534	98	450	38	247,263
Total receivables	239,923	13,556	31,175	10,985	1,876	287	2,547	153	300,502
Investments at fair value:									
Short-term securities	1,357,878	87,535	185,019	66,091	10,614	681	3,115	261	1,711,194
Debt securities	3,248,790	209,429	442,670	158,126	25,395	1,631	7,454	624	4,094,119
Equity investments	7,677,060	494,893	1,046,056	373,660	60,010	3,854	17,613	1,475	9,674,621
Absolute return	3,410,782	219,873	464,745	166,011	26,661	1,712	7,825	655	4,298,264
Private equity	2,253,541	145,272	307,061	109,685	17,615	1,131	5,170	433	2,839,908
Real assets	2,497,253	160,982	340,270	121,548	19,520	1,254	5,729	480	3,147,036
Mortgage loans	—	—	—	—	—	—	—	—	—
Total investments	20,445,304	1,317,984	2,785,821	995,121	159,815	10,263	46,906	3,928	25,765,142
Invested securities lending collateral	1,591,294	102,581	216,825	77,452	12,439	799	3,651	306	2,005,347
Property and equipment at cost, net of accumulated depreciation	4,533	293	617	220	35	2	10	1	5,711
Total assets	22,286,136	1,434,416	3,034,458	1,083,780	174,166	11,352	53,116	4,390	28,081,814
<b>Liabilities</b>									
Securities lending liability	1,591,294	102,581	216,825	77,452	12,439	799	3,651	306	2,005,347
Disbursements in excess of cash balance	26,643	1,718	3,630	1,296	208	13	61	5	33,574
Compensated absences, post-employment benefits and insurance reserve	15,424	994	2,101	751	121	8	35	3	19,437
Investment accounts payable	342,041	21,720	45,909	16,399	2,634	169	773	65	429,710
Real estate liabilities	394,919	25,458	53,809	19,221	3,088	197	906	76	497,675
Total liabilities	2,370,321	152,471	322,274	115,119	18,490	1,186	5,426	455	2,985,742
Net position restricted for pensions	\$19,915,815	1,281,945	2,712,184	968,661	155,676	10,166	47,690	3,935	25,096,072



## Benefits Paid to Members

### Pension Benefit Payments: Secure and Growing

The Retirement Systems exist to secure and pay your retirement benefits.  
The past six years' benefit payments grew as shown below.



## The Additions & Deductions

The Statements of Changes in Fiduciary Net Position show the additions (income) and deductions (expenses) of the Systems. Investment earnings and contributions comprise the additions. The deductions are composed almost entirely of benefit payments and refunds. Additions exceeded deductions by \$2.95 billion in 2013.

The Systems are audited annually by an international CPA firm, Deloitte & Touche LLP. Our actuary, Gabriel, Roeder, Smith & Company, reviews the funding and contribution rates to ensure they are adequate to fund your benefits.

*"Those who cannot change their minds cannot change anything."*

GEORGE BERNARD SHAW



### UTAH RETIREMENT SYSTEMS

## Statements of Changes in Fiduciary Net Position — Pension Trust Funds

December 31, 2013

(in thousands)

