



Davis School District Payroll Department Retirement Orientation

Classified Employees Tier 2

For more information see the current Davis Classified Agreement on the District homepage at www.davis.k12.ut.us.

Before We Begin...

➤ The Payroll Department is here to help!
Call us at **801-402-5282**.

➤ This orientation will cover:

❖ **Retirement Benefits** (Utah Retirement Systems)

- Payroll Information, Leave Benefits, and Flexible Spending are explained in the "**Classified Payroll Orientation**" PowerPoint presentation.
- If you are eligible for Insurance (working 30+ hours per week), the Insurance Department will notify you of those benefits.



Utah House Bill 255



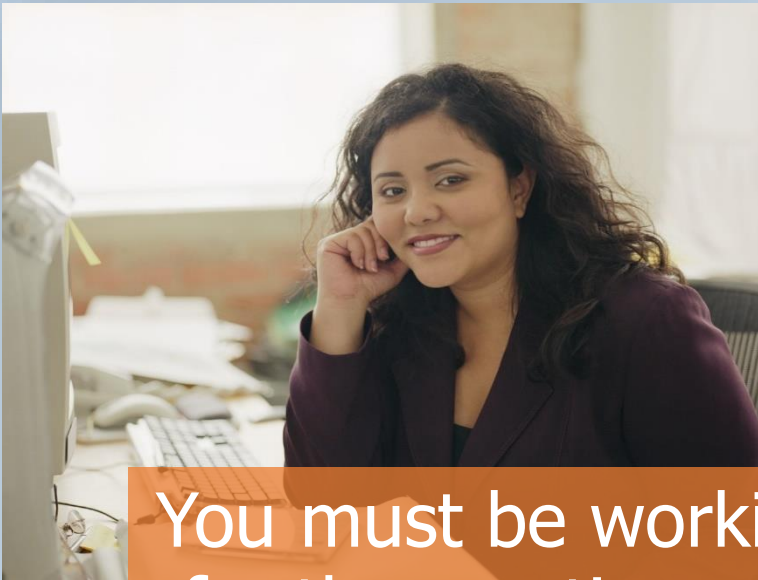
Effective **July 1, 2013** Classified employees must be working a **minimum of 30 hours per week** to qualify for Retirement and Leave benefits, unless they qualify for “grandfathering protection” based on previous eligibility (see Utah H.B. 255 and the *Davis Classified Agreement* for more information).



- ❖ Employees who have continuously been authorized for **20** or more hours per week since **June 30, 2013** will remain eligible under “grandfathering protection”.
- ❖ Employees who were working **20** or more hours per week as of **June 30, 2013** will remain eligible under “grandfathering protection” as long as they remain in the same position.

