

Utah Retirement Systems
Preliminary Tier 1 Retirement Contribution Rates as a Percentage of Salary and Wages
Fiscal Year July 1, 2024 - June 30, 2025

	Preliminary Tier 1 2024-2025 RATES						Increase (Decrease) From Prior Year
	(1) Employee	(2) Employer	(3) Normal cost (1) + (2)	(4) Amortization of UAAL *	(5) Net Employer (2) + (4)	(6) Total (3) + (4)	
Public Employees							
Contributory Retirement System							
11- Local Government	6.00	6.09	12.09	6.87	12.96	18.96	(1.00)
12- State and School **	6.00	5.45	11.45	11.75	17.20	23.20	(0.50) ¹
17- Higher Education	6.00	5.45	11.45	12.25	17.70	23.70	0.00 ¹
Public Employees							
Noncontributory Retirement System							
15- Local Government	-	11.86	11.86	5.11	16.97	16.97	(1.00)
16- State and School **	-	12.25	12.25	9.44	21.69	21.69	(0.50) ^{1,2}
18- Higher Education	-	12.25	12.25	9.94	22.19	22.19	0.00 ^{1,2}
Public Safety							
Contributory Retirement System							
Division A							
23- Other Division A With 2.5% COLA	12.29	11.02	23.31	11.27	22.29	34.58	(0.50)
Public Safety							
Noncontributory Retirement System							
Division A							
42- State With 4% COLA	-	22.89	22.89	17.96	40.85	40.85	1 (0.50)
43- Other Division A With 2.5% COLA	-	22.29	22.29	11.25	33.54	33.54	(0.50)
75- Other Division A With 4% COLA	-	22.80	22.80	12.41	35.21	35.21	(0.50)
48- Bountiful With 2.5% COLA	-	23.49	23.49	26.89	50.38	50.38	0.00
Division B							
44- Salt Lake City With 2.5% COLA	-	22.51	22.51	24.20	46.71	46.71	0.00
45- Ogden With 2.5% COLA	-	22.42	22.42	26.30	48.72	48.72	0.00
46- Provo With 2.5% COLA	-	22.62	22.62	19.61	42.23	42.23	0.00
47- Logan With 2.5% COLA	-	22.60	22.60	18.87	41.47	41.47	(0.50)
49- Other Division B With 2.5% COLA	-	22.62	22.62	9.95	32.57	32.57	0.29
76- Other Division B With 4% COLA	-	23.03	23.03	13.94	36.97	36.97	(1.00)
Firefighters' Retirement System							
Division A							
Gross Rate	15.05	11.68	26.73	0.99	12.67	27.72	(2.00)
Insurance Premium Offset	<u>0.00</u>	<u>(10.07)</u>	<u>(10.07)</u>	<u>(0.99)</u>	<u>(11.06)</u>	<u>(11.06)</u>	<u>0.00</u>
31- Net rate	15.05	1.61	16.66	-	1.61	16.66	(2.00)
Division B							
Gross Rate	16.71	9.83	26.54	5.57	15.40	32.11	(2.00)
Insurance Premium Offset	<u>0.00</u>	<u>(5.49)</u>	<u>(5.49)</u>	<u>(5.57)</u>	<u>(11.06)</u>	<u>(11.06)</u>	<u>0.00</u>
32- Net rate	16.71	4.34	21.05	-	4.34	21.05	(2.00)
Judges' Retirement System							
Gross Rate	-	31.60	31.60	20.31	51.91	51.91	1 0.00
Court Fees Offset	-	0.00	0.00	(6.15)	(6.15)	(6.15)	0.61
37- Net rate- Noncontributory	-	31.60	31.60	14.16	45.76	45.76	1 0.61
Governors and Legislative							
14- Appropriation Payable by June 30, 2025					\$367,946	\$367,946	\$ 3,625

1 Includes funding of 3% Substantial Substitute based on salaries for all state and school employees.

2 Does not include 1.5% 401(k).

* Amortization of Unfunded Actuarial Accrued Liability (UAAL)

** Public School Districts and Charter School rates are effective September 1, 2024 - August 31, 2025

Utah Retirement Systems

Preliminary Tier 2 Retirement Contribution Rates as a Percentage of Salary and Wages