	Noncontributory System	Contributory System	Public Safety System	Firefighters System	Judges System	Utah Governors & Legislators Plan	Tier 2 Public Employees System	Tier 2 Public Safety & Firefighter System	Total Defined Benefit Pension Plans
<b>Additions:</b>									
Contributions:									
Member contributions	\$ 14,208	6,376	1,258	18,325	—	—	—	—	40,167
Employer contributions	710,933	12,874	128,744	3,494	4,990	252	25,743	2,451	889,481
Court fees and fire insurance tax	—	—	—	11,285	1,498	—	—	—	12,783
Total contributions	725,141	19,250	130,002	33,104	6,488	252	25,743	2,451	942,431
Investment income:									
Net appreciation in fair value of investments	2,236,726	146,447	302,867	108,584	17,391	1,162	3,446	270	2,816,893
Interest, dividends and other investment income	390,556	25,571	52,885	18,960	3,037	203	633	50	491,895
Total income from investment activity	2,627,282	172,018	355,752	127,544	20,428	1,365	4,079	320	3,308,788
Less investment expenses	45,217	2,960	6,124	2,195	352	23	73	5	56,949
Net income from investment activity	2,582,065	169,058	349,628	125,349	20,076	1,342	4,006	315	3,251,839
Income from Security lending activity	7,847	513	1,063	381	61	4	13	1	9,883
Security lending expense	931	61	128	45	7	—	2	—	1,174
Net Income from Security lending activity	6,916	452	935	336	54	4	11	1	8,709
Net investment income	2,588,981	169,510	350,563	125,685	20,130	1,346	4,017	316	3,260,548
Transfers from affiliated systems	—	33,094	4,676	1,302	3,186	19	3	—	42,280
Total additions	3,314,122	221,854	485,241	160,091	29,804	1,617	29,763	2,767	4,245,259
<b>Deductions:</b>									
Retirement benefits	812,550	59,203	112,470	34,951	8,248	718	—	—	1,028,140
Cost of living benefits	162,134	14,778	24,662	9,485	1,941	174	—	—	213,174
Supplemental retirement benefits	—	177	354	311	—	—	—	—	842
Refunds	2,454	1,922	467	106	—	—	—	—	4,949
Administrative expenses	8,329	480	1,161	355	66	4	6	—	10,401
Transfers to affiliated systems	42,277	—	—	—	—	—	—	3	42,280
Total deductions	1,027,744	76,560	139,114	45,208	10,255	896	6	3	1,299,786
Increase from operations	2,286,378	145,294	346,127	114,883	19,549	721	29,757	2,764	2,945,473
Net position restricted for pensions benefits beginning of year	17,629,437	1,136,651	2,366,057	853,778	136,127	9,445	17,933	1,171	22,150,599
Net position restricted for pensions benefits end of year	\$19,915,815	1,281,945	2,712,184	968,661	155,676	10,166	47,690	3,935	25,096,072

# 2013 Legislation

The following retirement-related bills were passed by the 2013 Utah Legislature:

## Public Safety and Firefighters Retirement Systems

### H.B. 30: Line-of-duty Death and Disability Amendments

Provides that a line-of-duty death or disability for a public safety service or firefighter service employee includes a death that results from strenuous activity, including a heart attack or stroke, that occurs during training or another activity required by an act of duty as a public safety service or firefighter service employee.

## Governors and Legislators Retirement Plan

### S.B. 16: Health Insurance Coverage Restrictions on Retired Governors and Legislators

Amends the post-retirement health coverage for governors and legislators so only service as a governor or legislator that began before July 1, 2013, qualifies a recipient for Medicare supplemental coverage.

## General

### H.B. 95: Amortization Rate Contribution for Re-employed Retirees Revisions

Clarifies that a participating employer is only required to make the amortization rate contribution for a re-employed retiree who: (1) has completed the one-year separation after retirement; and (2) elects to continue to receive a retirement allowance.

### H.B. 194: State Employee Benefits Amendments

Amends provisions relating to state employee sick leave and converted sick leave benefits and provides that beginning on or after January 4, 2014, the state will make a biweekly matching contribution to a state employee's defined contribution plan qualified under Section 401(k) of the Internal Revenue Code.

### H.B. 255: Classified School Employee Amendments

Provides that, for purposes of determining retirement benefits, a regular full-time employee does not include a classified school employee: (1) who is hired on or after July 1, 2013, and does not receive benefits normally provided by the participating employer; or (2) who is hired before July 1, 2013, who did not qualify as a regular full-time employee before July 1, 2013, who does not receive benefits normally provided by the participating employer, and whose employment hours are increased on or after July 1, 2013.

### S.B. 10: Retirement Eligibility Amendments

Provides that a member who is retiring and who is also an elected official does not have to leave the elected office to be eligible to retire, unless the member is retiring as an elected official. It also provides that a member who is retiring, and who is also a member of a part-time appointed board, does not have to leave the board to be eligible to retire.



YOU ARE UTAH RETIREMENT SYSTEMS



## A Snapshot of You

When we pose all of you together, we get this picture of age, service, and income.

