

*Wyoming Retirement System
Comprehensive Annual Financial Report*

*A Component Unit of the State of Wyoming
For the Fiscal Year Ended December 31, 2006*



*WYOMING RETIREMENT SYSTEM
COMPREHENSIVE ANNUAL FINANCIAL REPORT
A COMPONENT UNIT OF THE
STATE OF WYOMING
FOR THE FISCAL YEAR ENDED
December 31, 2006*

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Mission

To administer the seven legislatively mandated retirement programs and the deferred compensation program in a professional, ethical, economical and responsive manner, for the benefit of the 60,000 plus retirement program members, consistent with the Wyoming Retirement Board policies, all applicable laws rules and regulations, and with the vision, philosophy and functional goals established by the State for the operation of State and local governments; and to administer the legislatively mandated Social Security program in the same professional, ethical, economical and responsive manner for the benefit of the Wyoming public employers and employees.



WYOMING RETIREMENT SYSTEM

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*Introductory
Section*



THE STATE OF WYOMING

Wyoming Retirement System

DAVE FREUDENTHAL
Governor

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HARRY L. WALES
Deputy Director

June 30, 2007

Wyoming Retirement Board
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Dear Board Members:

We are pleased to present the Comprehensive Annual Financial Report of the Wyoming Retirement System (WRS) including the Wyoming Deferred Compensation Program (457 Plan) for the year ended December 31, 2006. The financial reporting entity of the WRS include the Public Employees Pension Plan; Game Warden, Highway Patrol and Division of Criminal Investigators Plan; Volunteer Firemen's Pension Plan; Paid Firemen's Pension Plans A and B; Judicial Retirement Plan; Wyoming Law Enforcement Plan and the Wyoming Deferred Compensation Program.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the WRS. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the combined financial status and the combined changes in the financial status of the WRS for the year ended December 31, 2006. All disclosures, necessary to enable the reader to gain an understanding of the WRS's financial activities, have been included.

The Wyoming Retirement System and Wyoming Deferred Compensation Program were established by legislation and authorized as indicated in the notes to the financial statements. The purpose of the Wyoming Retirement System is to provide administration of seven defined benefit retirement plans and the Wyoming Deferred Compensation Program.

The financial statements have been prepared in accordance with generally accepted accounting principles applied on a consistent basis as agreed upon by the Governmental Accounting Standards Board (GASB) and American Institute of Certified Public Accountants. The Financial Statements are presented in accordance with guidelines established by GASB Statement No. 25, Financial Reporting for Defined Benefit Pension Plans, and GASB Statement No. 34, as amended, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, and GASB Statement No. 40, Deposit and Investment Risk Disclosures.

Financial Information

Wyoming Retirement System's transactions are reported on the accrual basis of accounting. Contributions are recognized as revenue when due, pursuant to formal commitments, as well as statutory and contractual requirements. Expenses are recognized when the corresponding liabilities are incurred. Capital assets are not recorded on the books of the Wyoming Retirement System.

Management of the WRS is responsible for establishing and maintaining the system of internal controls. This system of internal controls provides management with reasonable, but not absolute, assurance regarding the safeguarding of assets against loss or unauthorized disposition and the reliability of the financial records from which the financial reports are prepared. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. Discussion and analysis of net assets and related additions and deductions is presented in the MD&A in the Financial Section of this report.

Plan Financial Condition

The funding objective of the WRS pension funds is to meet long-term benefit requirements through contributions, which remain relatively level as a percent of member payroll over time, and through investment earnings. Historical information concerning funding progress is presented as a schedule in the Required Supplementary Information section of the Financial Section.

Funded ratios for the seven defined benefit plans are as follows:

	<u>1/1/06</u>	<u>1/1/07</u>
Public Employees Plan	95.1%	94.4%
Game Warden, Highway Patrol Plan	89.0%	89.6%
Volunteer Firemen's Plan	105.0%	105.6%
Paid Firemen's Plan A	100.5%	101.7%
Paid Firemen's Plan B	110.1%	108.3%
Judicial Retirement Plan	62.1%	103.8%
Law Enforcement Plan	89.3%	97.4%

A detailed discussion of funding is provided in the Actuarial Section of this report.

Investments

The assets of the WRS are held at JP Morgan Chase, where all investment transactions by the WRS's professional investment managers are handled, except for those by the index manager, real estate managers and the all asset fund manager. JP Morgan Chase also administers a securities lending program on behalf of the WRS. Monthly, JP Morgan Chase provides the WRS with detailed accounting reports, which include all trades, receipt of income, and accrual information. At December 31, 2006, investment balances for all seven defined benefits plans totaled \$6.2 billion, which is an increase from \$5.8 billion from December 31, 2005, a 7.8% increase.

The board hires a professional investment consultant who reports quarterly, the investment returns by manager and makes recommendations regarding the managers and portfolio holdings.

An integral part of any investment policy is strategic asset allocation. This asset mix is designed to maximize investment returns while minimizing risk through optimum portfolio diversification. The Board's approved target allocation is as follows:

Final Allocation	Minimum	Target	Maximum
Fixed Income			
US Investment Grade	20%	25%	40%
US High Yield	0%	6%	10%
Total Fixed Income	25%	31%	45%
Equity			
US Large Cap Equity	25%	32%	45%
US Small – Medium Cap	10%	13%	20%
Non-US – Developed and merging Markets	10%	16%	20%
Real Estate and Alternatives	0%	8%	10%
Total Equity and Real Estate	55%	69%	75%

The investment portfolio mix at fair value as of the end of 2006 was 47% domestic equities, 14% international equities, 30% in debt securities, 9% in real estate and other investments. The MD&A and Investment Section contains more detailed analysis and information.

Professional Services

Professional consultants are retained to perform services essential to the efficient operation of the WRS. State statutes require an annual audit be performed by either the State Audit Department or by an independent auditor.

The accounting firm of McGee, Hearne & Paiz, LLP, performed the annual audit. The auditor's report on the basic financial statements is included in the Financial Section of this report.

The actuarial valuations provide a means by which to measure each retirement plans' liabilities and the impact on those liabilities proposed plan modifications may have. Reports from the WRS's actuary are included in this report. Also, the WRS retains an investment consultant to provide the Board with a measurement of how well each of the investment managers is performing.

Operations and Activities

2006 continued to be especially busy for the staff of WRS. Calculators for all seven defined benefit plans have been developed on our web site to accommodate our members in estimating their retirement benefits. WRS expanded the education provided to members and is now delivering educational seminars to areas outside of Cheyenne three times a year, and in Cheyenne on an ongoing basis. The seminars assist members with understanding pension benefits, the WRS deferred compensation plan, retirement investing, and planning for retirement. In 2006, over 3,465 people attended our educational programs and WRS hosted its second retirement fair in conjunction with National Retirement Planning Week. This is an increase from 2,300 people educated during 2005.

Other activities occurring in the seven defined benefit retirement plans include: responding to numerous telephone and personal inquiries from members, including, in the Benefits Section alone, preparing over 5,024 estimates, which is an increase from 3,918 estimates of retirement benefits prepared in 2005; 122 redeposit calculations; 235 service credit audits; processed 958 retirements, along with sending over 1,001 pieces of correspondence covering various benefit topics, and working personally with 564 members who visited WRS offices; the Payroll Section produced payments to over 18,785 retirees of nearly \$21 million monthly, making numerous changes and answering questions on all phases of retirement payments made to the retirees; other personnel coordinated the collection of contributions and maintained the accounts of the nearly 39,634 active members of WRS, conducted pre-retirement and other informational programs, continued working on procedure manuals for all staff positions, attended meetings and workshops on retirement issues, met with member agencies to resolve various problems, and worked with consultants, retirement board committees, employee groups and the Legislative Service Office to prepare retirement legislation authorized by the Board.

Awards and Acknowledgments

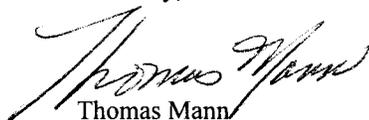
The WRS submitted its 2005 report to the Government Finance Officer's Association (GFOA) to be considered for a certificate of achievement for excellence in financial reporting. We are pleased to announce that the WRS was notified of its selection for the certificate of achievement award for 2005. This represents the fourteenth consecutive year the WRS has been recognized for this achievement. The Certificate of Achievement for excellence in financial reporting is the highest form of recognition in the area of public employee retirement system accounting and financial reporting, and its attainment represents a significant accomplishment.

We express our thanks and appreciation to our affiliated employers and to the various employee organizations and associations for their continued cooperation and support.

We also wish to express our special thanks and appreciation to WRS staff, members of the Board of Trustees, our consultants and other associates whose diligence and commitment have, again, contributed significantly to another year of success for the WRS.

Finally, we wish to thank the Governor and the Legislature for their commitment to the financial integrity of the public employee retirement systems. The foresight and support exhibited consistently by the Governor and members of the Legislature is commendable.

