



2021 ANNUAL SUMMARY REPORT



# *The Story of Utah Retirement Systems*

An Epic Tale of How  
URS Provides Retirement Security  
to Utah Public Employees







Contents:

**Serving Our Members**

How we provide retirement security for those who serve Utah. Page 3

**Benefiting Utah**

How we impact lives and strengthen communities across the state. Pages 4-5

**Investing for Your Future**

How we carefully invest across a diverse range of assets. Pages 6-7

**Growing to Meet Obligations**

How the pension fund continued to thrive in 2021. Pages 8-9

**Financials**

Page 10

**URS Savings Plans**

Page 11



**To Learn More**

This Summary Report contains excerpts from the URS 2021 Annual Comprehensive Financial Report, containing detailed financial information about URS. Find it at [www.urs.org/2021](http://www.urs.org/2021).

Forward

You Are the Hero of This Story

Dear Valued Member:

**Y**OU CAN'T WRITE A GREAT STORY WITHOUT GREAT CHARACTERS. It's you, our members, who make *The Story of URS* an inspiring saga.

As Utah public employees, your work helps our communities thrive. You educate our children, keep us safe, keep the lights on and the roads in order, maintain the public spaces we all share, and provide vital health and social services.

Although URS is a complex enterprise, *The Story of URS* could be summarized with a simple back-cover blurb: We provide retirement security and peace of mind to you, those who serve the public in Utah.

To us, you are the hero of this story. You provide deep meaning and purpose to our work. Every year, we're proud to publish this report to share the story of URS and our latest news and statistics.

We also get to showcase our latest photo collection of URS members in their diverse work environments. We display these photos around our offices with pride. Seeing your faces daily reminds us of our important mission.

With the help of URS, a well-planned retirement can be one of the best chapters of your life. When you turn the page on your public service career in Utah, we hope the retirement life you author will be a masterpiece!

Daniel D. Andersen, URS Executive Director



Chapter 1  
Serving Our Members

**O**UR MEMBERS ARE THE PROTAGONISTS WHO BRING *THE STORY OF URS* TO LIFE.

We serve more than 240,000 current and past public sector workers, including teachers, firefighters, police officers, and others who provide vital services. URS administers their retirement benefits and manages the pension fund that pays for them.

Utah counts on its public employees, and they count on URS for their retirement security. You and your work make *The Story of URS* a story worth sharing.

245,910 MEMBERS  
75,876 2021 RETIREES  
488 PUBLIC EMPLOYERS

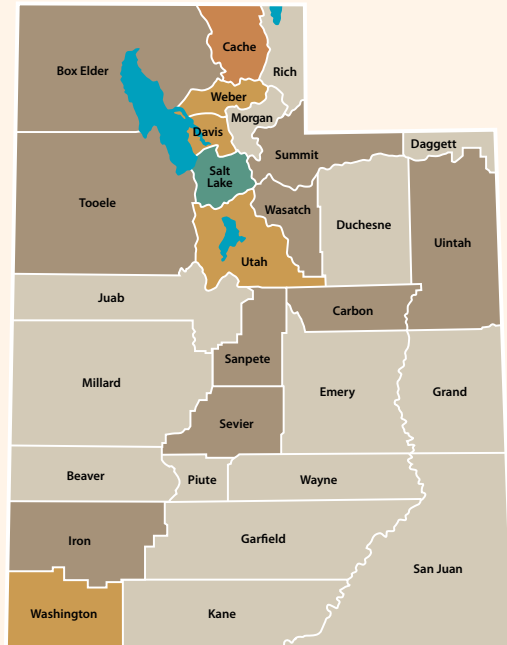


A Snapshot of You When we pose all of you together, we get this picture.