### 2013

	Noncontributory System	Contributory System	Public Safety System	Firefighters System	Judges System	Utah Governors & Legislators Plan	Tier 2 Public Employees System	Tier 2 Public Safety & Firefighter System	Averages and Totals All Systems
<b>Total Membership</b>	156,894	7,089	14,518	3,259	240	427	13,718	885	197,030
Active	76,845	1,733	7,019	1,845	112	99	13,718	885	102,256
Terminated vested	36,942	1,104	3,018	184	4	89	—	—	41,341
Retired	43,107	4,252	4,481	1,230	124	239	—	—	53,433
<b>Active Members</b>	76,845	1,733	7,019	1,845	112	99	13,718	885	102,256
Average age	48.0	54.1	41.2	41.3	57.2	53.7	34.7	29.8	45.6
Average years of service	13.1	22.6	10.3	11.9	9.9	6.3	1.0	0.9	11.3
Average annual salary	\$ 46,294	51,680	49,825	58,193	139,135	10,172	30,279	33,902	44,654
<b>2013 Retirees</b>	3,366	222	230	46	11	21	*—	*—	3,896
Average age	64.1	62.3	54.4	57.0	57.1	64.7	—	—	63.3
Average years of service	20.9	28.5	22.3	27.5	31.4	11.3	—	—	21.5
Final average annual salary	\$43,510	40,655	49,249	42,416	122,141	N/A	—	—	43,660
Average annual benefit	\$17,680	20,800	25,713	26,961	98,218	2,637	—	—	18,588
<b>All Retirees</b>									
Average annual benefit	\$21,063	15,996	28,233	33,292	76,264	3,167	—	—	21,590

\*There are no retirees in the Tier 2 Retirement Systems

#### Top row, from left:

MONICA LISENBEE, Office Manager/Clerk, Special Service District No. 3, Summit County, Silver Creek; MICHAEL CHILD, Public Works Director, Clinton City; BRIAN FLETCHER, Corporal/Patrol Division, Utah County Sheriff's Department, Vernal; NEAL GIBBONS, Firefighter, Logan City.

#### Bottom row, from left:

JUDGE J. FREDERIC VOROS, Jr., Utah State Court of Appeals, Salt Lake City; TODD WEILER, State Senator, District 23, Davis County; PAIGE SPENCER, Administrative Assistant, Central Weber Sewer Improvement District, Ogden; HELENE SALANOA, Deputy, Cache County Sheriff's Office, Logan.

#### At left:

KAYLA BURKE, Teacher, Crescent Elementary School, Canyons School District, Sandy.





# Cars

*"To improve is to change;  
to be perfect is to change often."*

WINSTON CHURCHILL

## What Will My Benefits Be?

### Summary of Plan Provisions

	Noncontributory System	Contributory System	Public Safety System	Firefighters System	Judges System	Utah Governors & Legislators Plan	Tier 2 Public Employees System	Tier 2 Public Safety & Firefighter System
<b>Final Average Salary</b>	Highest 3 years	Highest 5 years	Highest 3 years	Highest 3 years	Highest 2 years	N/A	Highest 5 years	Highest 5 years
<b>Years of Service Required at Age Eligible for Benefit</b>	30 at any age 25 at any age* 20 at age 60* 10 at age 62* 4 at age 65	30 at any age 20 at age 60* 10 at age 62* 4 at age 65	20 at any age 10 at age 60 4 at age 65	20 at any age 10 at age 60 4 at age 65	25 at any age 20 at age 55* 10 at age 62 6 at age 70	4 at age 65 10 at age 62*	Hybrid: 35 at any age 20 at age 60* 10 at age 62* 4 at age 65  Defined Contribution: Employer contributions to your 401(k) are vested after four years.	Hybrid: 25 at any age 20 at age 60* 10 at age 62* 4 at age 65
<b>Benefit Percent per Year of Service</b>	2% all years	1.25% to 6/30/75 2.00% 7/1/75 to present	2.5% to 20 yrs 2.0% over 20 yrs	2.5% to 20 yrs 2.0% over 20 yrs	5.0% to 10 yrs 2.25% to 20 yrs 1.0% over 20 yrs	Former Governors: \$1,300 per month per term of service Legislators: \$28.40 per month per year of service**	1.5% per year all years	1.5% per year all years
<b>Cost-of-Living*** (maximum)</b>	Up to 4% simple	Up to 4% simple	Up to 2.5% or 4% (depending on employer)	Up to 4% simple	Up to 4% compounded	Up to 4% simple	Up to 2.5% simple	Up to 2.5% simple
<b>Active Member Death Benefits</b>	<b>Note 1</b>	<b>Note 1</b>	<b>Note 2</b>	<b>Note 3</b>	<b>Note 4</b>	<b>Note 5</b>	<b>Note 1</b>	<b>Note 1</b>