Sincerely,


Thomas Mann
Director


Harry Wales
Deputy Director

ADMINISTRATIVE ORGANIZATION

The Wyoming Retirement System administers seven defined benefit pension plans and one defined contribution plan:

1. Public Employees Pension Plan
2. Paid Firemen's Pension Plan A
3. Paid Firemen's Pension Plan B
4. Wyoming Highway Patrol, Game Warden and Division of Criminal Investigators Retirement Plan
5. Wyoming Judicial Retirement Plan
6. Wyoming Law Enforcement Retirement Plan
7. Volunteer Firemen's Pension Plan
8. Wyoming Deferred Compensation (457) Program

The responsibility for the administration and operation of the first six retirement systems and Wyoming Deferred Compensation (457) Program is vested in the Wyoming Retirement Board. The board is composed of eleven members, ten appointed by the Governor and the eleventh being the State Treasurer. The representation consists of the following:

1. The State Treasurer
2. A retired recipient of the Retirement System
3. Two public employees
4. Two public employees of the public school system or the University of Wyoming
5. Five qualified electors from Wyoming known for their public spirit and business or professional ability, and at least one of whom has professional expertise in investments and finance

Board members as of December 31, 2006 are:

Jim Applegate, Chair (At Large) Cheyenne, Wyoming	Richard Cuthbertson (At Large) Cheyenne, Wyoming	Kenneth Erickson (Retiree) Cheyenne, Wyoming
Carl Jensen (At Large) Wheatland, Wyoming	William (Marty) Kelsey (School Employee) Green River, Wyoming	Cynthia Lummis (State Treasurer) Cheyenne, Wyoming
Craig Swierczek (Public Employee) Rock Springs, Wyoming	Matthew Potter (At Large) Cheyenne, Wyoming	Sharon Rasmussen (School Employee) Sheridan, Wyoming
Danny Romero (State Employee) Cheyenne, Wyoming	Richard Stribling, Vice Chair (At Large) Casper, Wyoming	

The Volunteer Firemen's Pension Plan is controlled by a separate board and administered by the director of the Wyoming Retirement System. The board consists of six members who shall be appointed by the Governor for staggered terms of three years. Each member is a volunteer fireman with a minimum of five years as a member of a volunteer fire department in the State of Wyoming. Board members as of December 31, 2006 are:

Lanny Applegate Lander, Wyoming	Conn Astle Afton, Wyoming
Howard Cozad Wheatland, Wyoming	Gene Diedrich Newcastle, Wyoming
James Ellis Lingle, Wyoming	Kim Lee Riverton, Wyoming

HISTORY AND PLAN SUMMARIES

The System began as a teacher's retirement program on April 1, 1943. The contributions were one percent (1%) of the first \$2,000.00 of salary in 1943. The state employees entered the program in April of 1949. On April 1, 1953, the retirement program was terminated for a day and the public employees were brought in under the Federal Social Security System and a new program was offered at that time.

Following is the history of member contribution rates:

1-1-43 to 1-1-48	1% of 2,000	1-1-48 to 1-1-53	2% of 3,000
1-1-53 to 1-1-57	2% of 3,600	1-1-57 to 1-1-59	2% of 4,200
1-1-59 to 1-1-63	2% of 4,800	1-1-63 to 1-1-65	2% of 7,200
1-1-65 to 7-1-67	2.25% of 7,200	7-1-67 to 7-1-69	3% of 8,600
7-1-69 to 1-1-73	5% of 8,600	1-1-73 to 1-1-74	5% of 9,100
1-1-74 to 1-1-75	5% of 10,000	1-1-75 to 7-1-75	5.45% of 12,600
7-1-75 to 7-1-77	5.45% of 18,000	7-1-77 to 1-1-78	5.50% of 18,000

1-1-78 to Present 5.57% of No Ceiling

The benefit structure of the System began with a flat rate benefit of two dollars and fifty cents (\$2.50) per month for every year of service. In 1953, the benefit was changed to a "money purchase" calculation. A formula benefit of two percent (2%) times the number of years of service, times the final average salary (FAS x salary for the three highest consecutive years) was added in 1975.

In 1984, legislation was adopted to compare the "money purchase" calculation for service prior to 1975 with a formula of 1 times the years of service times the final average salary (highest three (3) years of continuous service).

- I. 1943-1953 a. \$2.50 per month for each year of service
- II. 1953-1975 a. Money purchase method of calculation using amount of contributions paid and age at retirement (Ad hoc increases included.)
- III. Post 1975 Higher of a. or b. below:
 - a. Money purchase method above (1953-1975)
 - b. Two percent (2%) times number of years of service, times final average salary
- IV. Post 1984 Pre 1975 Service:
 - a. Money purchase (1953 - 1975)
 - b. One and one half percent (1.5%) times number of years of service, times final average salary

Post 1975 service: (Same as in Item III above.)

- V. Post 1981 Employees hired after 1981 receive the formula of two percent (2%) times number of years of service, times final average salary.

There have been several ad hoc increases granted to retirees, a few of the first increases consisted of a percentage of the basic allowance. Following is a history of the ad hoc increases:

<u>Year</u> <u>Legislation</u> <u>Effective</u>	
(1967)	The allowance for covered service prior to July 1, 1975, was increased by twenty-five percent (25%) with a maximum increase of twenty-five dollars (\$25.00) per month.
(1973)	The allowance of a member, survivor, or beneficiary was increased by forty percent (40%).
(1975)	The allowance of a member for covered service prior to July 1, 1975, was increased by twenty percent (20%).
(1982)	A retired member with full-time service, who submitted to the board an appropriate application and an affidavit verifying the applicant's service and retirement, received the following applicable allowance increase subject to legislative appropriation: <ol style="list-style-type: none">1. The allowance of a member retired prior to July 1, 1969, was increased by four dollars (\$4.00) for each year of service in the state.2. The allowance of a member retired prior to July 1, 1975, was increased by three dollars (\$3.00) for each year of service in the state.3. The allowance for covered service of a member retired after June 30, 1975, but prior to July 1, 1980, was increased by two dollars (\$2.00) for each year of service in the state prior to July 1, 1975.4. The maximum allowance under this subsection for a member who retired after June 30, 1975, but prior to July 1, 1980, but who was presently employed and contributing to the fund, was one dollar (\$1.00) per month for each year of covered service in the state.
(1984)	For a member who retired prior to July 1, 1984, the retirement allowance was increased by five percent (5%) for each year elapsed since retirement up to a maximum of sixty percent (60%). This increase was paid at the rate of one-third (1/3) of the total increase during each of three (3) consecutive years commencing July 1, 1984.
(1985)	For a member with at least twenty (20) years of service who retired after June 30, 1980, but prior to July 1, 1984, the allowance for covered service prior to July 1, 1975, is equal to the allowance for such service under the money purchase calculation and increased by the following:

1. One and one-half percent (1-1/2%) of the average salary for the highest three (3) years of continuous covered service, multiplied by the years of covered service prior to July 1, 1975, less the allowance for the service prior to July 1, 1975, under the money purchase calculation, including all applicable increases under this section.
2. The result in 1 above is multiplied by sixty percent (60%) for members who retired after June 30, 1980, but prior to July 1, 1981, by sixty-five percent (65%) for members who retired after June 30, 1981, but prior to July 1, 1982, by seventy percent (70%) for members who retired after June 30, 1982, but prior to July 1, 1983, and by seventy-five percent (75%) for members who retired after June 30, 1983, but prior to July 1, 1984. The allowance arrived at, by using this criteria, is reduced by the 1984 ad hoc increase and the member receives the balance.

(1988) The allowance of a member retired after June 30, 1980, but prior to July 1, 1984, with less than twenty (20) years of service, is increased by two dollars (\$2.00) per month for each year of service in the state.

(1989) For all retirees covered under the Retirement System as of June 30, 1989, an increase of two dollars (\$2.00) per month for each year of service, effective July 1, 1989.

Effective July 1, 1991, and each July 1st thereafter, all benefits of retirees under the public employees system will be adjusted by the lesser of the actual Wyoming cost of living or one percent (1%) under the following conditions:

1. Index supplied by the Division of Research & Statistics of the Department of Administration and Fiscal Control.
2. Any unused portion of the Wyoming cost of living index not used shall be carried over to following years.
3. The retiree must be drawing benefits for at least two years to gain eligibility for this cost of living allowance.
4. The System's actuary must determine if the benefit is actuarially sound.

(1990) For all members retiring on or before June 30, 1990, an increase of two dollars (\$2.00) per month for each year of covered service.

(1992) In 1992, the benefit structure of the System was enhanced in two ways. Legislation was passed creating a "rule of 85" benefit, effective July 1, 1992. This provides full retirement benefits prior to age 60 if the sum of the member's age and years of service equals 85.

The second enhancement was passed by board action in August, adopting two pop-up options for retirees, in addition to the regular retirement options available. The two pop-up options, a full-joint and survivor and a half-joint and survivor benefit, will pay less than the regular options, but will pop-up to the option one amount if the designated survivor predeceases the retiree. The second enhancement was effective October 1, 1992.

