



# URS Overview & Update

Report to the Retirement and Independent Entities Committee

May 18, 2026



Trust • Commitment • Value • Innovation • Excellence

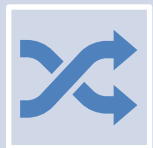
# Key Retirement Terms



**“Defined Benefit Plan” (DB)** means a monthly benefit payable for life after meeting eligibility requirements, e.g. a pension.



**“Defined Contribution Plan” (DC)** generally means a set amount is being put into the plan without regard for benefits payable, e.g. a 401(k).



**“Hybrid Plan”** means a plan that contains elements of both Defined Benefit (DB) and Defined Contribution (DC) plans.

# Key Terms

## Contributory



Employees pay a portion of the retirement contribution to the plan

## Noncontributory

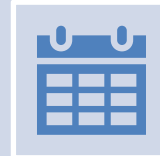


Only employers pay the retirement contribution to the plan

# Key Concepts



**Purpose of  
Retirement  
Benefits**



**Time Horizon**



**Risk/Security**

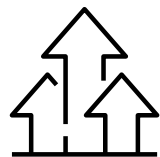


**Comparison  
with Other  
Systems**

# Historical Overview

1907 through 1950s →

Employee associations, local governments, and the Legislature struggled to provide employee retirement benefits at the local and state levels, resulting in the **establishment and expansion of the early pension plans.**



1963 →

The Legislature **consolidated the retirement programs** under one board and office. The modern Utah Retirement Systems was born.



1980s

The Legislature made **structural changes and benefit enhancements** to URS.

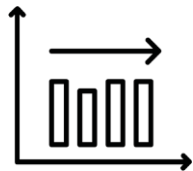


# Historical Overview Continued

1990s through  
2008-2009



Retirement benefits were **mostly stable** through the 1990s until the global financial crisis.



**After the Global Financial Crisis**

The Legislature enacted **major retirement reforms** in the 2010 session:

- » Created a different benefit structure called Tier 2 for employees hired on or after July 1, 2011.
- » Enacted post-retirement reemployment restrictions for retirees, including a one-year separation period between a retirement date and return to work.



## Utah State Legislature

Per Title 49, the Legislature's role involves **oversight and legislation** regarding benefits and governance.



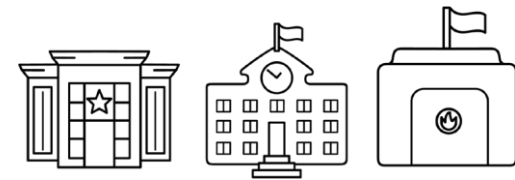
### Members

URS serves more than **250,000** current and past public sector workers. Last year, we paid more than **\$2 billion** in benefits.



### Utah Public

URS pension payments help keep **Utah's economy** buzzing, supporting thousands of jobs and significantly boosting the tax base.



### Employers

URS benefits help 500 Utah employers **recruit and retain** talent in order to maintain a stable workforce.

# DB Program Key Stats on Dec. 31, 2025



**\$53.3 Billion**  
(net position)



**13.1%**  
(Rate of Return)



**267+ thousand**  
**Members**  
(active, vested, and retired)



**500**  
**Active**  
**Employers**



**84+ thousand**  
(Retirees and Beneficiaries)



**95% Funded**  
(Smoothed value of assets)  
**98% Funded**  
(Fair value of assets)

## Financial Strength & Benefit Security

With strong investment results and a 98% funded ratio, URS is in excellent financial shape — giving **members confidence that their benefits remain secure.**