#### **Note 1 Noncontributory, Contributory, Tier 2 Public Employees, and Tier 2 Public Safety & Firefighter**

Death benefit pays 75% of highest annual salary, if qualified, plus contribution refund (if applicable) or lifetime benefit if member qualifies for service retirement.

#### **Note 2 Public Safety**

**Div A** LOD<sup>†</sup>: \$1,000 and 30% of FAMS<sup>††</sup> to spouse. NLOD<sup>†††</sup>: under 10 years of service: \$1,000 or contribution refund (if applicable). Over 10 years: \$500 plus 2% of FAMS for each year to spouse (max. 30%). Noncontributory Only: 20+ years considered retired; spouse receives retired death benefit.

**Div B** LOD: \$1,500 and 37.5% of FAMS to spouse. NLOD: under 2 years of service: contribution refund (if applicable) plus 50% of last 12 months' salary. Over 2 years: same as LOD. \$50/month to each unmarried child under 18.

#### **Note 3 Firefighters**

**Div A** LOD: under 20 years of service: \$1,500 and 30% of FAMS to spouse. 20+ years considered retired; spouse receives retired death benefit. NLOD: under 10 years: \$1,000 or contribution refund (if applicable). Over 10 years: \$500 plus 2% of FAMS for each year to spouse (max. 30%).

**Div B** LOD: under 20 years of service: \$1,500 and 37.5% of FAMS to spouse. NLOD: under 5 years: contribution refund, (if applicable)

plus 50% of last 12 months' salary. Over 5 years: same as LOD. \$75/month to each unmarried child under 21. Over 20 years: same as Div. A.

**Disability:** LOD: 50% of FAS. NLOD: under 5 years of service: contribution refund. Over 5 years: same as LOD.

#### **Note 4 Judges**

Spouse receives contribution refund and 65% of last 12 months' salary or 65% of computed service retirement benefit with no actuarial reduction.

#### **Note 5 Governors and Legislators**

Spouse married to member 6 months receives 50% of member's benefit if member has 4 or more years of service.

\*Actuarial reductions \*\*Increased semi-annually by CPI \*\*\*Eligible after 1 year; percentage increase based on original benefit and change in the CPI

†LOD = Line of Duty ††FAMS = Final Average Monthly Salary †††NLOD = Non Line of Duty



## Where Defined Benefit Retirement Funds Were Invested

### Short-term Securities

Money market accounts allow URS ready funds to make advantageous moves.

6.6%

### Private Equity

Although supplying capital to fund private companies is riskier than some investments, returns are expected to outperform public equity markets over the long-term.

11.0%

### Real Assets

Investments include real estate, energy, timber, and commodities.

12.2%

### Debt Securities

Whether financing a country's or a corporation's need for money, bonds yield a steady stream of income.

16.0%

### Absolute Return

These strategies strive to achieve returns that have little correlation to the other asset classes.

16.7%

### Equities

Stocks make us part owner and beneficiary of many successful companies around the world.

37.5%

## Defined Contribution Savings Plans

URS Savings Plans (401(k), 457, Roth IRA, and traditional IRA) allow you to increase your sources of retirement income beyond that of your employer's pension and Social Security. These plans are also tax and estate planning tools, providing for tax-deferred investing and possibly tax-free growth. You can take advantage of 11 investment options, including three asset allocation investment funds (Horizon Funds).