Introductory Section

- (1993) The Warden and Patrol System was enhanced by expanding the maximum benefit to 60% of the member's final average salary.
- (1994) For all members who retired prior to July 1, 1980, an increase of \$2.00 per month for each year of service was granted.
- The Warden and Patrol system was provided with a cost-of-living adjustment with similar provisions to the Public Employees System.
- (1995) In 1995, an early retirement incentive plan became available to state employees only, whose combined age and years of service equal or exceed 70, or those with 28 years or service, regardless of age. This program had a three-month window, from April 1 through June 30, 1995 for members to make the early retirement election. Employees, whose positions were critical to an agency's operation, could defer retirement for up to two years, with the agency head's recommendation and governor's approval.
- (1996) The Warden and Patrol System service retirement increased from 2.0% to 2.25% of employee's final average salary and increased the maximum amount from 60% to 75% of the final average salary.
- The Paid Firemen's Pension Plan decreased the employer contribution from 43.5% to 21.0% of a salary of a fireman first class.
- (1997) Effective July 1, the cost-of-living adjustment was increased from 1.0% to 1.5% for any retirement benefit, survivor benefit or disability benefit received by eligible individuals.
- Retirement benefits were enhanced for law enforcement officers by allowing full retirement benefits to those who have at least fifty-five years of age and has a combined total years of service credit and years of age which equals at least seventy-five.
- The service retirement allowance was increased by \$5.00 per month for each year of service for state highway patrol, game and fish warden and criminal investigator retirees.
- For the volunteer firemen retirement plan, total benefits were increased fifteen percent.
- (1998) Effective July 1, the cost-of-living adjustment was increased from 1.5% to 2.0% for any retirement benefit, survivor benefit or disability benefit received by eligible individuals.
- For the Wyoming Highway Patrol, Game and Fish Warden and Criminal Investigators, service and disability retirement age was reduced from age 55 to age 50.
- For the Firemen's Pension Plan B, retirement age was reduced from age 55 to age 50; and the vesting period was reduced from 10 years to 4 years.
- Effective July 1, a new Judicial Retirement System was created for Supreme Court justices, district judges and county judges appointed on or after July 1.
- (1999) Effective July 1, the cost-of-living adjustment was increased from 2.0% to 2.5% for any retirement benefit, survivor benefit or disability benefit received by eligible individuals.

Effective July 1, the cost-of-living adjustment was increased from 1.0% to 1.5% for any retirement benefit, survivor benefit or disability benefit received by eligible individuals in the Wyoming Highway Patrol, Game and Fish Warden and Criminal Investigator fund.

Effective April 1, provision changes were made to the Volunteer Firemen's fund providing clarification of payments to deceased members or their survivors. This change provides for a lump-sum payment of five thousand dollars or the amount in the deceased member's account, whichever is greater.

(2000) Effective July 1, 2000, the base benefit for Plan A firemen was increased from 55% to 57.5% of the maximum monthly salary of a fireman first class.

Effective July 1, 2000, the amount of the monthly service pension payable to a retired Plan B fireman increased from 2.0% to 2.5% of his final average compensation multiplied by the number of years in his first 25 years of credited service.

(2001) Effective July 1, 2001, the amount of the monthly service pension increased from 2.0% for all years of service to 2.125% for the first fifteen years of service and 2.25% for each year over fifteen years of service times the highest average salary.

Effective July 1, 2001, the cost-of-living adjustment was increased from 2.5% to 3.0% for any retirement benefit, survivor benefit or disability benefit received by eligible individuals and provided a \$3 per month per year of service to all retirees who retired prior to 7/1/01.

For the volunteer firemen retirement plan, total benefits were increased fifteen percent and a 2.0% cost-of-living adjustment was implemented for any retirement benefit and survivor benefit.

Effective July 1, 2001, the amount of the monthly service pension increased from 2.25% to 2.5% of the employee's highest average salary. Also, the cost-of-living adjustment was increased from 1.5% to 2.25% for any retirement benefit, survivor benefit or disability benefit received by eligible individuals in the Wyoming Highway Patrol, Game and Fish Warden, Criminal Investigator and Capitol Police fund.

Effective July 1, 2001, the base benefit for Plan A firemen was increased from 57.5% to 75% of the maximum monthly salary of a fireman first class, and increased benefits payable to surviving spouse and dependent children from two-thirds percent to 100%.

(2002) Effective July 1, 2002, the compensation used for purposes of pension benefit computations a cost-of-living adjustment of 2.0%, specifically including overtime payment and special payments for extra duties.

Effective July 1, 2002, a new retirement plan became effective for law enforcement officers in Wyoming. The new retirement plan known as the Wyoming Law Enforcement Retirement Plan provides benefits to any member who is a county sheriff, deputy sheriff, or municipal police officer, duly authorized investigators of the Wyoming livestock board, Wyoming correctional officer, Wyoming law enforcement academy instructor, UW campus police officer, detention officer or dispatcher of law enforcement agencies.

Effective July 1, 2002, the State of Wyoming began a matching contribution of \$20

per month per State employee who is enrolled in the Wyoming Deferred Compensation program.

- (2003) The State Legislature authorized the board to begin researching a special pay plan that upon retirement or separation from service, would entitle an employee of the state to a contribution to a qualified retirement plan, established under IRC401(a) on accumulated vacation, sick or other accumulated leave payments to employees.

Effective July 1, 2003, funding was made available to any member in the military or other emergency service of the United States, which covers two (2) years of service credit at no cost to the member.

Effective July 1, 2003, investigators employed by the Wyoming state board of outfitters and professional guides meeting the specifications of W. S. 7-2-101(a)(iv)(J) were admitted coverage under the Wyoming Law Enforcement retirement plan.

Effective July 1, 2003, the disability allowances for the Wyoming Highway Patrol, Game and Fish Warden and Capitol Police were increased. For a duty-connected disability, the allowance was increased from 35% to 42.5% of the highest average salary and for ordinary partial disability; the allowance was increased from 25% to 35% of the highest average salary.

House Bill 0299 was passed by the state legislature which allows election by a judge to opt out of the Wyoming Judicial Retirement plan back to the Supreme Court plan.

- (2004) Senate File 68 was passed by the State Legislature that allows the Board of Trustees to award cost-of-living adjustments based on the affordability as determined annually by the System's actuary. This bill changed the language in six of the seven retirement plans the System administers.

Effective July 1, 2004, law enforcement officers must have at least 10 years of service for a disability benefit if illness or injury is incurred outside of the scope of employment.

Effective July 1, 2004, the duty connected partial disability benefit and ordinary partial disability benefit for the State Highway Patrol, Game and Fish Warden and Criminal Investigators was increased to 50% of highest average salary for all duty-connected or ordinary total or partial disabilities.

Effective July 1, 2004, the cost-of-living adjustment was changed to 3% for any retirement benefit, survivor benefit or disability benefit received by eligible individuals in the State Highway Patrol, Game and Fish Warden and Criminal Investigators fund. Previously, retirement benefits, survivor benefits or disability benefits were adjusted when the monthly salary of a fireman first class was increased or decreased.

HISTORY AND PLAN SUMMARIES (continued)

(2005) Effective July 1, 2005, the employer's contribution rate was increased to 8.78% of the salary paid to each employee in the Judicial Retirement Plan.

The definition of a "volunteer fire department" was amended to include "The entire membership of which is not comprised exclusively of employees of a sponsoring nongovernmental entity."

The table of benefits for the Volunteer Firemen's Pension Plan was increased by 3% effective July 1, 2005.

Senate File 147 was passed that requires a state retiree who is rehired in any capacity by a participating employer to notify the retirement board and elect participation as specified by statute.

House Bill 155 was passed adopting the Uniform Management of Public Employee Retirement Systems Act. This Bill provided definitions and a transition period and repealed conflicting provisions in the old statute.

House Bill 310 passed relating to the law enforcement retirement, regarding disability allowances and eliminating the requirement for members who receive duty-connected disability allowances to report annually their total earnings.

House Bill 311 passed regarding the disability allowances awarded to Wyoming Game and Fish, Highway Patrol, and Division of Criminal Investigator members. The bill specifies that disability allowances shall be 62.5% of the highest average salary for duty-connected total or partial disability.

Senate File 114 authorized allowing probation and parole agents employed by the Wyoming Department of Corrections to become members of the Wyoming Law Enforcement Retirement Plan.

(2006) House Bill 0099 passed relating to Paid Fire Plan B, regarding changing the cost-of-living adjustment from five percent un compounded to three percent (3%) compounded.

House Bill 0091 passed relating to how service credit can be purchased. Any vested member may purchase up to five years of service credit for any prior service eligible under the federal insurance contribution act or in the case of law enforcement or paid firemen any eligible service as established in rules promulgated by the board.