# URS Pension Payouts in Utah: 2025

**\$2.3  
BILLION**

IN PENSION BENEFITS  
PAID IN UTAH



**74,800**

UTAHNS  
RECEIVED  
PENSION  
BENEFITS



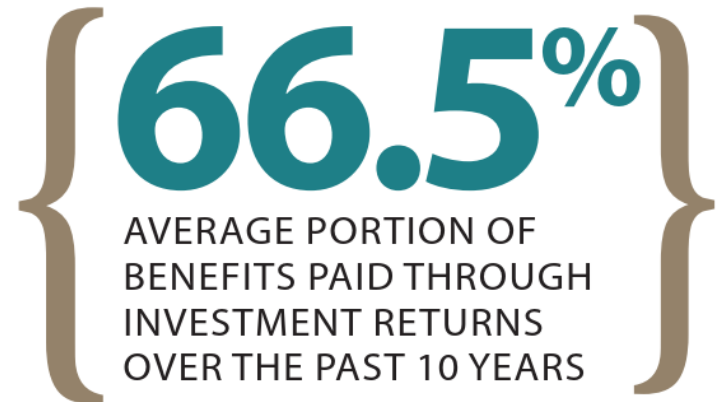
**0.9%**

EQUIVALENT  
PORTION OF  
THE STATE'S TOTAL  