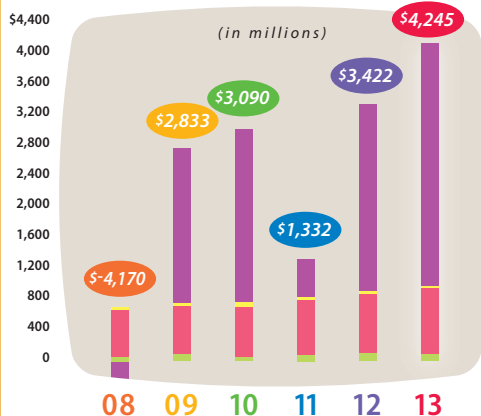


## How Your Defined Benefits are Funded

In addition to member and employer contributions, investment income typically funds the greater portion of members' retirement benefits. To minimize financial risk, URS diversifies its investment portfolio. The Systems' 2013 return was 14.9%.

## Music, Television, & the Movies

### ADDITIONS BY SOURCE



■ Investment Income  
■ Employer Contributions  
■ Member Contributions  
■ Fire Insurance Tax, Court Fees, and Other



*"Change is the law of life. And those who look only to the past or the present are certain to miss the future."*

JOHN F. KENNEDY



**Growing Personal Investments:** Member balances in the 401(k), 457, and IRAs at year-end 2013 totaled nearly \$4.3 billion.

### Percentage Total of Each Investment Option

December 31, 2013



### Total Balances by Investment Option and Rates of Return

(dollars in thousands)

Percentage of Total Fair Value	Investment Option	401(k) Plan	457 Plan	Roth IRA	Traditional IRA	HRA	Total Investment Balance	2013 Annualized Rates of Return
20.16%	1 <b>Income Fund</b>	\$ 755,860	85,194	6,816	15,777	—	863,647	1.85%
4.84%	2 <b>Bond Fund</b>	180,893	21,471	2,073	3,105	—	207,542	0.53
9.55%	3 <b>Balanced Fund</b>	374,870	29,330	2,131	2,963	—	409,294	23.16
5.94%	4 <b>Large Cap Stock Value Fund</b>	214,162	32,109	4,791	3,533	—	254,595	40.41
11.19%	5 <b>Large Cap Stock Index Fund</b>	433,668	40,710	3,258	1,690	—	479,326	32.64
5.08%	6 <b>Large Cap Stock Growth Fund</b>	190,635	22,428	2,744	1,722	—	217,529	36.18
4.56%	7 <b>International Fund</b>	172,633	19,875	1,949	876	—	195,333	15.81
6.94%	8 <b>Small Cap Stock Fund</b>	255,204	34,320	5,513	2,155	—	297,192	41.94
4.77%	9 <b>Short Horizon Fund</b>	174,998	21,548	1,954	5,955	—	204,455	7.60
9.15%	10 <b>Medium Horizon Fund</b>	341,807	38,984	5,895	5,539	—	392,225	12.55
11.83%	11 <b>Long Horizon Fund</b>	438,386	52,674	9,832	6,003	—	506,895	17.95
0.58%	12 <b>Tier 2 DC Nonvested*</b>	24,982	—	—	—	—	24,982	12.55
2.92%	13 <b>Brokerage Window</b>	107,196	16,695	807	534	—	125,232	NA
0.38%	14 <b>HRA Money Market Fund</b>	—	—	—	—	16,184	16,184	0.00
2.11%	15 <b>Loan Fund</b>	80,987	9,230	—	—	—	90,217	NA
100.00%	<b>Total</b>	\$3,746,281	424,568	47,763	49,852	16,184	4,284,648	

\*Effective July 1, 2011, the Tier 2 Nonvested Fund was invested with the same asset mix as the Medium Horizon Fund.