WYOMING RETIREMENT SYSTEM
COMPARISON OF RETIREMENT PLANS

PROVISION	PUBLIC EMPLOYEES PENSION PLAN	GAME WARDEN, HIGHWAY PATROL & DCL PLAN	VOLUNTEER FIREMEN PLAN	PAID FIREMEN PLAN A	PAID FIREMEN PLAN B	WYOMING JUDICIAL PLAN	WYOMING LAW ENFORCEMENT PLAN
Statutory Reference	W. S. 9-3-401 through 9-3-432	W. S. 9-3-601 through 9-3-620	W. S. 35-9-601 through 35-9-615	W. S. 15-5-201 through 15-5-210	W. S. 15-5-401 through 15-5-422	W. S. 9-3-701 through 9-3-713	W. S. 9-3-401 through 9-3-432
Administrative Responsibility	Eleven-member Board (Same as Game Warden Highway Patrol, Paid Firemen A & B, Law Enforcement and Judicial).	Eleven-member Board (Same as Public Employees, Paid Firemen A & B, Judicial and Law Enforcement).	Six-member Board.	Eleven-member Board (Same as Public Employees, Paid Firemen A, Game Warden, Highway Patrol, Judicial and Law Enforcement)	Eleven-member Board (Same as Public Employees, Paid Firemen A, Game Warden, Highway Patrol, Judicial and Law Enforcement)	Eleven-member Board (Same as Public Employees, Game Warden, Highway Patrol, Paid Firemen A & B and Judicial)	Eleven-member Board (Same as Public Employees, Game Warden, Highway Patrol, Paid Firemen A & B and Judicial)
Membership	All public employees including State, University and community colleges, school district, city and county employees and any other political sub-division requesting membership.	Sworn law officers of the Highway Patrol; Special agents employed by Division of Criminal Investigation; Law Enforcement officers of the Game & Fish Department and Capitol Police.	Open to any volunteer fireman who is carried on the rolls of a regularly constituted volunteer fire department.	Any employee devoting his entire time of employment to the care, operation and requirements of a regularly constituted fire department, hired before June 30, 1981	Any employee devoting his entire time of employment to the care, operation and requirements of a regularly constituted fire department, hired on or after July 1, 1981	Any justice of the Supreme Court, district judge or county court judge appointed on or after July 1, 1998 and any justice electing membership prior to January 1, 2000.	County Sheriffs; deputy police officers; municipal authorized investigator of the Wyoming livestock board; investigators employed by the Wyoming State Board of Outfitters and Professional Guides; Wyoming correctional officers, probation and parole agent employed by the Wyoming Department of Corrections, Wyoming law enforcement academy instructors; UW campus police; detention officer and dispatcher for law enforcement agencies.
Funding	Employee Contributions = 5.57% Employer Contributions = 5.68% Total = 11.25%	Employee Contributions = 11.02% Employer Contributions = 11.33% Total = 22.35%	\$12.50 per month by the employee. State contributes 50% of fire premium tax on fire insurance policies written within the State of Wyoming.	Employee's contribution and employer's contribution were suspended April 1, 1997	Employee's Contribution = 6% of gross annual salary Employer's Contribution = 12% Total = 18%	Employee Contribution = 9.22% Employer Contribution = 8.78% Total = 18.00%	Employee Contribution = 8.6% Employer Contribution = 8.6% Total = 17.2%
Vesting	4 years of service constituted by 48 months of contributions.	6 years of service constituted by 72 months of contributions.	Upon retirement age	10 years of service	4 years of service constituted by 48 months of contributions.	4 years of service constituted by 48 months of contributions.	4 years of service constituted by 48 months of contributions.
Refund	Member's contribution with interest Presently 5.5%.	Member's contribution with interest Presently 5.5%.	Total contribution with 3.0% interest.	Member's contribution with no interest, subject to a 1/2% bookkeeping cost	Member's contribution with no interest - must request within 5 years after termination	Member's contribution with interest presently 5.5%	Member's contribution with interest presently 5.5%
Pre-Retirement Death Benefit	Non-Vested: Double the member's account balance plus interest Vested: Same as non-vested or beneficiary can choose monthly allowance using the deceased's salary, years of service and age of beneficiary.	Non-Duty Related: 2% times number years of service times Final Actual Salary (FAS) limited to 50% of final actual salary, and 5% for each minor child limited to 60% total payable to spouse. Duty Related: 50% of final actual salary plus 5% for each minor child payable to spouse, limited to 100% FAS.	Single Member - Greater of \$5,000 or amount in members' account; Married Member - Surviving spouse's benefit or children's benefit under table of benefits whichever is applicable.	100% of monthly benefit of a fireman first class to the surviving spouse.	Greater of 50% of final average compensation or pension based on credited service accrued to the date of the member's death.	Non-Vested: Lump Sum Double the member's account balance plus interest Vested: Same as non-vested or beneficiary can choose monthly allowance using the deceased's salary, years of service and age of beneficiary.	In scope of service - 62.5% of salary plus 6% per child under age 18 payable to spouse not to exceed 100% of salary. Out of scope of service - 50% of salary plus 6% per child under age 18 payable to spouse not to exceed 100% of salary.

Introductory Section

PROVISION	PUBLIC EMPLOYEES PENSION PLAN	GAME WARDEN, HIGHWAY PATROL & DCI PLAN	VOLUNTEER FIREMEN PLAN	PAID FIREMEN PLAN A	PAID FIREMEN PLAN B	WYOMING JUDICIAL PLAN	WYOMING LAW ENFORCEMENT PLAN
Service Retirement	Full retirement at age 60 or qualifies for Rule of 85 - Early retirement at age 50, or 25 years of service. Formula 2.125 times number of years of service times highest average salary for first fifteen years, and 2.25% times number of years over fifteen.	Formula basis - 2.5% times number of years of service times highest average salary. Limited to 75% of highest average salary. Full retirement at age 50.	Determined by table of benefits - Entry age into plan.	75% of monthly salary of 1 st class fireman who has completed 20 years of service - 1 1/2% per year after 20 years of service.	2.5% for first 25 years, 1% for each year for any additional service - maximum 70% of final average salary. Retirement age 50.	4% per year for the first 5 years. 3% per year for the next 10 years. 2% per year for the next 5 years. 1% per year over 20 years not to exceed 65% of HAS Full retirement age 60 with 20 years of service, age 65 with 15 years of service or age 70	Age 60 with 4 years of service or at least 20 years of service regardless of age Formula - 2.5% per year maximum to 75%
Post-Retirement Death Benefits	Depends upon option selected at retirement.	Depends on option selected at retirement.	Same as Pre-Retirement Death Benefits.	100% of monthly benefit of a fireman 1 st class to the surviving spouse.	Depends on option selected at retirement.	Employee's survivor receives 50% of the allowance the member was receiving.	Depends on option selected at retirement.
Disability Benefit	Must have at least 10 years of service and be less than age 60. Calculate service retirement as if employee were age 60.	<u>Non-Duty Related</u> : Total and partial equal 50% of Highest Average Salary (HAS) and need 10 years of service. <u>Duty-Related</u> : Total and partial equal 62.5% of HAS	None available.	75% of 1 st class fireman salary	Greater of 50% of final average salary of service benefit accrued at date of disability.	Must have at least 10 years of service - 100% of service retirement as if eligible for normal benefit. Partial disability is 50% of service disability.	In scope of employment - 62.5% of salary. Out of scope of employment - 50% of salary and have 10 years of service.
Redeposit	After 2 years re-employed and before 7 years after re-employed - repay contributions with interest.	After 2 years re-employed and before 7 years after re-employed - repay contributions with interest.	Actuarial determined amount.	None available	Must work 2 years and repay contributions with interest.	After 2 years re-employed and before 7 years after re-employed - and repay contributions with interest.	Redeposit contributions and accrued interest before 7 years of reemployment and the actuarial equivalent of the difference in benefit provided under the old law plan and the new law enforcement plan.
Survivor	Designated in writing on registration document or retirement application.	Surviving spouse or designated beneficiary.	Surviving spouse.	Surviving Spouse.	Surviving Spouse.	Designated in writing on registration document or retirement application.	Surviving Spouse or designated beneficiary if not married.
Other Provisions	Social security benefits in addition to above benefits.	Social security benefits in addition to above benefits.	If a member before 12-1-92 can continue paying contributions if 60 months have been paid in; if a member after 12-1-92, a member must have paid into the system for 120 months.	No social security coverage	No social security coverage	Social security benefits in addition to above benefits.	Social security benefits in addition to above benefits.
Post-retirement Increases	Up to 3% compounded Cost-of-Living Adjustment (COLA) after retired 2 full years beginning July 1.	Up to 2.25% compounded COLA after retired 2 full years beginning July 1.	Up to 2% compounded COLA after retired 2 full years beginning July 1.	3% compounded COLA	Up to 3% un-compounded COLA after 12 months of retirement.	Up to 3% compounded COLA after retired 1 year beginning July 1.	Up to 2% compounded COLA after retired 2 full years beginning July 1.