Tier 1 URS Retirement Benefits

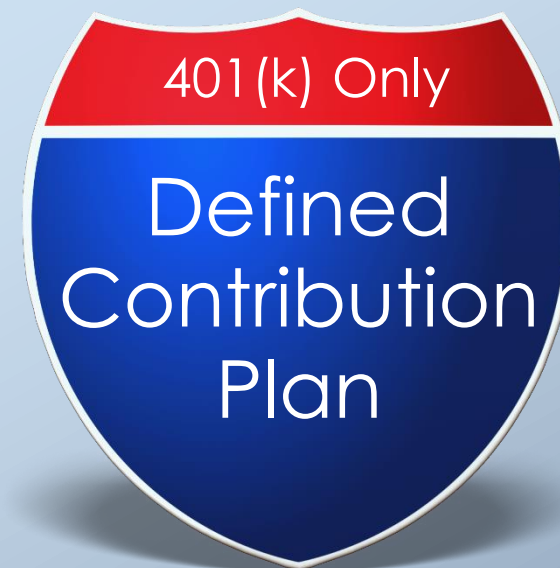
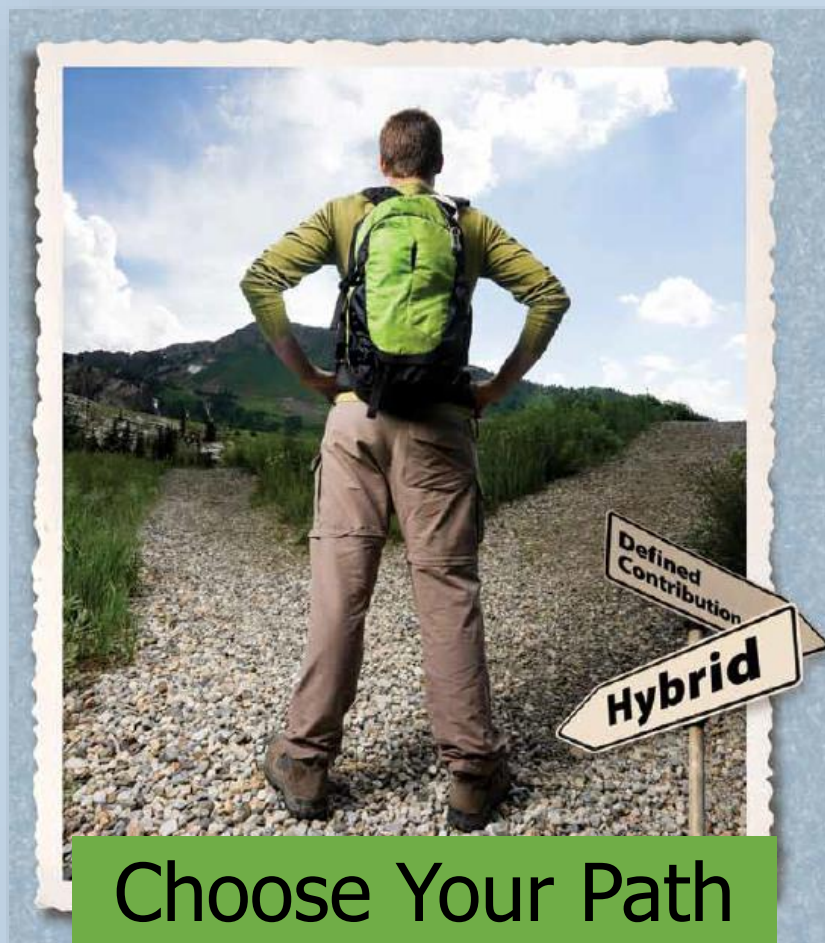
- If you were newly hired into a retirement eligible position with a Utah Retirement Systems (URS) employer on or after **July 1, 2011** you are on **Tier 2**.
- If you were hired into a retirement eligible position before July 1, 2011 you are on **Tier 1** and will want to view that PowerPoint presentation.