PERSONAL INCOME

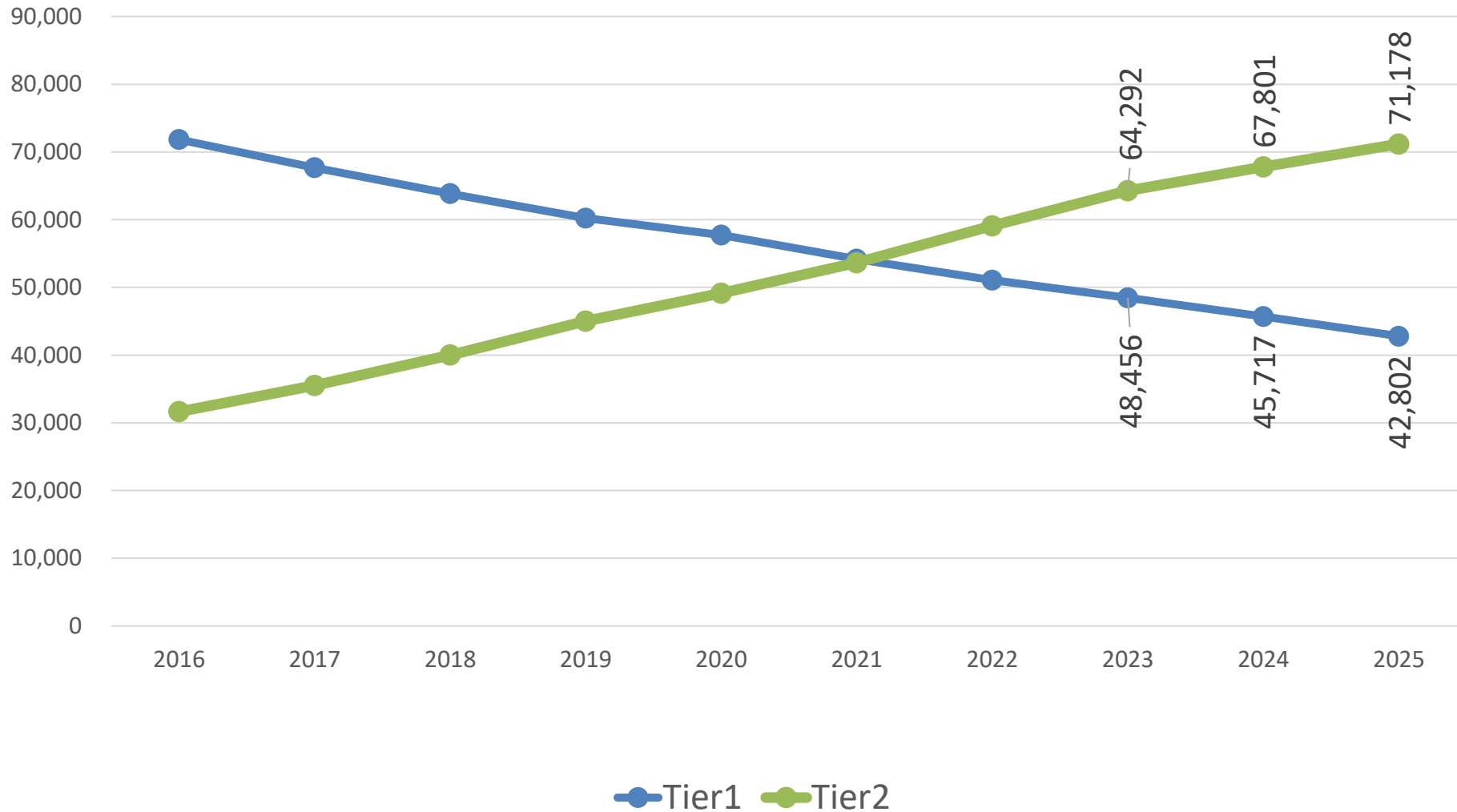


**66.5%**

AVERAGE PORTION OF  
BENEFITS PAID THROUGH  
INVESTMENT RETURNS  
OVER THE PAST 10 YEARS



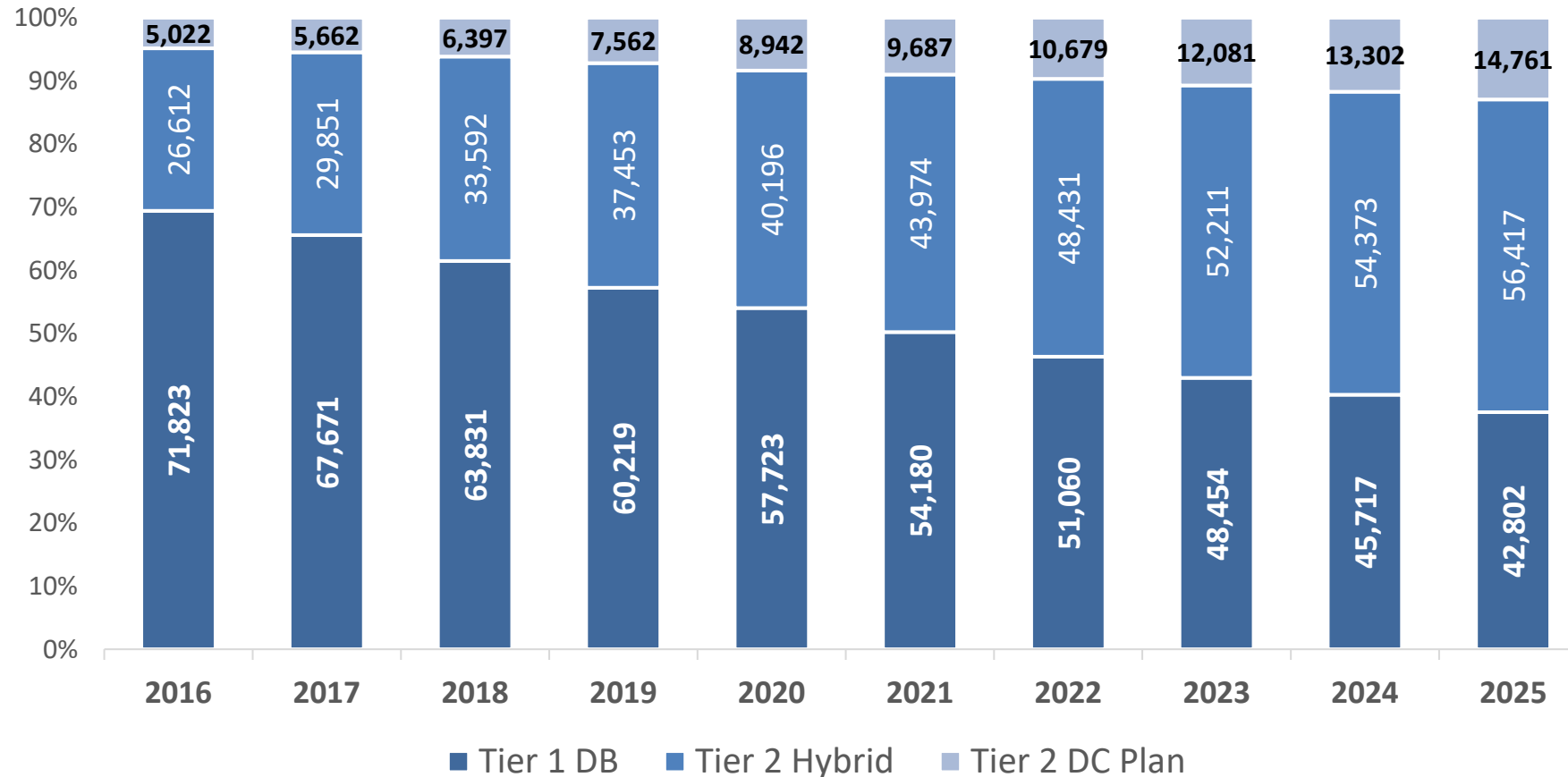
# Tier 1 and Tier 2 Active Membership (on Dec. 31)