### UTAH RETIREMENT SYSTEMS

### Statements of Fiduciary Net Position — Defined Contribution Plans

December 31, 2013

(in thousands)

	401(k) Plan	457 Plan	Roth IRA	Traditional IRA	Health Reimbursement Arrangement	Total Defined Contribution Plans
<b>Assets:</b>						
Cash	\$ 8,572	814	51	15	7	9,459
Receivables	80,987	9,230	—	—	1,579	91,796
Investments at fair value:						
Short-term securities	—	—	—	—	14,662	14,662
Debt securities	1,404,127	156,052	14,954	27,087	—	1,602,220
Equity investments	2,212,458	253,715	31,827	21,989	—	2,519,989
Real assets	49,773	5,743	954	798	—	57,268
Total investments	3,666,358	415,510	47,735	49,874	14,662	4,194,139
Total assets	3,755,917	425,554	47,786	49,889	16,248	4,295,394
<b>Liabilities:</b>						
Investment accounts payable	9,636	986	23	37	64	10,746
Net position restricted for pensions	\$3,746,281	424,568	47,763	49,852	16,184	4,284,648

### UTAH RETIREMENT SYSTEMS

### Statements of Changes in Fiduciary Net Position — Defined Contribution Plans

December 31, 2013

(in thousands)

	401(k) Plan	457 Plan	Roth IRA	Traditional IRA	Health Reimbursement Arrangement	Total Defined Contribution Plans
<b>Additions:</b>						
Contributions	\$ 230,086	25,696	9,113	11,213	6,750	282,858
Investment income:						
Net appreciation in fair value of investments	531,966	60,404	6,907	5,094	30	604,401
Interest, dividends, and other investment income	3,195	342	—	—	—	3,537
Total investment income	535,161	60,746	6,907	5,094	30	607,938
Less investment expenses	2,945	325	37	44	—	3,351
Net income from investment activity	532,216	60,421	6,870	5,050	30	604,587
Total additions	762,302	86,117	15,983	16,263	6,780	887,445
<b>Deductions:</b>						
Refunds	223,523	21,314	1,908	4,940	2,041	253,726
Administrative expenses	5,372	616	62	66	24	6,140
Total deductions	228,895	21,930	1,970	5,006	2,065	259,866
Increase from operations	533,407	64,187	14,013	11,257	4,715	627,579
Net position restricted for pensions beginning of year	3,212,874	360,381	33,750	38,595	11,469	3,657,069
Net position restricted for pensions benefits end of year	\$3,746,281	424,568	47,763	49,852	16,184	4,284,648



Back row, from left:

Scott G. Berryessa, Sheri K. Nelson (Vice President), Kathryn D. Jones-Price, William W. Wallace

Front row: John L. Lunt, Richard K. Ellis (President), Edward T. Alter

## Meet the Board

A majority of the URS Board members are experts in banking and investments, and are appointed by the Governor. The Board appoints our executive director to carry out the day-to-day operations of URS. Together they guide and safeguard URS.

## Membership Advisory Council

Those who serve on the Membership Advisory Council speak for the interests of active and retired members and participating employers.

### Executive Committee Members / Represents

Mr. Dean Drew .....Utah Public Employees' Association  
(Chairperson)

Mr. Michael McDonough.....Utah Education Association  
(Vice Chairperson)

Senior Trooper Arlow Hancock....Utah Peace Officers' Association

Mr. Marty Peterson .....Professional Firefighters of Utah

Ms. Lori Todd .....Utah School Employees' Association

### Council Members / Represents

Mr. Fred Ash .....Utah Retired School Employees' Association

Honorable James Z. Davis.....Utah Judicial Council

Representative Brad Dee.....Utah Association of Counties

Mr. Brian Gough.....Utah Public Employees' Association

Mr. Tom Hardy.....Utah League of Cities and Towns

Ms. Debra McBride.....Association of Retired Public Employees

Mr. Tom Nedreberg .....Utah Education Association

Mr. Anthony Romanello.....Utah Education Association

*"Continuity gives us roots;  
change gives us branches letting us stretch  
and grow and reach new heights."*

PAULINE R. KEZER



*"One day spent with someone you love can change everything."*

MITCH ALBOM



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Please visit [www.urs.org](http://www.urs.org) or call our office.  
We can explain your benefits one-on-one  
or to your group.



Retirement Savings Plans *ViewPoint*

# TARGETING

## Your Retirement Income

New Target Date Funds can enhance your retirement income and improve your retirement outcome

**W**hen it comes to investing, you've probably been told, "Don't put all your eggs in one basket!"

It's good advice, but, on our own, most of us don't have access to complex investment strategies, professional money managers, and a wide array of asset classes to help diversify our portfolios.