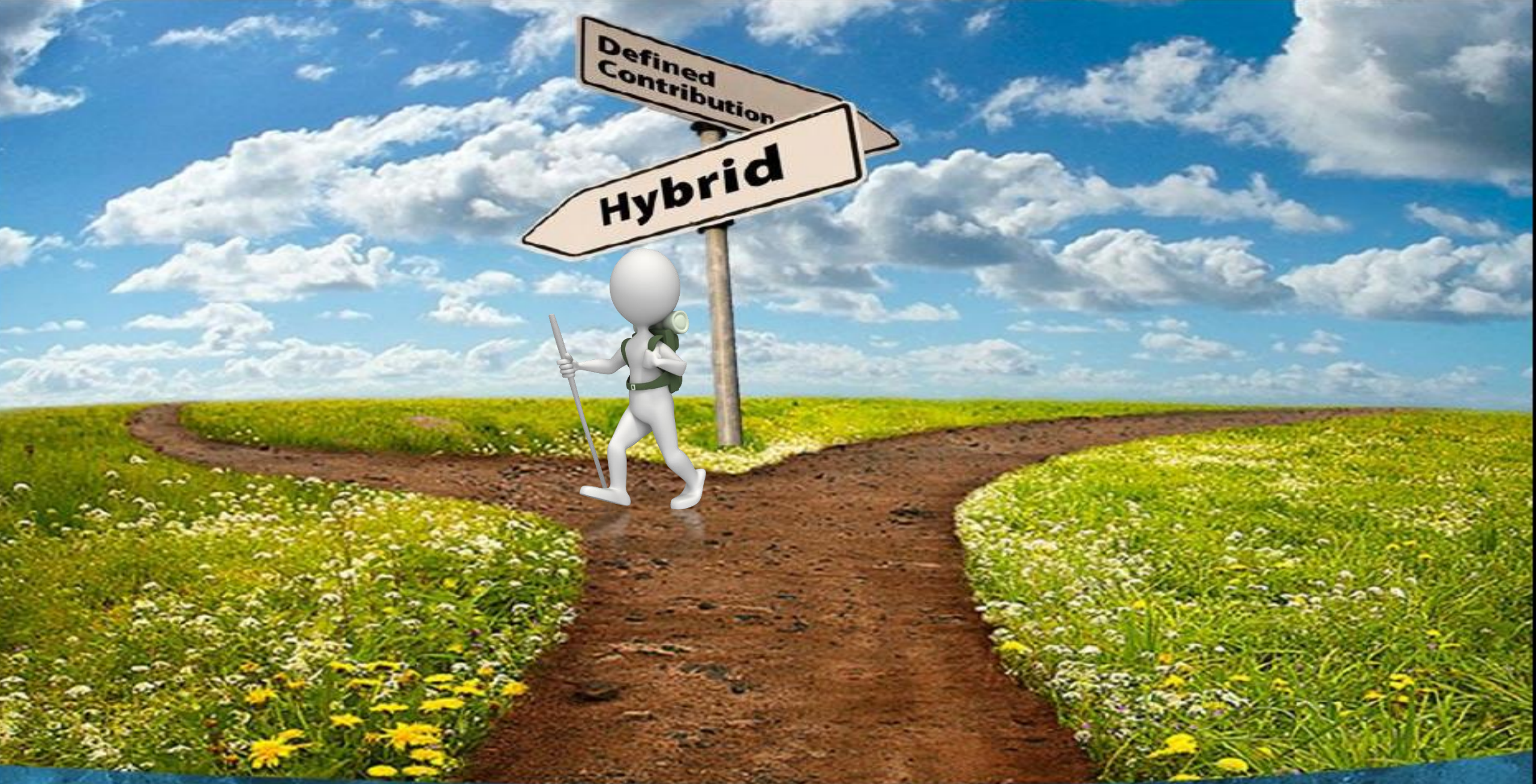


You must be working **30 or more hours per week** to qualify for these retirement benefits unless you are “grandfathered”.

Tier 2

The **District** contributes 10% of your salary in to one of TWO retirement options:





Choose Your Path

Hybrid Retirement Plan

10% of Your Salary Will Be Split Between:



Pension

+

401(k)



- Guaranteed lifetime fixed monthly income
- Retirement Pension Benefit is based on years of service and the average of the 5 highest years of salary
- Minimum age and service requirements apply
- Employer **pension** contributions are based on the yearly "Pension Contribution Rate".
- The difference between the 10% employer contribution and the Pension Contribution Rate will be contributed to your 401(k).
- If the Pension Contribution Rate ever exceeds 10%, you must pay the difference between the current rate and the 10% employer contribution.
- May manage investment options once you are vested.

Pension and employer contributions to your 401(k) are "vested" after four years of eligible service.

Choose Your Path



Hybrid Pension Contribution Rates 2018-2019

Employer Contribution	→	10%
—		—
Pension Rate	→	8.85%
=		=
401(k) Contribution	→	1.15%

