

Let Us Help You Reach Your Retirement Dreams!

Join us for a free, one-on-one retirement planning session. Find out how, Page 6

The RS Viewpoint

Spring 2015 | Volume 33, No. 1

For Active Members of Utah Retirement Systems

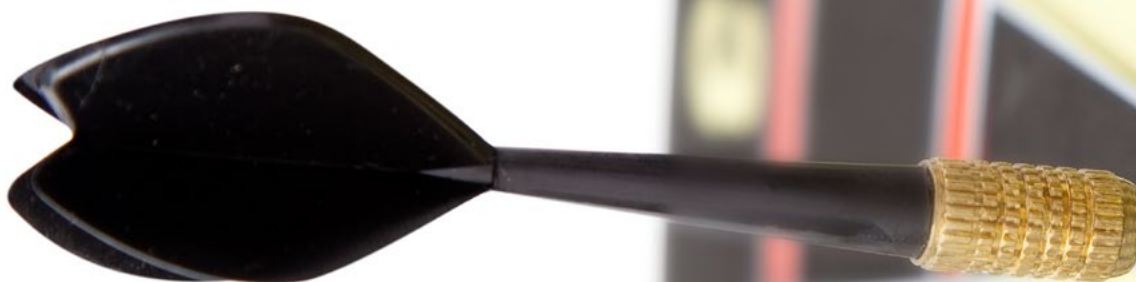


Are you going to claim your **FREE MONEY?**
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WHAT'S YOUR TARGET DATE?



They're based on the date you're expected to retire. But if your goals are different, you can always choose a different Target Date Fund.

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Estate Planning

Why you need to have a plan.

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Education ViewPoint

Have retirement benefit questions?

If so, check out the *Highlights* brochures. Specific to each retirement system, they give detailed information about things like benefit formulas, eligibility requirements, death benefits, payout options, and more. Find them at the [Publications page](#) of www.urs.org. ■



Trust • Commitment
Value • Innovation • Excellence

Utah Retirement Systems

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

The URS ViewPoint For Active Members of Utah Retirement Systems

Spring 2015 | Volume 33, No.1
publications@urs.org

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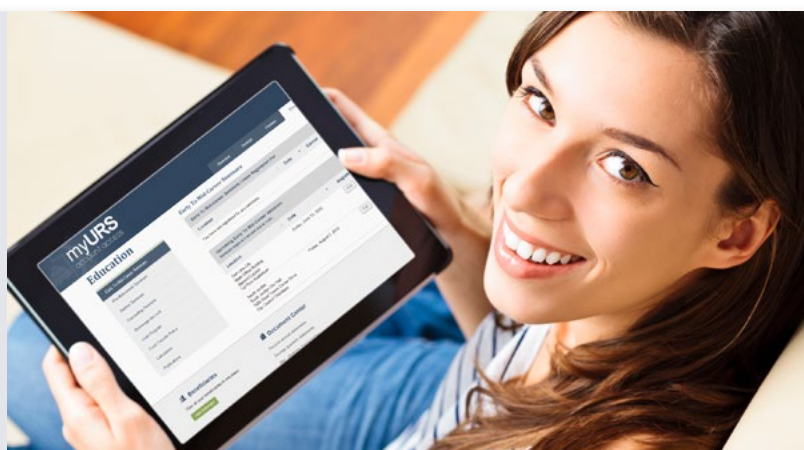
Expanded Direct Deposit Now Available

While URS has offered direct deposit to your bank account for monthly URS Retirement (pension) and URS Savings Plans (401(k), 457 and IRA) payments, we haven't, until now been able to offer direct deposit on individual payments, such as 401(k) or 457 loans, hardship payments, or one-time withdrawals.

We are now offering this direct deposit feature on these one-time payments.

Simply complete the URS Savings Plans Direct Deposit for One-time Payments (DCEFT-1) form and submit it with your withdrawal, hardship, or loan promissory note, and we will deposit those funds directly to your bank account.

This is just one more example of URS adding features and benefits to help you manage your account more efficiently and effectively. ■



Have You Seen the New myURS?

Now it's even easier to see and manage your retirement benefits. If you haven't been to [myURS](#) recently, now is the perfect time to see your savings plan balances, years of service, check beneficiaries, and more. You may notice some changes that make the site easier to read and navigate. While you're doing something good for your retirement planning, do something good for the planet too. Make sure you've opted for email delivery of statements and other information.