Fiscal Year July 1, 2024 - June 30, 2025

Preliminary Tier 2 Hybrid Retirement System										Preliminary Tier 2 Defined Contribution Plan							
	(1) Employee Tier 2 DB Rate	(2) Employer Hybrid Plan DB Plan Rate	(3) Employer Hybrid Plan DC Plan Rate	(4) Death Benefit*	(5) Tier I Amortization %	(6) Total Employer Rate (2) + (3) + (4) + (5)	(7) Total Required Contribution (1) + (6)	Employee Increase (Decrease) From Prior Year	Employer Increase (Decrease) From Prior Year		(1) Employee Tier 2 Rate	(2) Employer Tier 2 Rate	(3) Death Benefit*	(4) Tier I Amortization %	(5) Total Required Contribution (1)+(2)+(3)+(4)	Employee Increase (Decrease) From Prior Year	Employer Increase (Decrease) From Prior Year
Public Employees Contributory Retirement System 11- Local Government ***	0.70	10.00	0.00	0.08	6.87	16.95	17.65	0.70	(1.00)		0.00	10.00	0.08	6.87	16.95	0.00	(1.00)
Public Employees Noncontributory Retirement System 15- Local Government *** 16- State and School ¹ 18- Higher Education	0.70	10.00	0.00	0.08	5.11	15.19	15.89	0.70	(1.00)		0.00	10.00	0.08	5.11	15.19	0.00	(1.00)
0.70	10.00	0.00	0.08	9.44	19.52	20.22	0.70	(0.50)		0.00	10.00	0.08	9.44	19.52	0.00	(0.50)	
0.70	10.00	0.00	0.08	9.94	20.02	20.72	0.70	0.00		0.00	10.00	0.08	9.94	20.02	0.00	0.00	
Public Safety Contributory Retirement System 23- Other Division A (2.5% COLA)	4.73	14.00	0.00	0.08	11.27	25.35	30.08	2.14	(0.50)		0.00	14.00	0.08	11.27	25.35	0.00	(0.50)
Public Safety Noncontributory Retirement System 42- State 43- Other Division A (2.5% COLA) 75- Other Division A (4.0% COLA) 44- Salt Lake City 45- Ogden 46- Provo 47- Logan 48- Bountiful 49- Other Division B (2.5% COLA) 76- Other Division B (4.0% COLA) ***	4.73	14.00	0.00	0.08	17.96	32.04	36.77	2.14	(0.50)		0.00	14.00	0.08	17.96	32.04	0.00	(0.50)
4.73	14.00	0.00	0.08	11.25	25.33	30.06	2.14	(0.50)		0.00	14.00	0.08	11.25	25.33	0.00	(0.50)	
4.73	14.00	0.00	0.08	12.41	26.49	31.22	2.14	(0.50)		0.00	14.00	0.08	12.41	26.49	0.00	(0.50)	
4.73	14.00	0.00	0.08	24.20	38.28	43.01	2.14	0.00		0.00	14.00	0.08	24.20	38.28	0.00	0.00	
4.73	14.00	0.00	0.08	26.30	40.38	45.11	2.14	0.00		0.00	14.00	0.08	26.30	40.38	0.00	0.00	
4.73	14.00	0.00	0.08	19.61	33.69	38.42	2.14	0.00		0.00	14.00	0.08	19.61	33.69	0.00	0.00	
4.73	14.00	0.00	0.08	18.87	32.95	37.68	2.14	(0.50)		0.00	14.00	0.08	18.87	32.95	0.00	(0.50)	
4.73	14.00	0.00	0.08	26.89	40.97	45.70	2.14	0.00		0.00	14.00	0.08	26.89	40.97	0.00	0.00	
4.73	14.00	0.00	0.08	9.95	24.03	28.76	2.14	0.29		0.00	14.00	0.08	9.95	24.03	0.00	0.29	
4.73	14.00	0.00	0.08	13.94	28.02	32.75	2.14	(1.00)		0.00	14.00	0.08	13.94	28.02	0.00	(1.00)	
Firefighters' Retirement System 31- Division A** 32- Division B**	4.73	14.00	0.00	0.08	0.00	14.08	18.81	2.14	0.00		0.00	14.00	0.08	0.00	14.08	0.00	0.00
4.73	14.00	0.00	0.08	0.00	14.08	18.81	2.14	0.00		0.00	14.00	0.08	0.00	14.08	0.00	0.00	

* Employer paid active member death benefit (75% of salary) per Utah Code Section 49-22-501 and 49-23-501.

** For Firefighters, the fire insurance premium offset was applied first to the amortization charge, leaving no amount owed to Tier I by employers for Tier 2 Firefighters

*** Employer contribution rate decreased from the prior fiscal year due to a reduction in the Tier 1 amortization rate in accordance with the Retirement Board's adopted contribution rate management program, which is based upon system funding progress

1 Public School Districts and Charter School rates are effective September 1, 2024 - August 31, 2025

Final Notes



- Early projections of renewals:
 - Medical – 5.0%
 - Dental – 6.9%
- Decrease to inpatient is meaning lower large claimants
 - Driven by lower utilization and lower case mix
 - Lower than typical increase to reinsurance
- Biggest movement was to mental and behavioral health under professional, which was driven by utilization
- Specialty and non-specialty drugs are running with cost trend in the 5% to 7% range
 - Utilization has eased, muting the increases
- Bottom line: utilization decreases are keeping the renewal below trend in the face of cost increases