Choose Your Path



Hybrid Contribution Rates

Example 1

Employer Contribution	10%
—	
Pension Rate	8.25%
=	=
401(k) Contribution	1.75%

Example 2

Employer Contribution	10%
—	
Pension Rate	11%
=	=
401(k) Contribution	<u>0%</u>

Employee Contribution = 1%

Choose Your Path



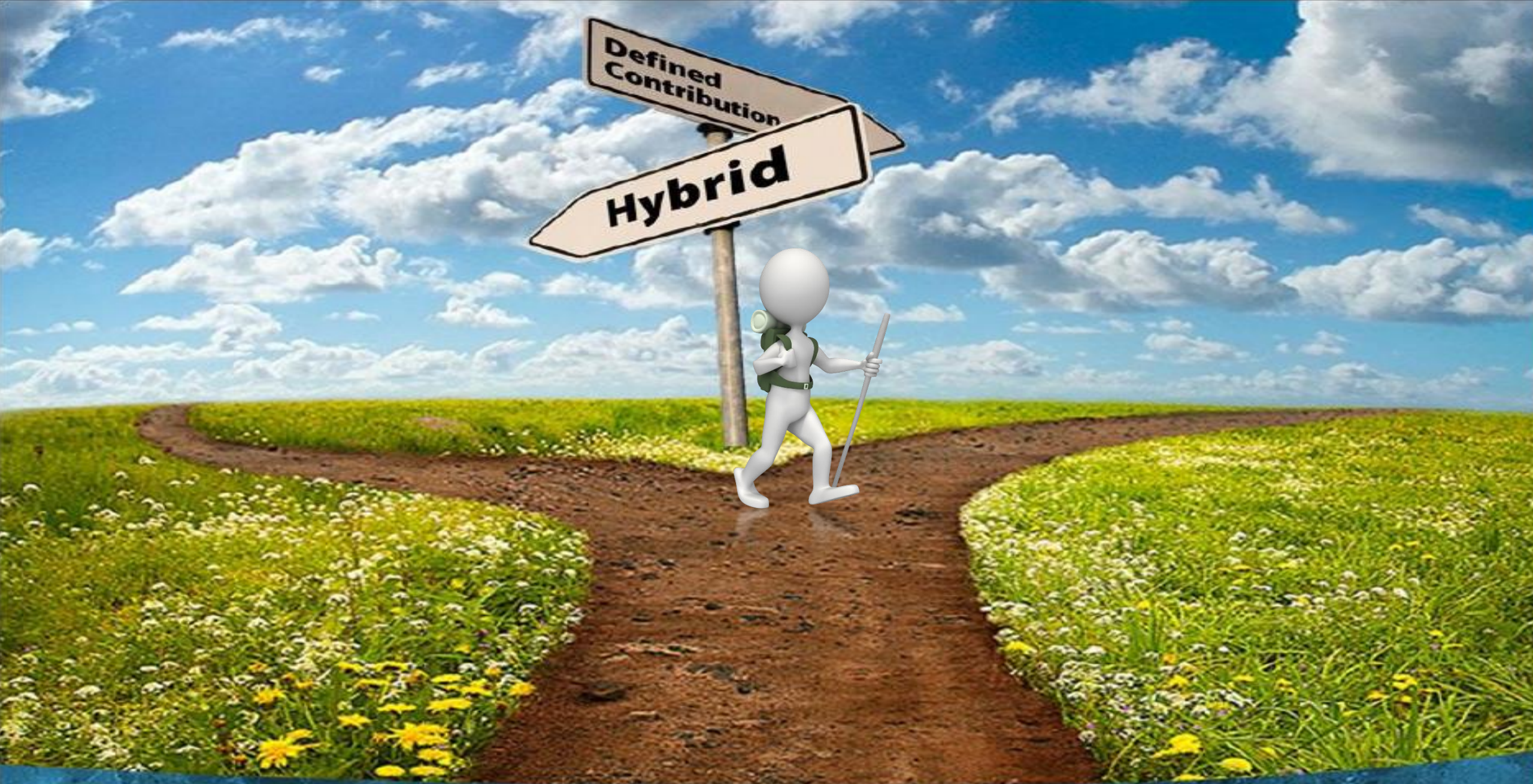
Previous Pension Contribution Rates

- 2011-2012: 7.59% (2.41% to 401k)
- 2012-2013: 8.41% (1.59% to 401k)
- 2013-2014: 8.41% (1.59% to 401k)
- 2014-2015: 8.22% (1.78% to 401k)
- 2015-2016: 8.22% (1.78% to 401k)
- 2016-2017: 8.22% (1.78% to 401k)
- 2017-2018: 8.42% (1.58% to 401k)
- 2018-2019: 8.85% (1.15% to 401k)



Choose Your Path





Choose Your Path

Defined Contribution Plan (401k)

- The District contributes 10% of your salary to your 401(k)
- The money you get from this option is based on 3 factors:
 - ❖ **Contributions** – To increase your balance you can contribute to your 401(k) in addition to the 10% employer contribution.
 - ❖ **Investment Performance** – The way you invest your money can have a big impact on your retirement income.
 - ❖ **Payout Period** – How long you need your retirement income to last will determine your monthly payout.



Employer contributions to your 401(k) are "vested" after four years of eligible service.

Choose Your Path



Which Plan is Right for You?