2021	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	Tier 2 Defined Contribution Only	Averages and Totals All Systems
<b>Total Membership</b>	159,302	4,859	15,953	3,409	290	362	44,952	5,188	11,595	245,910
Active	48,179	314	4,166	1,358	119	44	39,175	4,799	9,687	107,841
Terminated vested	48,009	963	4,889	455	10	74	5,501	384	1,908	62,193
Retired	63,114	3,582	6,898	1,596	161	244	276	5	—	75,876
<b>Active Members</b>	48,179	314	4,166	1,358	119	44	39,175	4,799	9,687	107,841
Average age	51.2	59.7	45.2	46.1	54.4	58.0	38.3	31.5	39.0	44.2
Average years of service	18.2	31.6	17.9	18.3	13.9	15.0	3.9	4.2	—	10.8
<b>2021 Retirees</b>	3,205	72	388	58	13	7	78	1	N/A	3,822
Average age	65.3	65.8	53.1	54.6	68.0	70.7	69.0	70.0	N/A	64.0
Average years of service	21.9	29.6	23.1	24.5	27.6	11.6	6.8	7.4	N/A	21.9
<b>All Retirees</b>										
Average annual benefit	\$ 24,219	24,393	31,874	40,084	102,152	4,141	3,207	7,744	N/A	25,280

Left side, top to bottom:  
**Jace Peterson**  
Police Officer, Nephi City Police  
**Amanda Myers**  
Parks Foreman, Layton City  
**Curtis Hutchinson**  
Firefighter, Pleasant Grove Fire Department  
**Renee Jimenez**  
Judge, Third District Court  
 Right side, top to bottom:  
**Scott Call**  
Firefighter, Riverdale Fire Department  
**Jeff Ruiz**  
Electrician, Salt Lake City Corporation Public Utilities  
**Chauntelle Crane**,  
Deputy, Cache County Sheriff's Department  
**Aldo del Bosque**  
Teacher, Granger Elementary, Granite School District





**2021 BENEFITS PAID BY AMOUNT**  
 \$0-15 million \$15-50 million \$50-100 million \$100-400 million \$400-700 million

## Pension Payouts in Utah

### Retirees Who Live in Utah Characteristics by County

County	Recipients	Dollars Paid
Salt Lake County	23,561	\$ 671,679,792
Utah County	9,769	265,120,952
Davis County	7,328	205,795,110
Weber County	6,041	159,271,993
Washington County	4,366	111,141,336
Cache County	2,901	72,913,240
Box Elder County	1,557	36,281,704
Tooele County	1,339	33,308,417
Iron County	1,246	29,737,208
Sanpete County	1,139	27,021,406
Sevier County	998	25,436,577
Summit County	836	24,679,330
Wasatch County	771	20,597,137
Uintah County	866	19,222,186
Carbon County	811	18,688,863
Duchesne County	697	14,898,840
Millard County	545	13,443,972
San Juan County	460	11,089,654
Emery County	467	10,205,395
Morgan County	331	9,448,503
Juab County	372	8,906,027
Grand County	318	7,156,753
Beaver County	226	5,515,113
Garfield County	217	5,238,347
Kane County	236	4,985,953
Wayne County	152	4,146,451
Rich County	104	2,499,322
Piute County	82	1,828,746
Daggett County	67	1,307,165
<b>Total</b>	<b>67,803</b>	<b>\$ 1,821,565,493</b>

## Chapter 2 Benefiting Utah

**T**HE STORY OF URS IS SET IN THE STATE OF UTAH. YOU MAY NOT REALIZE HOW URS TOUCHES THE LIVES OF ALL UTAHNS — THOSE DIRECTLY ENRICHED BY OUR BENEFITS, AS WELL AS THE COMMUNITIES THEY SERVE.

URS provides financial stability for thousands of Utah families and their communities. Our benefits help attract and retain a vibrant, stable public workforce. They support stronger, more secure communities. They also provide a significant, reliable economic boost to our state each year.

The Story of URS is about serving our members and providing you retirement security and peace of mind. But our overall positive impact in the State of Utah is, you might say, an interesting subplot.

**1.1%**

OF STATE'S TOTAL INCOME

### Pension Provides Significant Income

In 2021, URS paid more than \$1.8 billion in pension benefits to more than 67,000 Utahns, an amount so large, it's equivalent to 1.1 percent of the state's total personal income. For perspective, this is larger than the earnings paid by many entire industries in Utah, including motor vehicle and parts dealers, truck transportation, and repair and maintenance. More than 90% of URS pension payouts in 2021 went to retirees living in Utah, including \$671 million to Salt Lake County retirees alone. Pension payments by county are shown at left.