WYOMING RETIREMENT SYSTEM

CONSULTANTS

Actuary:	Buck Consultants Denver, Colorado
Auditor:	McGee, Hearne & Paiz, LLP Cheyenne, Wyoming
Investment Consultant:	Buck Consultants Denver, Colorado
Master Custodian:	J P Morgan Chase Bank Austin, Texas

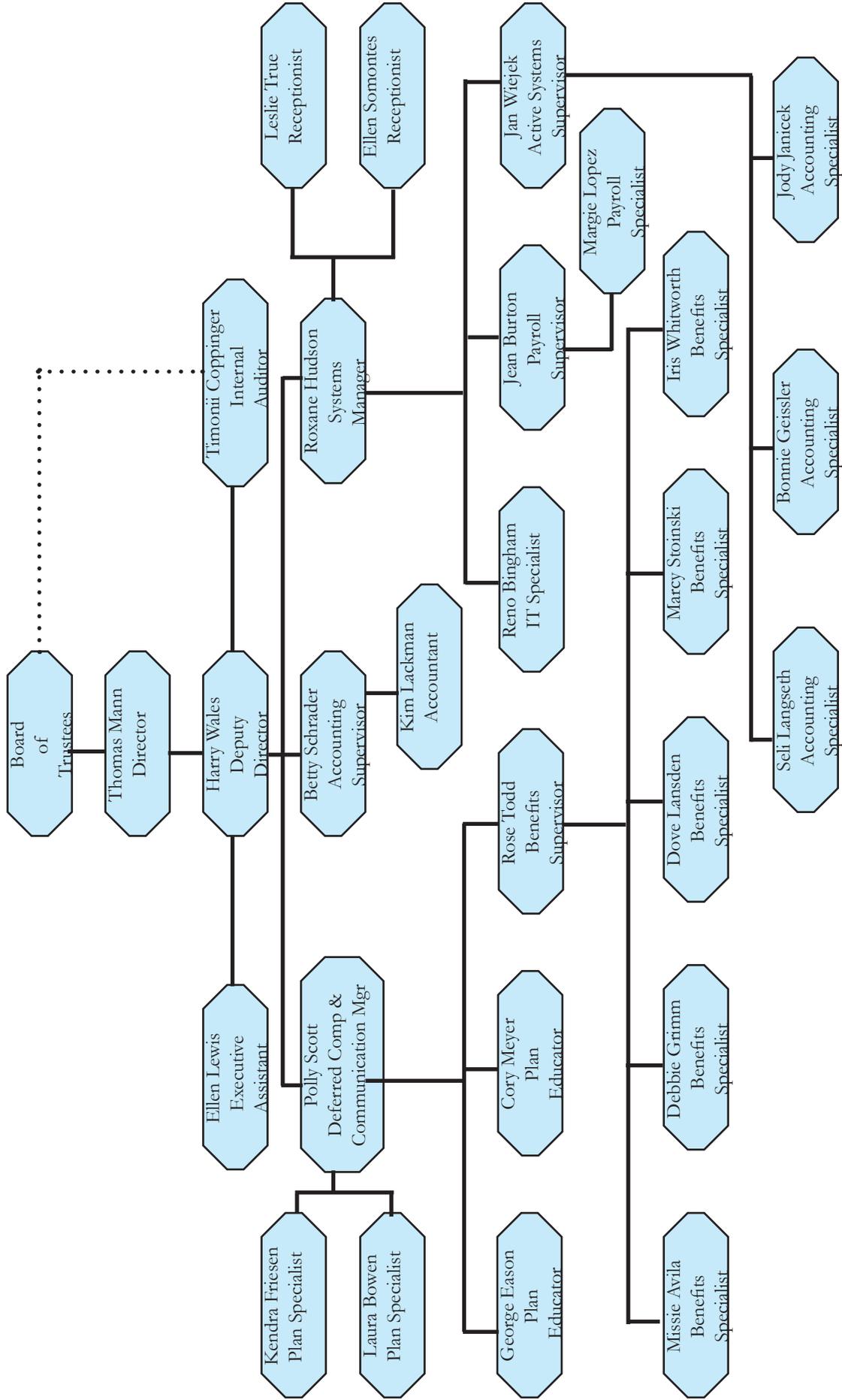
INVESTMENT MANAGERS

Equity:	AllianceBernstein, New York, New York Alliance Capital Management L.P., Minneapolis, Minnesota Ark Asset Management Co., Inc., New York, New York Barclays Global Investors, San Francisco, California Dodge & Cox, San Francisco, California Julius Baer Invest. Mgmt., New York, New York SASCO Capital, Inc., Fairfield, Connecticut Wellington Management Co., San Francisco, California
Fixed Income:	Alliance Capital Management L.P., Minneapolis, Minnesota Seix Investment, Saddle River, New Jersey Western Asset Management Co., Pasadena, California
Real Estate:	ING Clarion Partners, Roseville, California PIMCO, Newport Beach, California Prudential Financial, San Francisco, California UBS Realty Advisors, Hartford, Connecticut

Please see the Investment Section, page 59 regarding assets under management and fees paid to the investment managers and other consultants employed by the Wyoming Retirement System.

WYOMING RETIREMENT SYSTEM

Organization Chart - December 2006



Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Wyoming Retirement System

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2005

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director



*Financial
Section*



McGee, Hearne & Paiz, LLP

Certified Public Accountants and Consultants

314 West 18th Street - Cheyenne, WY - 82001

INDEPENDENT AUDITOR'S REPORT

To the Wyoming Retirement Board
Wyoming Retirement System
Cheyenne, Wyoming

We have audited the accompanying basic financial statements of the Wyoming Retirement System, a component unit of the State of Wyoming, as of and for the year ended December 31, 2006, as listed in the foregoing table of contents. These basic financial statements are the responsibility of the Wyoming Retirement System's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the plan net assets of the pension trust funds of the Wyoming Retirement System administered by the Wyoming Retirement Board as of December 31, 2006, and the changes in plan net assets of the pension trust funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis (pages 18 through 27) and the Required Supplementary Information (pages 50 through 54) are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The other supplementary information schedules (pages 56 through 58) is presented for the purpose of additional analysis and is not a required part of the basic financial statements of the Wyoming Retirement System. Such additional information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The Introductory Section, Investment Section, Actuarial Section and Statistical Section listed in the foregoing table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the Wyoming Retirement System. Such additional information has not been subjected to the auditing procedures applied in our audit of the basic financial statements and, accordingly, we express no opinion on it.

McGee, Hearne & Paiz, LLP

Cheyenne, Wyoming
May 31, 2007

Management's Discussion and Analysis

This section presents management's discussion and analysis of the Wyoming Retirement System's (WRS) financial presentation and performance for the year ended December 31, 2006.

WRS is responsible for administering retirement benefits for seven defined benefit pension plans and one defined contribution plan (457 Plan). The seven defined benefit plans are the Public Employees Pension Plan, Wyoming State Highway Patrol, Game and Fish Warden and Criminal Investigator Retirement Plan, Volunteer Firemen's Pension Plan, Paid Firemen's Pension Plan A, Paid Firemen's Pension Plan B, Wyoming Judicial Retirement Plan and Wyoming Law Enforcement Retirement Plan. The defined contribution plan (457 Plan) is also known as the Wyoming Deferred Compensation Program.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the WRS financial reporting, which is comprised of the following components:

- (1) Basic Financial Statements
- (2) Notes to the Basic Financial Statements
- (3) Required Supplementary Information
- (4) Other Supplementary Information

Collectively, this information presents the combined net assets held in trust for pension benefits for each of the funds administered by WRS as of December 31, 2006. This financial information also summarizes the combined changes in net assets held in trust for pension benefits for the year then ended. The information in each of these components is briefly summarized as follows:

- (1) Basic Financial Statements. For the calendar year ended December 31, 2006, basic financial statements are presented for the fiduciary funds administered by WRS. Fiduciary funds are used to account for resources held for the benefit of parties outside of WRS. The fiduciary fund is comprised of seven defined benefit systems and one defined contribution plan.

- The Statement of Fiduciary Net Assets – Pension (and Other Employee Benefit) Trust Funds is presented for the pension trust funds at December 31, 2006. This financial statement reflects the resources available to pay benefits to members, including retirees and beneficiaries.
- The Statement of Changes in Fiduciary Net Assets – Pension (and Other Employee Benefit) Trust Funds is presented for the pension trust funds for the year ended December 31, 2006. This financial statement reflects the changes in the resources available to pay benefits to members, including retirees and beneficiaries for the calendar year 2006.

- (2) Notes to the Basic Financial Statements. The Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. Information in the Notes to the Basic Financial Statements is described below:

- Note 1 - provides a summary of significant accounting policies, including the basis of accounting, investment accounting policies and other significant accounting policies.
- Note 2 - provides a general description of WRS as well as a description of each of the plans administered by WRS and a summary of benefits. Information regarding employer and member participation in the plans administered by WRS is also provided.
- Note 3 - describes cash and investments, investing authority, investment risk factors, and securities lending.
- Note 4 - provides information about contributions to the defined benefit plans administered by WRS.
- Note 5 - provides information about long-term commitments for investment purchases and facility rental.
- Note 6 - describes the arrangement between WRS and the Master Custodian, J P Morgan Chase.

- Note 7 - provides information about risk management of WRS.
- Note 8 – provides information about the contribution made to the plans for employees of WRS.

- (3) Required Supplementary Information. The required supplementary information consists of two schedules and related notes concerning actuarial information, funded status and required contributions of the defined benefit plans administered by WRS.
- (4) Other Supplementary Schedule. This section includes the Schedule of Administrative Expenses and Investment Advisory Fees, and for the 457 Plan, the combining Schedule of Participant and Administrative Net Assets, and the Combining Schedule of Changes in Participant and Administrative Net Assets.

Financial Analysis of the Defined Benefit Plans

Investments of the WRS Defined Benefit Plans are combined in a commingled investment pool. Each plan owns an equity position in the pool and receives proportionate investment income from the pool in accordance with respective ownership percentages. Each plan's allocated share of each type of investment in the pool is shown in the Statement of Fiduciary Net Assets of each respective plan. Investment gains or losses are reported in the Statement of Changes in Fiduciary Net Assets of each retirement plan. The rate of return on investments is therefore approximately the same for each of the plans.