Hybrid

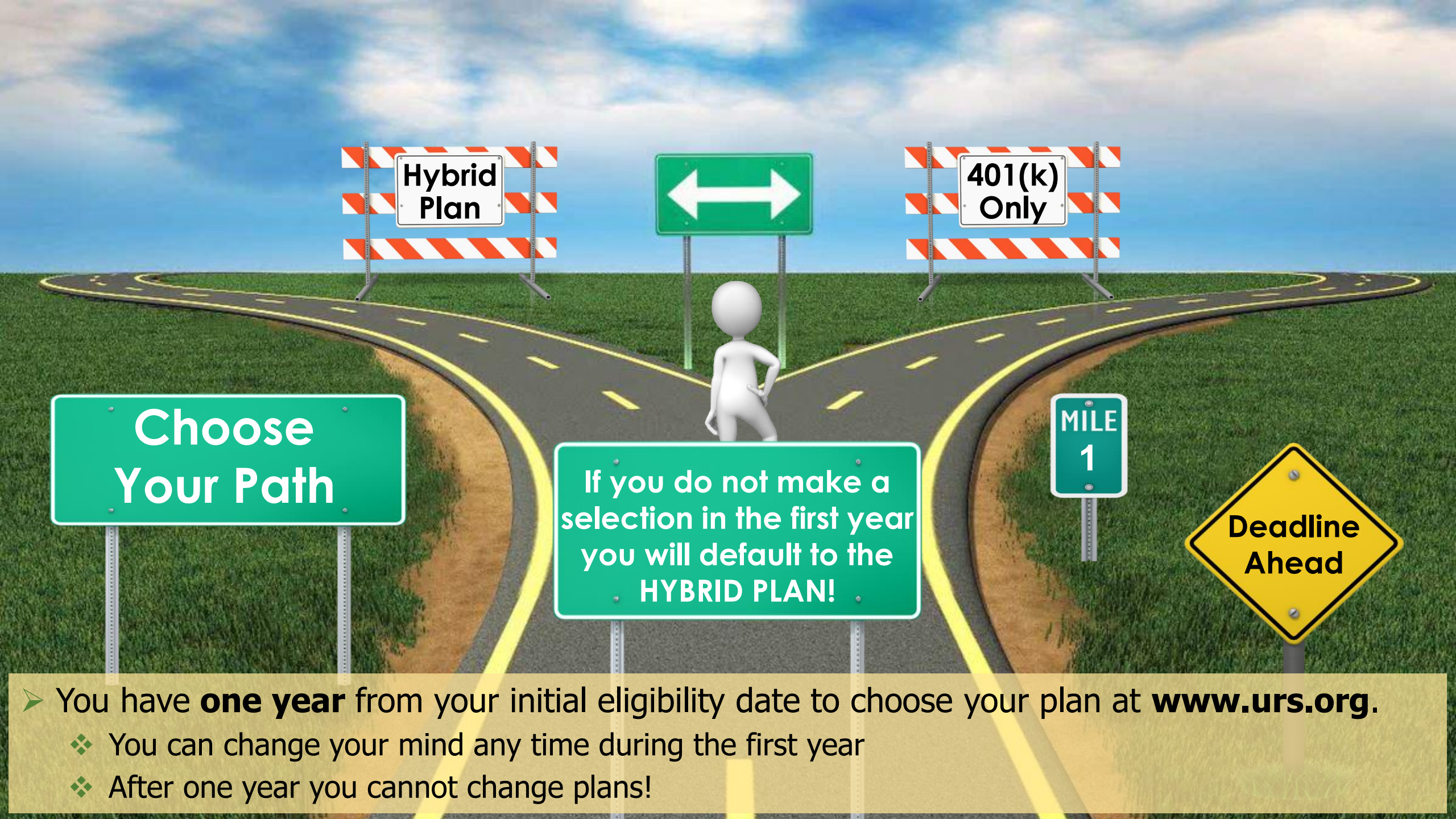
- Your pension payment is a guaranteed fixed monthly income for life
- Lower risk
- Your pension is managed by professionals and bears all investment risk
- Up to 2.5% Cost of Living Adjustment (COLA)
- Possible 401(k) contribution if pension rate is below 10%
- You must contribute to the pension if the pension contribution rate ever exceeds 10%
- Pass on your vested 401(k) balance
- Several payout options, including some that will pay your spouse 50% or 100% of your pension after your death

Defined Contribution

- Your income is based on contributions, investment performance and payout period
- Higher risk
- You have the opportunity to manage your investments and the resulting risk level
- No COLA
- Full 10% of your salary will be contributed to your 401(k)
- You will never be required to contribute to the Defined Contribution plan
- Pass on your vested 401(k) balance
- No lifetime monthly benefit for your spouse

Choose Your Path





- You have **one year** from your initial eligibility date to choose your plan at **www.urs.org**.
 - ❖ You can change your mind any time during the first year
 - ❖ After one year you cannot change plans!