### Supporting Jobs, Taxes, GDP

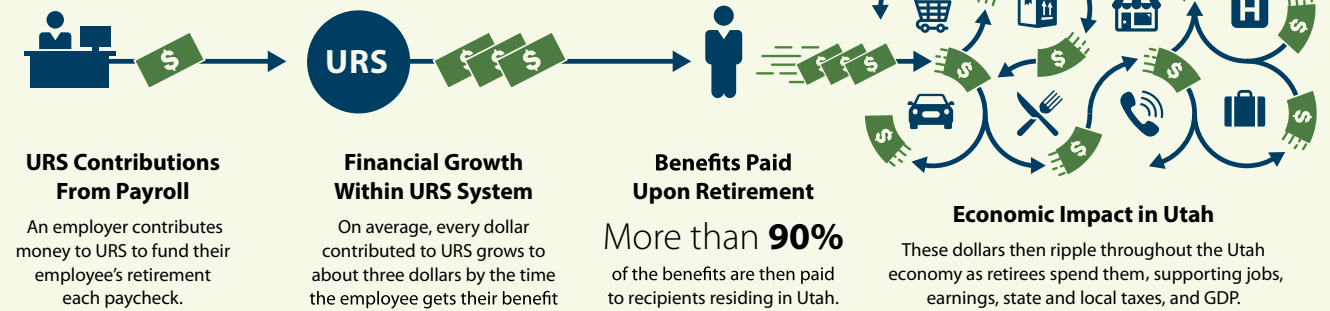
**9,400**

JOB'S SUPPORTED

URS pension payments help keep Utah's economy buzzing, supporting thousands of jobs and significantly boosting the tax base. A recent study by the University of Utah's Kem C. Gardner Policy Institute shows how these payments ripple throughout the state's economy. The economic activity generated by URS pension payments in 2021 supported more than 9,400 Utah jobs, \$453 million in wages, and \$84 million in state and local tax revenue, for an \$859 million overall economic impact in Utah.

## Economic Impact Ripples Across Utah

Source: Kem C. Gardner Policy Institute



### URS Contributions From Payroll

An employer contributes money to URS to fund their employee's retirement each paycheck.

### Financial Growth Within URS System

On average, every dollar contributed to URS grows to about three dollars by the time the employee gets their benefit.

### Benefits Paid Upon Retirement

More than **90%** of the benefits are then paid to recipients residing in Utah.

### Economic Impact in Utah

These dollars then ripple throughout the Utah economy as retirees spend them, supporting jobs, earnings, state and local taxes, and GDP.



### Direct impact:

A retired teacher uses money from her pension payment to buy a new car.



### Indirect impact:

That purchase contributes to an increase in income for the car dealership and all those involved in the production of that car.



### Induced impact:

This contributes to the wages paid to employees that they then spend on goods and services from other companies in the local economy.



**\$1.8 billion** IN PENSION PAYOUTS IN UTAH

**\$84 million** STATE AND LOCAL TAX REVENUE

**67,803** TOTAL RECIPIENTS

**\$453 million** OF EARNINGS FROM THESE JOBS

**\$859 million** IN STATE GDP IMPACT



## URS STORYLINES

The URS Mission Statement is more than just words, it's the compass that guides the organization:

*We serve Utah public employees with retirement and insurance benefits in a partnership of trust with a commitment to value, innovation, and excellence.*

*One phrase in particular describes our relationship with you: "in a partnership of trust." We hold money to pay for benefits "in trust." It means we act in the best interest of our beneficiaries — that's you. This idea guides us in all the actions and decisions we make.*



## Chapter 3 Investing for Your Future

**Y**OU WON'T FIND WILD DRAMA AND SURPRISE PLOT TWISTS IN THIS PART OF THE STORY.

Conservative, consistent investing principles may not be the stuff of high-suspense summer blockbusters. But they're exactly what guide our investments.

URS manages the pension fund that pays your monthly benefit when you retire. We invest this important fund in a careful, diverse way to maximize long-term returns throughout market cycles, with an emphasis on downside protection.

We invest to meet our long-term objectives while minimizing risk and volatility. We position the portfolio in such a way to preserve capital in negative equity markets. We achieve our strategy by investing in a diverse range of asset classes, including stocks, bonds, and private equity, as well as assets designed to achieve returns that have little correlation to others.

The URS pension fund is designed to anticipate and withstand fluctuating markets, meaning short-term investment gains or losses don't affect the retirement benefits paid to members.

It may not make for riveting reading, but steady, prudent stewardship of the pension fund is an important reoccurring theme in *The Story of URS*.