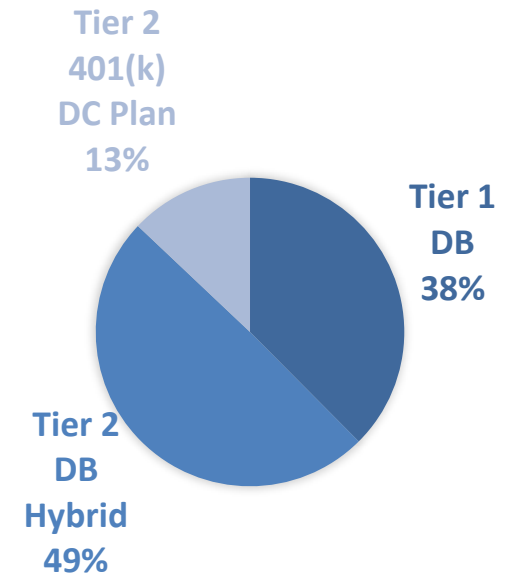
Tier 2 total active membership is over 62% of total active members.

# URS Active Membership (on Dec. 31)

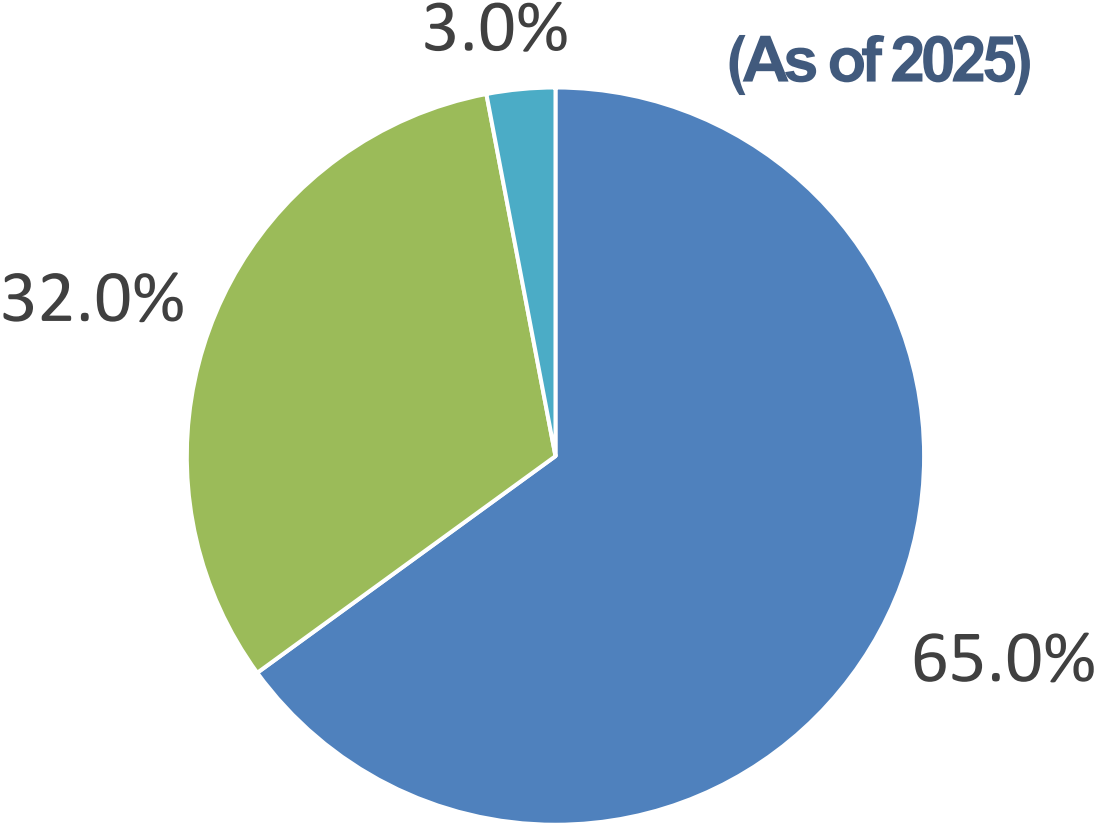
- Tier 2 DC 401(K) Participants continue to increase as a share of total active members