System's Total Investments

At December 31, 2006, WRS held total investments of \$6.8 billion, an increase of \$480 million from 2005. The combined investment portfolio experienced a return of 12.63% compared with the WRS investment benchmark return of 13.99%. The benchmark assumes what would have occurred if the fund was comprised of 32% S & P 500, 13% Russell 2500, 16% MSCI EAFE, 28% Lehman Aggregate, 6% Lehman High Yield, 5% NCREIF. Investment results over time compared with WRS benchmarks are presented in the Investment Section of the CAFR.

Equities

At December 31, 2006, WRS held \$4 billion in U.S. and international equity securities, an increase of \$459 million from 2005. Equities had a return of 16.31% for the year 2006 compared to benchmark return of 18.27%.

U.S. Treasuries and Mortgage Backed Securities

At December 31, 2006, WRS held \$1.9 billion in fixed income securities, a decrease of \$98.1 million from 2005. The fixed income securities, which consist of U.S. Treasury Bonds and Notes, Mortgage-Backed Securities and Corporate Bonds, had a return of 5.57% for the year 2006 compared to benchmark returns of 4.33%.

Temporary Investments

Temporary investments are overnight investments in short-term investment funds (STIF). At December 31, 2006, WRS held \$270 million in these overnight funds, an increase of \$36.3 million from 2005. These temporary investments are included in equities and fixed income portfolios for investment return purposes.

Investment Allocation at Fair Value

As of December 31, 2006

Securities Type	2006	2005
High Yield	5.1%	5.2%
Fixed Income	23.0%	23.9%
Small Cap Equities	3.3%	2.3%
Mid Cap Equities	6.1%	10.4%
International Equities	16.1%	15.6%
Large Cap Equities	35.5%	33.6%
Real Estate	8.3%	7.4%
Other	2.6%	1.6%

Security Lending

WRS earns additional investment income by lending investment securities to brokers. J P Morgan Chase, WRS's custodial bank, does this on a pooled basis. The brokers provide collateral to the custodial bank and generally use the borrowed securities to cover short sales and failed trades. The custodial bank invests the cash collateral received from the brokers in order to earn interest. At December 31, 2006, the plans had \$525 million on loan secured by \$538 million in collateral. For the year 2006, net securities

Financial Section

lending income for all plans totaled \$1,502,850, an increase of \$365,055 from 2005. The increase in security lending income is mainly due to the amount of lendable securities and demand by brokers to borrow available securities.

Rates of Return by Investment Type

Securities Type	2006	2005
High Yield	7.4%	2.9%
Fixed Income	5.6%	3.0%
Small Cap Equities	17.4%	8.6%
Mid Cap Equities	16.5%	9.4%
International Equities	28.1%	15.2%
Large Cap Equities	12.1%	9.3%
Real Estate	16.0%	20.8%
Total Rate of Return	12.6%	8.2%

Since investment gains in all of the retirement plans were about the same percent of net assets, further investment performance is not evaluated by each respective plan.

Analysis of Individual Plans

Public Employees Pension Plan

The Public Employees Pension Plan provides retirement benefits to covered State of Wyoming, local government and public education employees. Member and employer contributions and earnings on investments fund benefits of the Plan. The Plan's net assets held in trust for benefits at December 31, 2006 totaled \$5.5 billion, an increase of \$506 million from 2005.

Additions to the Plan net assets held in trust for benefits include employer and member contributions and investment income. For the calendar year 2006, member and employer contributions totaled \$139 million, an increase of \$11 million (8.8%) from 2005. Contributions increased due to the small increase in active members, from 32,919 members in 2005 to 34,189 in 2006, along with an increase in average salary from \$35,129 to \$37,588. The Plan recognized a net investment gain of \$598 million for the year 2006 compared with net investment gain of \$366 million a year earlier. This increase in investment gain is mainly due to a stronger equity market than in 2005.

Deductions from the Plan net assets held in trust for benefits included mainly retirement and beneficiary benefits, administrative expenses and refunds to members terminating service. For 2006, benefits totaled \$ 222 million, an increase from \$208 million (7%) a year earlier. The increase in benefits is due to several factors: first - a 1.05% Cost of Living Adjustment (COLA) was paid to retirees who have been retired two full years as of July 1, 2006; secondly – the number of members retiring was greater than the number of those who became deceased. For 2006, the costs of administering the Plan's benefits totaled \$1.9 million, which is the same as one year ago.

Refunds are the result of employees leaving public service and requesting the money they contributed into the system to be refunded. Refunds to members terminating service and requesting a refund totaled \$10.8 million, an increase from \$9.7 million a year ago.

An actuarial valuation of the Plan's asset and benefit obligations is performed annually. At the date of the most recent actuarial valuation, January 1, 2007, the funded status of the Plan decreased from 95.1% at January 1, 2006 to 94.4% on January 1, 2007 due in part to the COLA awarded, and increase in membership and salaries. The amount by which the Plan's actuarial liabilities exceeded actuarial assets of \$308 million at January 1, 2007, compared to the amount by which the Plan's actuarial liabilities exceed actuarial assets of \$248 million on January 1, 2006.

Wyoming State Highway Patrol, Game and Fish Warden and Criminal Investigator Retirement Plan

The Wyoming State Highway Patrol, Game and Fish Warden and Criminal Investigator Retirement Plan provides retirement benefits to covered sworn officers of the Wyoming State Highway Patrol and law enforcement officers employed by the Wyoming State Game and Fish Department and sworn peace officers of the Division of Criminal Investigation. Member and employer contributions and earnings on investments fund benefits of the Plan.

The Plan net assets held in trust for benefits at December 31, 2006 totaled \$101 million, an increase of \$9.5 million from 2005.

Additions to the Plan net assets held in trust for benefits include employer and member contributions and investment income. For the calendar year 2006, member and employer contributions totaled \$ 3.7 million, an increase from 2005 by \$287,979 (0.8%). Contributions increased in part due to a small increase in the number of active members, from 303 in 2005 to 312, and mainly due to an increase in the average salary per member from \$51,247 to \$55,365. The Plan recognized a net investment gain of \$ 11.1 million for the year 2006 compared with net investment gain of \$6.8 million a year earlier. This increase in investment gain is mainly due to a stronger equity market than in 2005.

Deductions from the Plan net assets held in trust for benefits included mainly retirement and beneficiary benefits, administrative expenses and refunds to members terminating service. For 2006, benefits totaled \$5.2 million, an increase from \$4.6 million (12.5%) a year earlier. The increase in benefits is due to a small increase in the number of retirees and to the 1.85% cost-of-living adjustment given. For 2006, the costs of administering the Plan's benefits totaled \$24,618 compared to \$26,998 a year ago. Refunds to members terminating service and requesting a refund totaled \$276,403, an increase from \$38,963 a year ago.

An actuarial valuation of the Plan asset and benefit obligations is performed annually. At the date of the most recent actuarial valuation, January 1, 2007, the funded status of the Plan increased slightly from 89.0% at January 1, 2006 to 89.6% at January 1, 2007. The amount by which the Plan's actuarial liabilities exceeded actuarial assets was \$11.1 million at January 1, 2007, compared to the amount by which the Plan's actuarial liabilities exceeded actuarial assets of \$11.1 million at January 1, 2006.

Volunteer Firemen's Pension Plan

The Volunteer Firemen's Pension Plan provides retirement benefits to volunteer firemen who elect to participate in the Plan. Benefits of the Plan are

funded by member contributions (\$12.50 per month), the fire insurance tax collected, and earnings on investments.

The Plan net assets held in trust for benefits at December 31, 2006 totaled \$61.8 million, an increase of \$6.2 million from 2005.

Additions to the Plan net assets held in trust for benefits include employee contributions, 50% of the gross annual tax collected on fire insurance premiums and investment income. For the calendar year 2006, member contributions totaled \$348,523, an increase from 2005 by \$9,818 (2.9%). The Plan recognized a net investment gain of \$6.7 million for the year 2006 compared with net investment gain of \$4.1 million a year earlier. This increase in investment gain is mainly due to a stronger equity market than in 2005.

The tax collected on fire insurance premiums totaled \$1,418,209 in 2006 compared to \$1,484,406 received in 2005.

Deductions from the Plan net assets held in trust for benefits included mainly retirement and beneficiary benefits, administrative expenses and refunds to members terminating service. For 2006, benefits totaled \$2.1 million, an increase from \$1.9 million (11.1%) a year earlier. The increase in benefits is due to two factors, first, a 2% cost of living adjustment was paid, and second, there were more retirees being paid than in 2005. For 2006, the costs of administering the Plan's benefits totaled \$106,738 compared to \$200,280 a year ago. The decrease in current year minimum expenses is due to the change in the calculation of expenses from based on membership to based on membership and total invested assets. Refunds to members terminating service and requesting a refund totaled \$52,880, a decrease from \$55,223 a year ago.

An actuarial valuation of the Plan's asset and benefit obligations is performed annually. At the date of the most recent actuarial valuation, January 1, 2007, the funded status of the Plan increased from 105.0% at January 1, 2006 to 105.6% at January 1, 2007. The amount by which the Plan actuarial assets exceeded actuarial liabilities was \$3.1 million at January 1, 2007, compared with \$2.6 million at January 1, 2006. The investment return for 2006 was higher than 2005 which, resulted in an increase in funding status.