### Portfolio Performance Expectations

Compared to a traditional portfolio, URS has more options to generate returns, diversify, and reduce risk. Our asset allocation is designed to be less reliant on public equity and more diversified. Higher allocations to public equity create higher portfolio risk and volatility and can lead to higher volatility in employer costs.



**Strong Markets:**  
Outperform return objectives; however, may not outperform portfolios with higher allocations to public equity.



**"Normal" Markets:**  
Achieve return objectives.

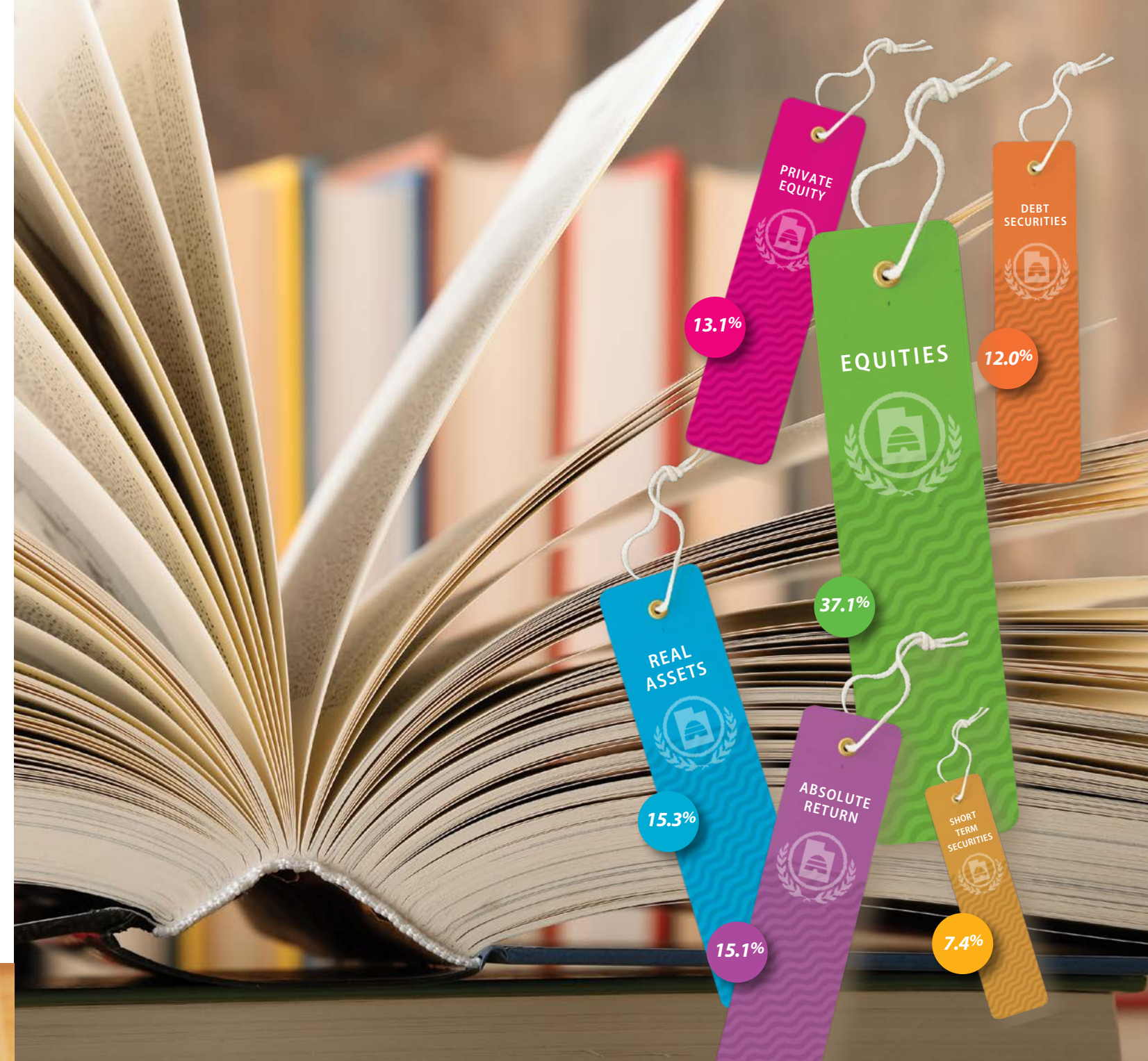


**Negative Markets:**  
Preserve capital, enable quick recovery and compounding.



### URS STORYLINES

*URS administers your benefits and manages the pension fund that pays for them. But our role doesn't end there. We're here to help you understand and make the most of your benefits. We offer a number of resources to help you prepare for retirement, including free individual retirement planning sessions ([www.urs.org/us/IRPS](http://www.urs.org/us/IRPS)). New in 2021, we can also help you improve your personal finances. We offer free financial wellness resources and one-on-one counseling ([www.urs.org/us/finwell](http://www.urs.org/us/finwell)).*