MEMBERSHIP 12/31/2025



# Long-Term Funding Sources of the DB Plan (20-Year Average)



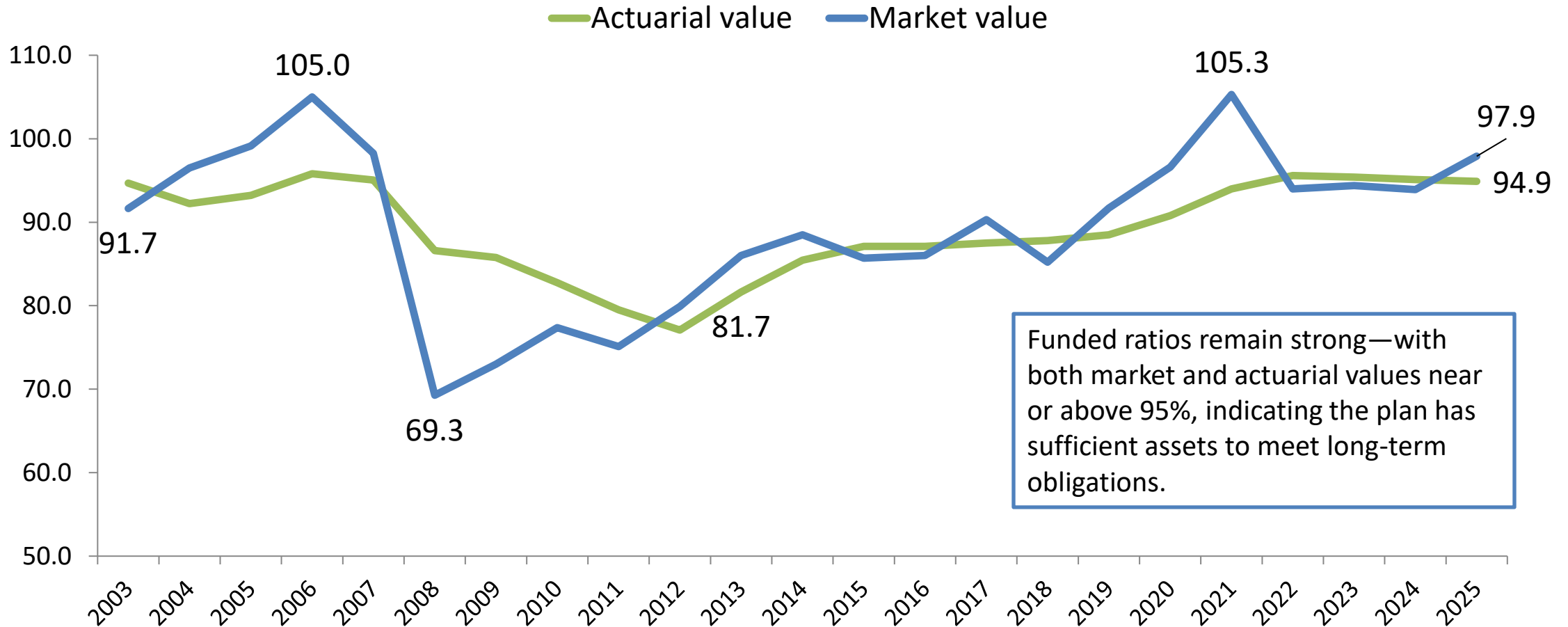
**Roughly two-thirds of all DB plan revenues come from investment earnings**