What are your retirement GOALS?



“A goal without a plan is just a wish.”

~Antoine de Saint-Exupery

Chart your course now for a secure financial future...



The Advantage of Investing Early

WHEN you start investing is just as important as how much you invest.
The power of TIME gives you an advantage.

When should I start?



Early Saver

- Saving \$100 a month from age 25 to 35
 - ❖ \$200,065 at age 65*
 - ❖ You contributed for 10 years
 - ❖ You contributed \$12,000



Late Saver



- Saving \$100 a month from age 35 to 65
 - ❖ \$149,036 at age 65*
 - ❖ You contributed for 30 years
 - ❖ You contributed \$36,000

The earlier the better!

*At 8% Growth

Which Investment Plan Should I Choose?

➤ Consider your tax bracket **before** and **after** retirement:

❖ **Pre-tax Deduction ~ Lower taxable income now**

- 401(k)
- 457
- 403(b)
- Traditional IRA

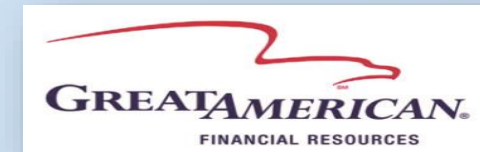
❖ **Post-tax Deductions ~ Pay taxes now**

- Roth IRA (Tax free growth)



Authorized Annuity Companies

Approved representatives from the Annuity companies below are authorized to provide 403(b)'s and other investment options to Davis School District employees for Payroll deductions. Please contact the Payroll Department at (801)402-5282 for a complete list of representatives and phone numbers.





2018



Investment Options

AND SAVINGS PLANS OVERVIEW

Helping You Navigate Your Choices

401(k) and 457 Plans • Roth and Traditional IRAs



2018

401(k)
Savings Plan

Summary Plan Description



2018

457
Savings Plan

Summary Plan Description



Individual Retirement Accounts Roth & Traditional IRAs Guidebook

Utah Retirement Systems has brochures that may help you with your investment decisions.
Go to **www.urs.org**, click on the “Publications” tab, and look under “Savings Plans”.

URS Target Date Funds

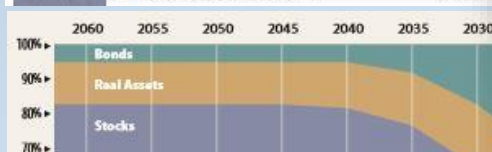
Diversified Portfolio

URS Target Date Funds provide a diversified investment option. These funds gradually adjust your retirement portfolio as you approach retirement. The investment mix — which includes stocks, bonds, and real estate — is automatically reallocated to be weighted more heavily toward conservative investments as you enter retirement. No need to adjust your investments; your Target Date Fund does the work for you.

Consider the Target Date Fund with the date closest to your expected retirement year. For example, if you plan to leave the workforce and begin withdrawing funds for retirement in 2055, consider the Target Date 2055 Fund. If you're not sure when you'll begin utilizing your account close to the year 2055, consider the Target Date 2055 Fund.

Target Date Funds Asset Allocation

Asset Classes	
Bonds	URS Income
	URS Bond
	International Bonds
	Global Inflation-Linked Bonds
Real Assets	U.S. Real Estate Investment Trusts
	Commodities
	Private Real Estate
Stocks	URS Large Cap Stock Value
	URS Large Cap Stock Index
	URS Large Cap Stock Growth
	URS International
	URS Small Cap Stock



Your employer 401(k) contributions will be invested in the appropriate "Target Date Fund" during the 4 year vesting period.