### Where Pension Funds Were Invested

As of December 31, 2021

- Equities 37.1%**  
Stocks make us part owner and beneficiary of many successful companies around the world.
- Real Assets 15.3%**  
Investments include real estate, agriculture, energy, timber, and commodities.
- Absolute Return 15.1%**  
These strategies strive to achieve returns that have little correlation to the other asset classes.
- Private Equity 13.1%**  
Although supplying capital to fund private companies is riskier than some investments, returns are expected to outperform public equity markets over the long term.
- Debt Securities 12.0%**  
Whether financing a country's or a corporation's need for money, bonds yield a steady stream of income.
- Short-term Securities 7.4%**  
Allow URS ready funds to make advantageous moves.



Chapter 4

# Growing to Meet Obligations

**\$45.1 billion**  
IN TOTAL ASSETS  
**\$6.1 billion**  
INCREASE IN 2021



**17.5%**  
2021 RATE OF RETURN

**D**EPENDING ON THE EDITION, THIS PART OF THE STORY MAY VARY CONSIDERABLY FROM YEAR TO YEAR. BUT THE FUNDAMENTAL NARRATIVE DOESN'T CHANGE.

In 2021, the pension fund experienced a remarkable 17.5% return, growing by a one-year record of \$6.1 billion to an all-time high of \$45.1 billion.

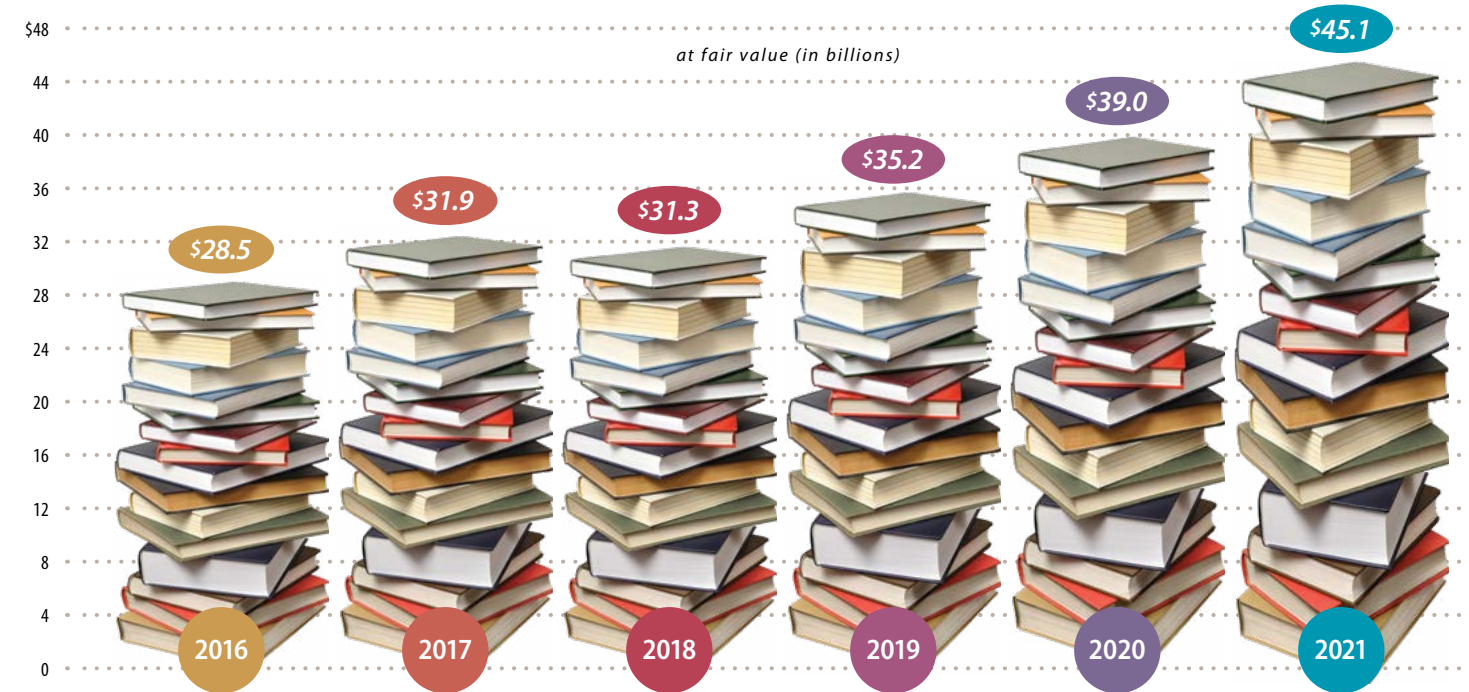
But no one single year defines the trajectory or overall condition of the fund. It's important to understand that we don't expect, nor do we need, such lofty returns every year. In 2021, we experienced strong equity markets, but financial winds can change quickly. The URS Pension Fund is built to withstand the test of time and produce stable, long-term returns.