UNDERSTANDING YOUR TARGET DATE

Target Date Funds: They're based on the date you're expected to retire.

Are your goals different? You can always choose a different Target Date Fund.

To understand how Target Date Funds work for you, it's important to understand your "Target Date."

Each Target Date Fund is associated with the date the average member retires, stops contributing to savings plans, and/or begins

drawing down retirement savings. In determining your target date ranges (see chart below), URS assumes you'll retire within the two or three year-range around age 65.

This approach is not to suggest you must cash out your entire account in the target year. Rather, the

See **TARGET**, Page 4

Based on Your Age

The Target Date Fund recommended for you is based on this chart.

	Date of Birth From	Date of Birth To
Target Date 2060	July 1, 1993	
Target Date 2055	July 1, 1988	June 30, 1993
Target Date 2050	July 1, 1983	June 30, 1988
Target Date 2045	July 1, 1978	June 30, 1983
Target Date 2040	July 1, 1973	June 30, 1978
Target Date 2035	July 1, 1968	June 30, 1973
Target Date 2030	July 1, 1963	June 30, 1968
Target Date 2025	July 1, 1958	June 30, 1963
Target Date 2020	July 1, 1953	June 30, 1958
Target Date 2015	July 1, 1948	June 30, 1953
Target Date 2010	July 1, 1943	June 30, 1948
Target Retired		June 30, 1943



Retirement Savings Plans ViewPoint

TARGET date determines fund's risk level

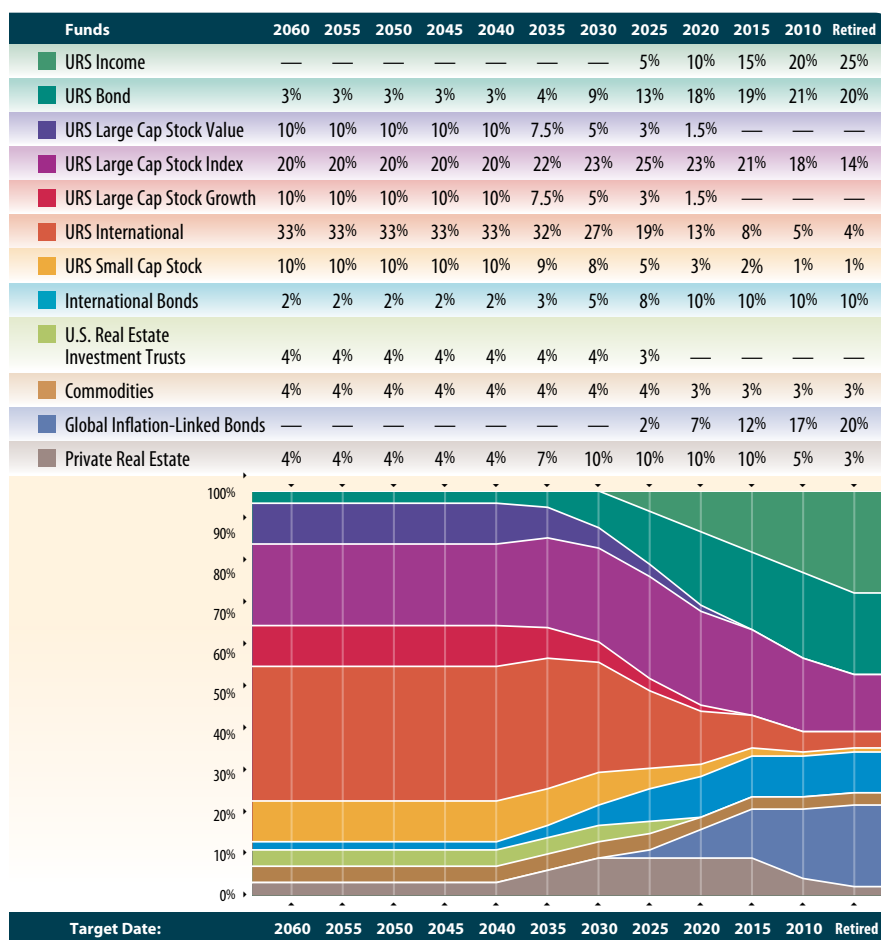
Continued from Page 3

fund continues to change over the next 10 years until the average fund investor would be age 75 (at that point, the fund becomes part of the Target Retired Fund). This is why there's still a 2010 and 2015 fund, in addition to the Target Retired Fund.