That's why, since 1997, URS has provided three diversified investment strategies called Horizon Funds.

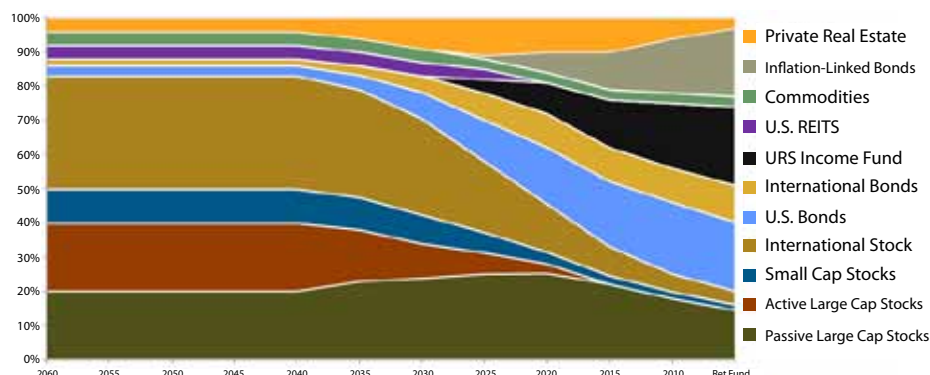
In 2015 we will introduce the next level of diversified investment strategies, known as Target Date Funds. We will broaden the three Horizon Funds into 12 strategies, targeted to

your personal retirement timeline. These funds are scientifically invested using multiple asset classes, inflation protection, and investment time horizons.

Accordingly, the investment mix changes over time to accommodate changing sensitivity to risk, inflation, and life expectancy.

This evolving mix of assets is called a "Glidepath" (see chart below). The target date is keyed to the year you plan to retire. (For example, the 2030 Target Date Fund is designed if you intend to retire around the year 2030).

Look for more information to come about our Target Date Funds this fall at [www.urs.org](http://www.urs.org) and in *ViewPoint* and other publications. ■

Education *ViewPoint*

## Free seminars help boost your retirement

We offer two free seminars to help you understand your benefits and plan for retirement.

**Pre-Retirement Seminars** are for members within 10 years of retirement. They address URS benefits as well as such things as Medicare and Social Security.

### Remaining Dates in 2014

Richfield . . . . . Fri., July 11  
 Farmington . . . Fri., July 18  
 SLC – Central . . Fri., Aug. 1  
 South Jordan . . Fri., Sept. 12  
 Ogden . . . . . Fri., Sept. 19  
 Price . . . . . Thur., Sept. 25

**Personal Planning Seminars** are for those at the early or middle stages of their careers. They address URS benefits as well as such things as college planning and estate planning.

### Remaining Dates in 2014

Ogden . . . . . Friday, Aug. 8  
 Provo . . . . . Friday, Oct. 3

For more information, go to [www.urs.org](http://www.urs.org) and click "Seminars." Register by calling 801-366-7750 or 800-753-7750. ■

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# Create a New myURS Profile by Sept. 1

Ensuring your privacy and security is our highest priority. That's why we're adding new security features to myURS to better protect your information.

The next time you log in at [www.urs.org](http://www.urs.org), you'll be asked to create a new security profile. To do so, you must select a security image and phrase and choose three security questions and provide the answers.

Please create your new profile by September 1, after which your old username and password will no longer work. ■

## Create a myURS Account Today

- » View your estimated years of service and salary.
- » Enroll in savings plans, set your deferrals, buy and sell funds, and more.
- » Opt for email delivery of statements and information.
- » View and change your beneficiaries for your savings plans.
- » View annual pension statements and quarterly savings statements.



Have you seen these editions of *ViewPoint*?

Go to [www.urs.org](http://www.urs.org) to see the previous two, electronic-only editions of *ViewPoint*.

Don't miss out on future editions. Give us your email address at myURS at [www.urs.org](http://www.urs.org) and we'll email you upcoming issues as soon as they're available. ■