The pension fund grew significantly in 2021. But a single year's return is little more than a footnote in the epic, generational saga that is *The Story of URS*.

## Defined Benefit Pension Assets

**Our asset growth has been fueled by wise investments.**

As of December 31, 2021, the net position of the pension fund was worth \$45.1 billion. Here's how the pension fund has grown in recent years.



### URS STORYLINES

In recent years, URS has made great strides in offering services to members online and virtually. This includes such things as online retirement applications and retirement estimates, online IRA contributions and 401(k)/457(b) loan payments, and virtual retirement planning and financial wellness counseling. But we still value good, old-fashioned, face-to-face customer service. Members can set an appointment to visit us at 560 East 200 South in Salt Lake City or just walk in during regular business hours.



### URS STORYLINES

URS is an independent state agency governed by Utah Code Title 49. The birth of today's URS is traced back to 1963, with the creation of a single board that consolidated a number of separate retirement systems in Utah. Today, URS administers eight defined benefit systems and four defined contribution plans, designed for different areas of public service, each with its own unique benefits.





# Financials

## 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

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

December 31, 2021 (in thousands)

Total Defined Benefit Pension Plans	
<b>Assets:</b>	
Cash	\$ 3,801
Receivables:	
Member contributions	685
Employer contributions	58,365
Court fees and fire insurance tax	270
Investments	640,594
Total receivables	699,914
Investments at fair value:	
Short-term securities	3,370,782
Debt securities	5,456,728
Equity investments	16,912,685
Absolute return	6,875,009
Private equity	5,973,612
Real assets	6,948,864
Total investments	45,537,680
Invested securities lending collateral	888,919
Property and equipment at cost, net of accumulated depreciation	12,822
Total assets	47,143,136
<b>Liabilities:</b>	
Securities lending liability	888,919
Disbursements in excess of cash balance	34,672
Compensated absences, post-employment benefits and insurance reserve	26,976
Investment accounts payable	1,039,834
Real estate liabilities	100,000
Total liabilities	2,090,401
Net position restricted for pensions	\$ 45,052,735

## Net Position Liability/(Asset)

The Net Pension Liability/(Asset) is the difference between the Total Pension Liability (present value of projected benefit payments) and the Plan Fiduciary Net Position (market value of assets held in trust to pay retirement benefits).