For those in the 2010 fund, it's assumed they retired around the year 2010. The asset mix continues to change each year and become more conservative. In the retirement industry, this is called a "through" path – meaning the asset mix doesn't immediately become fixed at your target date, but continues to become more conservative through your retirement years.

It's Your Choice

As a URS member, you're still in control of your investment choices. You may use our recommended



target date fund, or choose another fund, based on your retirement plans and/or your desire to add more investment risk.

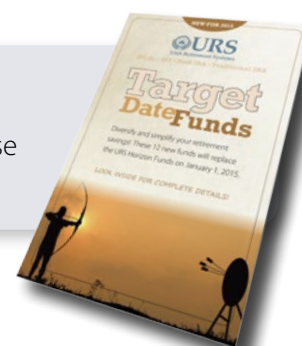
The farther into the future the target date, for example the Target Date 2060 Fund, the more risky assets, such as stocks, they contain. The closer the target date is to today, for example the

Target Date 2020 Fund, the more bonds, real estate, and inflation-linked securities are used.

Even though your suggested target date fund is the 2020 Fund, you may invest in a later fund if you plan to retire later or you want more stocks and fewer bonds in your savings plan (see chart above). ■

Target Date Funds: What They Are

On Jan. 1, 2015, we introduced 12 new Target Date Funds. These funds give you a diverse investment mix that adjusts throughout your career and into retirement. [Learn More](#)



Retirement Savings Plans ViewPoint

TAKE YOUR PICK

Which Plan is Best for You?

Learn the unique benefits of each.

You understand that tax-advantaged retirement savings plans are the key to building wealth. But maybe you don't understand the differences among them. We can help.

The chart at right gives you a quick breakdown. For more, go to the [Savings Plans page](#) at www.urs.org. ■

Video: IRAs

What's the difference between a Roth and traditional IRA? In [this short video](#), "Mike the Retirement Guru" offers a simple explanation.

» [Watch Now](#)



	Lower tax bill now!		Tax-deferred growth!	Tax-free growth!
	401(k) Tax deferred Pay income tax when withdrawn	457 Tax deferred Pay income tax when withdrawn	Traditional IRA May be tax deductible Pay income tax when withdrawn	Roth IRA After-tax deposits Tax-free withdrawals
Deposits				
Payroll deduction (if allowed by employer)	✓	✓	✓	✓
Rollovers	✓	✓	✓	✓
Transfers	✓	✓	✓	✓
Personal deposits			✓	✓
Withdrawals (Vested balances only)	<ul style="list-style-type: none"> Retirement Termination Age 59½ if still employed Hardship (Elective deferrals only) 	<ul style="list-style-type: none"> Retirement Termination Age 70½ if still employed Unforeseeable Emergency 	Any time	Any time
Early Withdrawal Penalty Tax	Yes — 10% early withdrawal penalty tax if withdrawn before age 59½. Exceptions: <ul style="list-style-type: none"> you work into the calendar year you turn age 55 payout based on life expectancy disability 	No penalty tax	Yes – if withdrawn before age 59½. Exceptions: <ul style="list-style-type: none"> first home higher education payout based on life expectancy disability 	Contributions: No Earnings: Yes – if withdrawn before age 59½. Exceptions: <ul style="list-style-type: none"> first home higher education payout based on life expectancy disability (For additional exceptions see IRS publication 590.)
Loan Provision	Yes (Limitations apply to Tier 2 employer contributions)	Yes	No	No
Annual Contribution Limits ²⁰¹⁵	\$18,000	\$18,000*	\$5,500	\$5,500
With Age 50+ Catch-Up Provision ²⁰¹⁵	\$24,000	\$24,000	\$6,500	\$6,500
Special 457 Catch-Up Provision	<p>*The three years prior to the year you qualify to retire, your limit on 457 contributions is double the standard limit (depending on past contributions). This is called the special catch-up.</p> <p>Note: You cannot use the 457 age 50+ catch-up the same year as the special catch-up.</p>			

Some plans may not be available for certain employers. Check with your employer.

COME MEET WITH US

URS Investment Advisors: These new one-on-one retirement planning sessions are free of charge to URS members.

We all need a little help with our investments and retirement planning from time to time. As a URS member, you get access to professional URS Investment Advisors at no charge. Schedule an appointment to get customized advice about your retirement planning. URS offers two types of individual counseling sessions, customized to meet your needs:

SESSION A – Basic Questions and Recommendations

This session is for you if you want information or advice on any of these topics:

Pension benefits » What are my payout options and which one is right for me?