URS Target Date Funds:

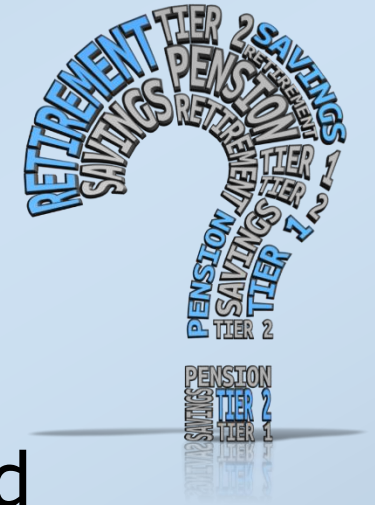
- A diversified retirement portfolio with a single investment option
- Each fund gradually adjusts over time, reducing the investment risk as you near retirement
- You don't have to adjust your investments. Your Target Date Fund will do all the work for you, automatically moving your investments to the appropriate allocation throughout your career!

Fix It And Forget It!!





Need Financial Advice?



As a URS member you have access to professional URS Investment Advisors at no charge.

Schedule an appointment to get one-on-one, customized advice about YOUR retirement planning.

Comprehensive Retirement Planning

Plan for a better retirement to help determine:

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



To register for an Individual Retirement Planning session, log in to your myURS account and click on the “Education” tab.

2017 Schedule

EARLY TO MID-CAREER SEMINARS | 9 a.m.-1 p.m. More than 10 years from retirement

SLC-North.....Friday, May 19 SLC-Central..Friday, Sept. 22

SLC-North
State Office Building
(Behind Capitol)

SLC-Central
SL County Government Center
2001 S. State Street

PRE-RETIREMENT SEMINARS | 9 a.m.-4 p.m. Within 10 years of retirement

South Jordan.....Mar. 31 SLC- Granite July 14
SLC- CentralApril 7 West Valley City July 28
Ogden April 21 Ephraim.....Aug. 3
Cedar City..... June 7 MoabSept. 14
Farmington June 9 OgdenSept. 29
Spanish Fork June 16 Springville Oct. 6
Vernal..... June 20 SLC- North.....Oct. 13
Logan..... June 23 SLC-Central.....Nov. 3

Cedar City
R. Haze Hunter Conf. Ctr.
Southern Utah University
351 West University Blvd.

Ephraim
Snow College
141 East Center Street

Farmington
Davis School District, Kendell Bldg.
70 East 100 North

Logan
Bridgerland Applied Tech College
1301 North 600 West

Moab
Grand Center
182 North 500 West

Ogden
Weber Center
2380 Washington Blvd.

SLC-Central
Salt Lake County
Government Center
2001 S. State Street

RETIREE SEMINAR | 8:30 a.m.-

Already retired

SLC-Granite.....

SLC-Granite
Granite Education Ctr.
2500 South State Street

Utah Retirement Systems | www.urs.org

2017

Utah Retirement Systems



Home Forms Publications Calculators

Education ▾

NEW MEMBERS

Learn about your Tier 2 options.

Free UR

Take the first step

Our [Early to Mid-Career](#)

Log in to myURS



[Learn More About URS Seminars](#)

Seminars

Individual Retirement Planning

Webinars

Something for Everyone!

Pre-Retirement Seminar

For those who are within 10 years of retirement

If you are in the latter stages of your career or within 10 years of retirement, the Pre-Retirement Seminar is for you. This is an all-day seminar, 9 a.m. to 4 p.m.

LEARN ABOUT...

Your Pension » How it's calculated, the impact of inflation, and more.

Retirement Savings Plans »

How to maximize them at the end of your career, how to manage them in retirement.

Legal & Estate Planning »

Wills, trusts, and more.

Other Topics » Medicare and supplemental plans, Social Security, and more.



Register Today

Space is limited and seminars fill up quickly. To register, log in to your myURS account at **www.urs.org** and click on the Education tab. (Seminar dates on reverse side.)



- Click "Login" to create an account
- Login if you already have an account

➔  LOGIN

MEMBER

[Create myURS Account](#)

EMPLOYER

Manage Your Benefits at myURS

Stay up-to-date with your benefits by creating a [myURS account](#).

View pension information, manage your savings plans, and more.

» [VIDEO: How to Create a myURS Account](#)

NEW MEMBERS

Learn about your
Tier 2 options.



Tier 2

Learn about your
benefits.



RETIRED MEMBERS

Learn about and
manage your
benefits.



EMPLOYERS

Register new hires
and manage your
group.



NEW MEMBERS

If you're new to URS as of July 1, 2011, you have two retirement options. This section will help you choose.