Wyoming Law Enforcement Retirement Plan

The Wyoming Law Enforcement Retirement Plan became effective July 1, 2002 and provides retirement benefits to any member who is a county sheriff, deputy county sheriff, municipal police officer, duly authorized investigators of the Wyoming livestock board, Wyoming correctional officer, Wyoming law enforcement academy instructor, UW campus police officer, detention officer or dispatcher of law enforcement agencies. Benefits of the Plan are funded by employee and employer contributions, investment income and biennial appropriations. The Plan net assets held in trust for benefits at December 31, 2006 totaled \$340 million, an increase of \$68.2 million from 2005.

Additions to the Plan net assets held in trust for benefits include employer and member contributions, investment income and a biennial appropriation. When the program became effective the State Legislature recognized an unfunded liability in the amount of \$28 million. The State Legislature agreed to fund this unfunded liability over a 10-year biennium period funding \$5.5 million per biennium. During 2006 the State Legislature funded the remaining unfunded liability of \$24.5 million in its entirety. For the calendar year 2006, member and employer contributions totaled \$18.2 million an increase from 2005 by \$1.9 million (11.3%). The Plan recognized a net investment gain of \$36.2 million for the year 2006.

Deductions from the Plan net assets held in trust for benefits included mainly retirement and beneficiary benefits, administrative expenses and refunds to members terminating service. For 2006, benefits totaled \$9 million, an increase from \$7.6 million (19%) during 2005. Also, the costs of administering the Plan's benefits totaled \$101,240 compared to \$138,060 during 2005. There were \$2,159,291 refunds in 2006 compared to \$2,965,304 during 2005.

An actuarial valuation of the Plan's asset and benefit obligations is performed annually. At the date of the most recent actuarial valuation, January 1, 2007, the funded status of the Plan was 97.4% compared to 89.3% a year ago. The amount by which the Plan actuarial liabilities exceeded actuarial assets was \$8.5 million compared to \$31.7 million a year ago.

Paid Firemen's Pension Plan A

The Paid Firemen's Pension Plan A provides retirement benefits to paid firemen who were employed prior to July 1, 1981. Only earnings on investments fund benefits of the Plan.

The Plan net assets held in trust for benefits at December 31, 2006 totaled \$203 million, an increase of \$10.6 million from 2005.

Additions to the Plan net assets held in trust for benefits include only investment income. This Plan is a closed plan and the Board suspended contributions in April 1997. The Plan recognized a net investment gain of \$22.7 million for the year 2006 compared with a net investment gain of \$14.4 million a year earlier. This increase in investment gains is due to a stronger equity market in 2006 than 2005.

Deductions from the Plan net assets held in trust for benefits included mainly retirement and beneficiary benefits and administrative expenses. For 2006, benefits totaled \$12.2 million, an increase from \$11.9 million (2.5%) a year earlier. The benefits continue to increase due to a 3% COLA in the current year. For 2006, the costs of administering the Plan's benefits totaled \$32,162 compared to \$17,582 a year ago. There were no refunds to members. As of July 1, 2001, all members of the Plan were eligible for a service retirement.

An actuarial valuation of the Plan's asset and benefit obligations is performed annually. At the date of the most recent actuarial valuation, January 1, 2007, the funded status of the Plan was 101.7% compared to 100.5% at January 1, 2006. The amount by which the Plan's actuarial assets exceeded actuarial liabilities was \$3.2 million compared with actuarial assets over actuarial liabilities of \$865,600 one year ago.

Paid Firemen's Pension Plan B

The Paid Firemen's Pension Plan B provides retirement benefits to paid firemen who were employed on or after to July 1, 1981. Benefits of the Plan are funded by employee and employer contributions and investments income.

The Plan net assets held in trust for benefits at December 31, 2006 totaled \$62.2 million, an increase of \$9.1 million from 2005.

Additions to the Plan net assets held in trust for benefits include employer and member contributions and investment income. For the calendar year 2006, member and employer contributions totaled \$2.9 million, an increase from 2005 by \$194,147 (7%). Contributions increased not only due to an increase in active members from 283 members in 2005 to 295 in 2006, but also the average annual salary increased from \$55,439 to \$58,845.

The Plan recognized a net investment gain of \$6.6 million for the year 2006 compared with a net investment gain of \$3.8 million a year earlier. This increase in investment gain is mainly due to a stronger equity market than in 2005.

Deductions from the Plan net assets held in trust for benefits included mainly retirement and beneficiary benefits, administrative expenses and refunds to members terminating service. For 2006, benefits totaled \$451,997, an increase from \$400,366 (12.9%) a year earlier. For 2006, the costs of administering the Plan's benefits totaled \$14,430 compared to \$15,911 a year ago. Refunds to members during 2006 totaled \$60,558 compared to \$18,975 a year earlier.

An actuarial valuation of the Plan asset and benefit obligations is performed annually. At the date of the most recent actuarial valuation, January 1, 2007, the funded status of the Plan decreased from 110.1% at January 1, 2006 to 108.0%. The amount by which the Plan actuarial assets were over actuarial liabilities was \$4.4 million at January 1, 2007, compared to \$4.7 million at January 1, 2006.

Wyoming Judicial Retirement Plan

The Wyoming Judicial Retirement Plan provides retirement benefits to any justice of the Supreme Court, district judge or county court judge appointed to any of these offices on or after July 1, 1999, and with no prior service as a justice of the Supreme Court or district judge at the time of the appointment. Benefits of the Plan are funded by employee and employer contributions and earnings on investments.

The Plan net assets held in trust for benefits at December 31, 2006 totaled \$11.9 million, an increase of \$5.8 million from 2005.

Additions to the Plan net assets held in trust for benefits include employer and member contribution, investment income and a biennial appropriation. During 2006 the State Legislature funded the remaining unfunded liability of \$4.4 million in its entirety. For the calendar year 2006, member and employer contributions totaled \$636,905 an increase from 2005 by \$88,990 (16.2%). The Plan recognized a net investment gain of \$1.2 million for the year ended 2006 compared to a net investment gain of \$421,479 a year earlier.

Deductions from the Plan net assets held in trust for benefits included mainly retirement and beneficiary benefits, administrative expenses and refunds to members terminating service. For 2006, benefits totaled \$315,032 an increase from \$283,483 (11.1%) a year earlier. For 2006, the cost of administering the plans assets totaled \$1,683 compared to \$1,910 a year ago. There were no refunds to members 2006.

An actuarial valuation of the Plan's asset and benefit obligations is performed annually. At the date of the most recent actuarial valuation, January 1, 2007, the funded status of the Plan increased from 62.1% at January 1, 2006 to 103.8% at January 1, 2007. The amount by which the Plan actuarial liabilities exceeded actuarial assets was \$3.6 million at January 1, 2006, compared to \$412,500 million in assets over liabilities at January 1, 2007. The increase in funded status as of the last actuarial valuation is a result of the unfunded liability being paid off in June 2006. There were no appropriations received in 2005.

NET ASSETS - DEFINED BENEFIT PLANS - December 31, 2006

(dollars in thousands)

	Public Employees		Wyoming State Highway Patrol, Game and Fish Warden and Criminal Investigator Retirement Plan		Volunteer Firemen's Pension Plan		Wyoming Law Enforcement Retirement Plan	
	2006	2005	2006	2005	2006	2005	2006	2005
Assets:								
Cash and Receivables	388,886	264,459	7,326	5,017	4,741	3,408	25,364	23,582
Investments at Fair Value	5,450,870	5,099,200	101,055	94,553	61,225	56,497	337,489	268,746
Securities Lending Collateral	474,511	448,342	8,799	8,313	5,261	4,967	25,249	23,629
Total assets	6,314,267	5,812,001	117,180	107,883	71,227	64,872	388,102	315,958
Liabilities:								
Securities Lending Payable	474,511	448,342	8,799	8,313	5,261	4,967	25,249	23,629
Benefits and Refunds Payable	218	227	-	3	1	1	25	49
Securities Purchased	299,187	375,286	5,547	6,959	3,360	4,158	18,524	19,779
Other Payables	73,251	26,939	1,339	618	829	211	4,542	970
Total liabilities	847,167	850,794	15,708	15,893	9,451	9,337	48,340	44,427
Total ending net assets	5,467,100	4,961,207	101,472	91,990	61,776	55,535	339,762	271,531

CHANGE IN NET ASSETS - DEFINED BENEFIT PLANS - For year ended December 31, 2006

(Continued) (dollars in thousands)

	Public Employees		Wyoming State Highway Patrol, Game and Fish Warden and Criminal Investigator Retirement Plan		Volunteer Firemen's Pension Plan		Wyoming Law Enforcement Retirement Plan	
	2006	2005	2006	2005	2006	2005	2006	2005
Additions:								
Contributions	141,685	128,573	3,868	3,565	1,767	1,823	43,342	19,341
Investment Income	599,102	366,704	11,126	6,797	6,702	4,054	36,159	19,041
Total additions	740,787	495,277	14,994	10,362	8,469	5,878	79,501	38,382
Deductions:								
Benefits	222,185	207,613	5,212	4,633	2,069	1,863	9,011	7,567
Refunds	10,760	9,695	276	39	53	55	2,159	2,965
Administrative Expenses	1,949	1,930	25	27	107	200	101	138
Total deductions	234,894	219,238	5,513	4,699	2,229	2,118	11,271	10,670
(Decrease) in Net Assets	505,893	276,039	9,481	5,663	6,240	3,760	68,230	36,367
Total ending net Assets	5,467,100	4,961,207	101,472	91,990	61,776	55,535	339,762	271,531