- Reflects the effectiveness of URS's long-term investment strategy
- Demonstrates the key benefit of pre-funding pension obligations

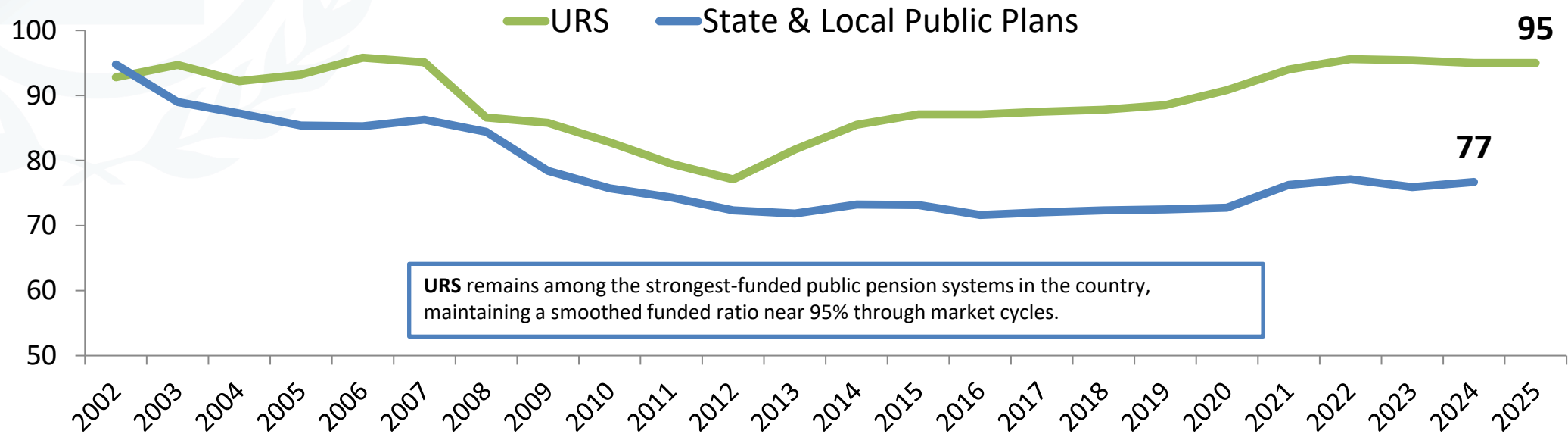
■ Net investment income ■ Contributions ■ Fire insurance premium taxes, budget appropriations, and court fees



# DB Plan Funded Ratio (on Dec 31)



# Actuarial Funded Ratio (Smoothed) – URS vs. National



**URS** remains among the strongest-funded public pension systems in the country, maintaining a smoothed funded ratio near 95% through market cycles.

Aggregate funded ratio of state and local public plans – *Public Plans Database National data averages are weighted by plan size (May 2026)*

Launch Date:  
March 30, 2026



# Questions?

URS is willing to discuss questions or provide additional information, whether related to this presentation or about other retirement-related issues.

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