UTAH RETIREMENT SYSTEMS

### Schedules of Net Pension Liability/(Asset)

December 31, 2021

Retirement System	(dollars in thousands)		(3) Employers' Net Pension Liability/(Asset) (1) - (2)	(4) Plan Fiduciary Net Position as a % of the Total Pension Liability (2) / (1)	(5) Projected Covered Payroll	(6) Pension Liability/(Asset) as a % of Covered Payroll (3) / (5)
	(1) Total Pension Liability	(2) Plan Fiduciary Net Position				
Noncontributory	\$ 33,566,790	35,068,535	(1,501,745)	104.5%	\$ 3,361,940	(44.7)%
Contributory	1,256,624	1,447,237	(190,613)	115.2	26,782	(711.7)
Public Safety	4,925,534	5,105,393	(179,859)	103.7	336,809	(53.4)
Firefighters	1,470,649	1,799,463	(328,814)	122.4	114,635	(286.8)
Judges	282,957	282,030	927	99.7	20,801	4.5
Utah Governors and Legislative	13,202	13,425	(223)	101.7	719	(31.0)
Tier 2 Public Employees	1,111,694	1,154,018	(42,324)	103.8	1,810,502	(2.3)
Tier 2 Public Safety and Firefighters	177,580	182,634	(5,054)	102.8	223,892	(2.3)
<b>Total</b>	<b>\$ 42,805,030</b>	<b>45,052,735</b>	<b>(2,247,705)</b>	<b>105.3%</b>	<b>\$ 5,896,080</b>	<b>(38.1)%</b>

## Additions and 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 nearly \$6.06 billion in 2021.

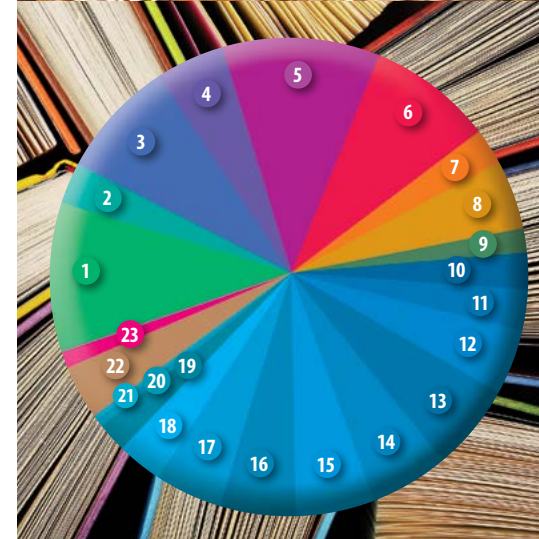
The Systems are audited annually by an international CPA firm, Eide Bailly LLP. Our actuary, Gabriel, Roeder, Smith & Company, reviews the funding and contribution rates to ensure they are adequate to fund your benefits.

UTAH RETIREMENT SYSTEMS

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

December 31, 2021 (in thousands)

Total Defined Benefit Pension Plans	
<b>Additions:</b>	
Contributions:	
Member contributions	\$ 43,421
Employer contributions	1,318,085
Court fees and fire insurance tax	22,490
Total contributions	1,383,996
Investment income:	
Net appreciation in fair value of investments	5,986,311
Interest, dividends, and other investment income	762,781
Total income from investment activity	6,749,092
Less investment expenses	90,000
Net income from investment activity	6,659,092
Income from security lending activity	8,511
Less security lending expense	813
Net income from security lending activity	7,698
Net investment income	6,666,790
Transfers from affiliated systems	21,495
Total additions	8,072,281
<b>Deductions:</b>	
Retirement benefits	1,674,591
Cost-of-living benefits	303,699
Supplemental retirement benefits	303
Refunds	3,146
Administrative expenses	12,691
Transfers to affiliated systems	21,495
Total deductions	2,015,925
Increase from operations	6,056,356
Net position restricted for pension benefits beginning of year	38,996,379
Net position restricted for pension benefits end of year	\$ 45,052,735



**\$9.04 billion**  
2021 SAVINGS PLANS MEMBER BALANCES

# URS Savings Plans

## Growing Personal Investments

MEMBER BALANCES IN THE 401(k), 457(b), AND IRAs AT YEAR-END 2021 TOTALED OVER \$9.0 BILLION.