Understanding Your Options

Online Enrollment

Savings Plans

Education

Publications

Videos

Retirement Calculators

Your Decision, Your Way

Whatever your style of learning, URS is here to help you understand your Tier 2 retirement options.

As a new URS member, you have a choice between two retirement options:

1. The **Tier 2 Hybrid Retirement System** combines a pension and 401(k).
2. The **Tier 2 Defined Contribution Plan** is a 401(k) plan.

Publications

» **Choose Your Path** provides a brief overview.

»  [Tier 2 Public Employees](#)

»  [Tier 2 Public Safety & Firefighters](#)

»  [Comparing Tier 2 Plans](#) gives you a detailed comparison

Videos

» [Hybrid or DC? A Quick Overview](#)

» [Hybrid or DC? A Detailed Look](#)

Webinars

Tier 2 Choice webinars explain your options. Archived webinars are also available.

» [See Schedule](#)

Presentations

We frequently visit employers across Utah for regional Tier 2 New Hire Presentations.

» [See Schedule](#)

One-on-One

A Retirement Planning Advisor will help you choose the right Tier 2 option for you. Schedule a free session at [myURS](#).

» [Learn More](#)

Via Phone

We look forward to answering your questions. Call weekdays between 8 a.m. and 5 p.m., [801-366-7770](#) or [800-695-4877](#).

The URS website has a lot of great information on the two Tier 2 plans to help you choose the best plan for **YOU!**

URS Online Enrollment



- Open and manage savings accounts
- Begin employee contributions
- Select investment options
- Add or change beneficiaries
- Make your **Tier 2** selection



If you have questions about the URS website or online enrollment, call 801-366-7700 or 1-800-365-8772.

New Account Setup

Social Security Number

Date of Birth (mm/dd/yyyy)

Account Number

- [Where do I find my URS account number?](#)
- [I forgot my account number](#)

- ☒ I elect to have my account confirmations emailed to me.
- ☒ I elect to receive my URS defined benefit (pension) and defined contribution (savings) statements online only.

Next

Cancel

URS customer service phone numbers: [801-366-7700](tel:801-366-7700) or [800-365-8772](tel:800-365-8772).



WHERE DO I FIND MY URS ACCOUNT NUMBER?

You'll need this number to set up your new myURS authentication. It's a W followed by eight digits. Find it on your Annual Retirement Statement, Savings Plan Quarterly Statement, or new hire letter.

Your Account Number, which starts with a "W" will be included with the New Hire Letter, which will be emailed or mailed to you.

W11111111

URS Savings Plans Quarterly Statement

January 1, 2014 - March 31, 2014

Account Number: W11111111

Current Account Balance: \$500,393.22

COMBINED ACCOUNT SUMMARY

Beginning Balance: \$100,000.00

Contributions: \$100,000.00

Investment Earnings: \$100,000.00

Ending Balance: \$300,000.00

URS PENSION (DEFINED BENEFIT)

2013 URS PENSION (DEFINED BENEFIT)

Annual Retirement Statement

2013 URS PENSION (DEFINED BENEFIT)

Annual Retirement Statement

2013 URS PENSION (DEFINED BENEFIT)

New Hire Letter
Sent to new employees
in the new-hire packet.

**Savings Plan
Quarterly Statement**

**Annual Retirement
Statement**

Questions? Call Payroll!

(801)402-5282



➤ Payroll Director

- Scott Douglas: (801) 402-5325

➤ Payroll Supervisor

- Holly Thurgood: (801)402-5327

➤ Full-time Hires & Leave Benefits

- Kathy Hall: (801) 402-5326

➤ Flex Spending, District Daycare, & Health Equity (HSA)

- Elizabeth Ward: (801) 402-5232

➤ Worker's Comp & Military Leave

- Cindy Chambers: (801) 402-5324

➤ Retirement & 401(k)

- Leslie Rice: 801-402-5176
- Cindy Chambers: 801-402-5324

➤ Garnishments & Tax Levies

- Amy Dobson: (801) 402-5285

➤ Part-time Hires & Child Support

- Tami Sorensen: (801) 402-5348

➤ Direct Deposit, W-4's, & Annuities

- Amy Dobson: (801) 402-5285

➤ Fax Number: (801) 402-5197



You can find step-by-step
instructions for accessing
Payroll Management
on the Payroll Department
webpage.

For important Payroll updates, like us on Facebook at
Davis School District Payroll Department