Savings plans » (401k, 457, IRAs): Should I invest in a 401(k) or Roth?

Service purchases » Should I purchase additional pension service credit?

Tier 2 decision » Should I choose the Hybrid or Defined Contribution Plan?

Make an Appointment

To register for a counseling session, [log into your myURS account](#) and click the Education tab. Click “Counseling Sessions” from the menu at left.



Investment options » Which one is right for me?

SESSION B – Comprehensive Retirement Plan

This session is for you if you want to develop a comprehensive plan for a better retirement. After reviewing all of your potential retirement income sources, we develop a snapshot of your overall retirement situation and assess what adjustments you should make to help reach your retirement goals. We will determine:

- » Where you are now in terms of retirement readiness
- » Where you want to be
- » How to get there

PLEASE BRING THE FOLLOWING TO SESSION B APPOINTMENTS:

- » Gross pay rate
- » Balances in all retirement accounts including non-URS plans
- » Anticipated retirement age

These sessions will not address retirement applications. To apply for retirement, contact 800-695-4877. ■

Your Money ViewPoint

DO YOU HAVE A PLAN?

Estate Planning: If you haven't written an estate plan, the state has one for you — and it may not be what you want.

If you have anything of value, you have an estate. Whether you know it or not, you also already have an estate plan.

If you haven't written one, the state has one for you — but it may not be in line with your desires. Therefore, no matter your net worth, it's important to have an estate plan in place.

A properly drafted estate plan contains instructions for the administration of your estate. An estate plan tells the world exactly where you want your assets distributed when you die. It's also the best place to name guardians for your children. Dying without an estate plan can be costly to your heirs and leaves you no choice over who gets your assets.

An estate plan should include a will; a power of attorney; a living will; and, for most people, a trust. Taking inventory of your assets is an excellent place to start. Assets include your home, financial accounts, investments, retirement savings, and insurance

Learn More

Join us for an [Early-to-Mid Career](#) or [Pre-Retirement Seminar](#).

An estate lawyer discusses wills and trusts and will be available to answer questions.

» [Learn More](#)

policies. Ask yourself: Whom do you want to inherit your assets? Whom do you trust to administer your estate? Whom do you want making medical and financial decisions for you if you become unable to make them yourself?

Not just for the wealthy, trusts are legal mechanisms that let you put conditions on how and when your assets will be distributed after you die. They distribute assets to your heirs without the cost, delay, and publicity of probate court, which administers estates.

Estate planning is not as expensive as you might think. The best time to plan your estate is now. ■

Who cares for your pet if you can't?

Have you arranged for the care for your pets in the event you can't care for them yourself?

Make sure your pets will receive adequate care in an emergency. Carry a card with your ID that reads, "In case of emergency, please notify one of these people to care for my pet(s)."

Plan for you pets' care in the event of your death. If friends and family aren't willing to take them, they may agree to search for and approve potential adopters. Make a list of criteria a new home must be able to provide.

If you plan to leave money for your pet's care, you will need to state it specifically in writing. ■

[Learn More About Estate Planning for Pets](#)



Are You Turning Down Free Money?

If you're not getting your employer 401(k) match, that's exactly what you're doing!

You're a public employee, so you've got money to burn, right?

Wrong? Then why are you turning down your employer 401(k) match? Check with your employer to see if and how much it matches. Increase your contributions to get the full match! ■



Have An Old Retirement Savings Account?

Have a 401(k), 457, or IRA from a previous employer?

Simplify your life — and enjoy the peace of mind of knowing your fees are low — by rolling over old accounts to URS.

It's easy and has many benefits, including:

- » Ease of managing your accounts
- » Local customer service
- » Professionally managed investment options
- » Low investment and administrative fees

To get started, call us at 801-366-7720 or 800-688-4015.

Keep Your Beneficiaries Current

We pay benefits based on our most recent record. If you have not initially set up your beneficiary designations, or if your listed primary beneficiary dies with no contingent (backup) in place, the law decides who gets your nest egg.

If one of your children listed as a beneficiary marries or divorces and changes her name, you should change that on your account. The same rule applies to beneficiaries who have moved. We need a current address.

If one of your listed beneficiaries has died, you may need to reassess your list of beneficiaries. Always double-check. Incorrect information could delay your wishes or leave your loved-ones without any money or recourse. Review your beneficiaries at least once a year at myURS. ■