## Total Balances by Investment Option and Rates of Return

Percentage Total of Each Investment Option

December 31, 2021

Percentage of Total Fair Value	Investment Option	Total Investment Balance	2021 Annualized Rates of Return	Annualized 3-Year Rates of Return	Annualized 5-Year Rates of Return
10.21%	1 Income Fund	\$ 923,490	1.60%	2.11%	2.04%
2.87	2 Bond Fund	259,340	(0.96)	6.24	4.64
7.89	3 Balanced Fund	713,576	14.88	19.28	14.32
4.80	4 Large Cap Stock Value Fund	433,956	31.64	20.71	14.07
10.96	5 Large Cap Stock Index Fund	990,816	26.23	26.00	18.20
8.52	6 Large Cap Stock Growth Fund	770,507	19.24	33.77	25.87
2.59	7 International Fund	234,054	8.32	13.59	9.83
4.55	8 Small Cap Stock Fund	411,857	30.41	20.72	11.18
1.81	9 Tier 2 DC Nonvested	163,729	14.47	15.27	10.46
2.37	10 Retired Fund	214,551	7.43	8.73	6.36
2.74	11 2015 Fund	247,738	8.69	9.82	7.33
4.55	12 2020 Fund	411,088	9.85	11.27	8.45
5.87	13 2025 Fund	531,159	12.37	13.15	9.73
5.25	14 2030 Fund	474,940	14.57	15.88	11.35
5.24	15 2035 Fund	474,124	15.98	16.90	12.07
5.15	16 2040 Fund	465,513	17.32	18.64	13.02
4.45	17 2045 Fund	402,198	18.31	19.37	13.45
3.05	18 2050 Fund	275,985	18.69	19.51	13.52
1.86	19 2055 Fund	168,218	18.69	19.51	13.52
0.63	20 2060 Fund	57,425	18.69	19.51	13.52
0.06	21 2065 Fund	5,347	18.69	—*	—*
3.60	22 Brokerage Window	325,981	N/A	N/A	N/A
0.98	23 Loan Fund	88,692	N/A	N/A	N/A
<b>100.00%</b>	<b>Total</b>	<b>\$ 9,044,284</b>			

\*Fund inception: Jan 1, 2021

## Want to Know More?



[www.urs.org](http://www.urs.org)

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



**Write**  
Salt Lake Office  
PO Box 1590  
Salt Lake City, UT 84110-1590  
St. George Office  
20 North Main Street, Suite 206  
St. George, UT 84770



**Call**  
Salt Lake Office  
801-366-7700 • 800-365-8772  
Pension Benefits  
801-366-7770 • 800-695-4877  
401(k), 457(b), IRA  
801-366-7720 • 800-688-401k  
St. George Office  
435-673-6300 • 800-950-4877



**Fax**  
Salt Lake Office:  
801-366-7734  
401(k), 457(b), IRA:  
801-366-7445



**Visit**  
Salt Lake Office  
560 East 200 South  
Salt Lake City, UT 84102-2021  
St. George Office  
20 North Main Street, Suite 206  
St. George, UT 84770





URS Board, from left:  
 Ryan G. Henthaler  
 Larry W. Evans  
 (Vice-President)  
 Laura O. Houston  
 Roger G. Donohoe  
 Richard K. Ellis  
 (President)  
 Karl W. Wilson  
 Marlo M. Oaks

## 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.

### Membership Council Committee Member / Represents

- Ms. Sheri Nelson (Chairperson) ..... Utah Public Employees' Association
- Mr. Jamie Davidson (Vice-Chairperson) ..... Utah League of Cities and Towns
- Ms. Amy Ehresman ..... Utah School Employees' Association
- Mr. Larry Millward ..... Utah Retired School Employees' Association
- Mr. Zane Woolstenhulme ..... Utah Association of School Business Officials

### Membership Council Member / Represents

- Mr. LeGrand Bitter ..... Utah Association of Special Service Districts
- Ms. Taylee Foulger ..... Utah Public Employees' Association
- Senior Trooper Arlow Hancock ..... Utah Peace Officers' Association
- Mr. Brad Hardesty ..... Utah Association of Retired Public Employees
- Mr. Michael Harman ..... Utah Education Association
- Mr. Tyler Jensen ..... Utah Education Association
- Mr. Dan Jessen ..... Utah Association of Counties
- Ms. Tina McMullin ..... Utah Education Association
- Mr. Marty Peterson ..... Professional Firefighters of Utah
- Honorable Kara Pettit ..... Utah Judicial Council

## This Report Through the Years

The URS Summary Report is provided yearly to update URS members on the condition of the pension systems and to share statistics, news, and other information about URS.



Utah Retirement Systems 2021 Summary Annual Report Published by: Utah Retirement Systems, 560 East 200 South, Salt Lake City, UT 84102-2021

Nothing herein should be construed to establish, amend, enlarge, reduce, or otherwise affect any benefits, rights, responsibilities, or privileges. If there is a conflict between any applicable law, rule, regulation, plan provision, or contract and the contents of this newsletter, the law, rule, regulation, plan provision, or contract shall prevail.