NET ASSETS - DEFINED BENEFIT PLANS - December 31, 2006
(Continued) (dollars in thousands)

Paid Firemen's Pension Plan A		Paid Firemen's Pension Plan B		Wyoming Judicial Retirement Plan		Total Defined Benefit Pension Plans		Total Change
2006	2005	2006	2005	2006	2005	2006	2005	%
14,019	9,941	4,743	3,047	891	452	445,970	309,906	43.9%
203,107	198,017	61,681	54,276	11,785	6,057	6,227,212	5,777,347	7.8%
18,386	17,411	5,068	4,772	589	533	537,863	507,968	5.9%
235,512	225,369	71,492	62,095	13,265	7,042	7,211,045	6,595,221	9.3%
18,386	17,411	5,068	4,772	589	533	537,863	507,968	5.9%
-	-	-	-	-	-	219	280	-21.8%
11,148	14,573	3,386	3,995	648	446	341,800	425,196	-19.6%
2,732	710	830	195	158	21	83,729	29,664	182.3%
32,266	32,694	9,284	8,962	1,395	1,000	963,611	963,108	0.0%
203,246	192,675	62,208	53,133	11,870	6,042	6,247,434	5,632,113	10.9%

CHANGE IN NET ASSETS - DEFINED BENEFIT PLANS - For year ended December 31, 2006
(Continued) (dollars in thousands)

Paid Firemen's Pension Plan A		Paid Firemen's Pension Plan B		Wyoming Judicial Retirement Plan		Total Defined Benefit Pension Plans		Total Change
2006	2005	2006	2005	2006	2005	2006	2005	%
-	-	2,975	2,751	4,989	548	198,626	156,600	26.8%
22,756	14,407	6,626	3,823	1,156	422	683,627	415,250	64.6%
22,756	14,407	9,601	6,574	6,145	970	882,253	571,850	54.3%
12,152	11,859	452	400	315	283	251,396	234,218	7.3%
-	-	61	19	-	-	13,309	12,774	4.2%
32	17	14	16	2	2	2,230	2,331	-4.3%
12,184	11,876	527	435	317	285	266,935	249,321	7.1%
10,572	2,531	9,074	6,139	5,828	685	615,318	322,529	90.8%
203,246	192,675	62,208	53,133	11,870	6,042	6,247,434	5,632,113	10.9%

Actuarial Valuation and Funding Progress

An actuarial valuation of each WRS defined benefit plan is performed annually. The funded status of each of the Plans is shown in the Schedules of Funding Progress, which is located in the Required Supplementary Information section of this report. Funding ratios range from a high of 108% to a low of 90%. This table shows the January 1, 2007 funding ratios compared with the ratios at January 1, 2006. The table also shows the amount by which actuarial assets exceeded or fell short of actuarial liabilities. At January 1, 2007, the market value of assets exceeded the actuarial value of assets by \$348 million.

Effective July 1, 2005, State statutes for all defined benefit plans were changed to provide future cost-of-living adjustments based on an amount determined to be actuarially sound by the System's actuary, not to exceed the percentage currently specified in the statutes for each plan. For the Paid Firemens' Pension Plan A, should the actuarial value of the assets exceed liabilities by greater than 15%, the Board may increase the cost-of-living adjustment from 3% up to a higher percentage, not to exceed 5%.

Defined Contribution Plans

The Deferred Compensation (457) Plan is established under Section 457 of the Internal Revenue Code. This Plan provides supplemental retirement benefits for Plan participants. The Plan is funded by contributions, investment earnings and, in some cases, employer contributions. Participants direct their own investments among a menu of investment options determined by the Board. The Plan net assets held in trust for Plan participants at December 31, 2006 amounted to \$268 million compared to \$241 million a year earlier.

The Plan experienced a net increase in market value of \$21.1 million for the year 2006 compared to a net increase of \$13 million for 2005. Overall for the Plan, the estimated aggregated performance for 2006 was 8.22%.

Additions to the Plan net assets held in trust for Plan participants include contributions and investment income or loss. For the year 2006, contributions received totaled \$23.9 million compared to \$20.9 million for 2005.

Deductions from the Plan net assets are mainly distributions to participants, and also administrative expenses. A participant may request a distribution upon severance of employment, retirement, or an unforeseeable emergency as defined by the IRS Code. For 2006, distributions totaled \$17.5 million compared to \$14.1 million in distributions paid out in 2005.

The cost of the Plan is paid for primarily with administrative fees. Participants paid annual administrative fees of 0.50% in assets. The Board reduced administrative fees to 0.50% from 0.55% for all participants effective January 1, 2006. Gross participant fees and rebates received totaled approximately \$1.2 million in 2006 compared to \$1.2 million in 2005. WRS receives a minimal amount of rebates from investment companies, which are also used to fund the costs of plan administration.

Administrative expense includes contracted services with the Plan record keeper, marketer, investment consultants, as well as other management functions performed by internal employees. The cost of administering the Plan during 2006 totaled \$982,277 including \$537,218 in fees paid for contracted services for record keeping & consulting compared to \$1,122,794 in 2005, which included \$440,401 in fees paid for contracted services. Administrative revenue, which includes rebates, received in 2006 totaled \$104,878 compared to \$89,054 received in 2005. In years when there is administrative revenue, it is held in trust by WRS for future Plan expenses in periods of down markets. In addition to administrative fees, participants also pay fund operating expenses to the fund managers depending on the funds selected. These expenses are deducted daily before share prices are valued.

The Plan's recordkeeper maintains an individual account for each participant to which deferrals and other changes in value are credited. These accounts are the basis of benefits provided by the Plan.

NET ASSETS – DEFINED CONTRIBUTION PLAN – December 31
(dollars in thousands)

	2006	2005	% Change
Assets:			
Cash and receivables	6,053	10,167	-41.47%
Investments at fair value	262,241	230,959	13.54%
Securities lending collateral	-	-	0.00%
Total assets	268,294	241,126	11.27%
Liabilities:			
Securities lending payable	-	-	0.00%
Benefits and refunds payable	-	-	0.00%
Securities purchased	-	-	0.00%
Other payables	167	147	13.61%
Total liabilities	167	147	13.61%
Total net assets	268,127	240,979	11.27%

CHANGES IN NET ASSETS – DEFINED CONTRIBUTION PLAN – December 31
(dollars in thousands)

	2006	2005	% Change
Additions:			
Contributions	23,837	20,763	14.81%
Administrative revenue	105	89	17.98%
Net appreciation (depreciation) in fair value of investments	21,120	12,972	62.81%
Total additions	45,062	33,824	33.22%
Deductions:			
Benefits and refunds	17,468	14,131	23.61%
Administrative expenses	445	682	-34.75%
Total deductions	17,913	14,813	20.93%
Increase (decrease) in net assets	27,149	19,011	42.81%
Ending net assets	268,127	240,979	11.27%

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BASIC FINANCIAL STATEMENTS

Financial Section

**WYOMING RETIREMENT SYSTEM
STATEMENT OF FIDUCIARY NET ASSETS
PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS
December 31, 2006**

	Public Employees Pension Plan	Wyoming State Highway Patrol, Game and Fish Warden and Crim- inal Investigator Retirement Plan	Volunteer Firemen's Pension Plan
Assets			
Cash and cash equivalents:			
Cash with State Treasurer	\$ 3,393,224	\$ 63,234	\$ 171,130
Domestic liquidity - outside banks	236,111,496	4,377,331	2,652,015
	<u>239,504,720</u>	<u>4,440,565</u>	<u>2,823,145</u>
Receivables:			
Insurance premium tax	-	-	360,000
Buy backs	204,952	-	-
Employee contributions	5,191,793	155,977	-
Employer contributions	5,295,443	160,364	-
Securities sold	52,078,301	965,493	584,946
Accrued interest and dividends	18,045,217	334,217	203,959
Currency contract receivable	68,465,431	1,269,298	769,007
Other	100,521	-	-
Rebate and fee income receivable	-	-	-
	<u>149,381,658</u>	<u>2,885,349</u>	<u>1,917,912</u>
Investments, at fair value:			
United States Treasury securities	254,678,154	4,721,542	2,860,556
Mortgage-backed securities	808,579,364	14,990,457	9,081,999
Bonds	637,643,689	11,821,437	7,162,042
Common and preferred stock	3,445,955,894	63,885,445	38,705,129
Securities lending collateral	474,510,627	8,798,629	5,261,404
Real Estate	304,012,543	5,636,165	3,414,682
Investment contracts	-	-	-
Other	-	-	-
	<u>5,925,380,271</u>	<u>109,853,675</u>	<u>66,485,812</u>
Total assets	<u>6,314,266,649</u>	<u>117,179,589</u>	<u>71,226,869</u>
Liabilities			
Benefits and refunds payable	216,793	2,645	1,038
Accrued payroll taxes and deductions	937	-	-
Securities purchased	299,187,310	5,546,709	3,360,485
Administrative and consulting fees payable	3,818,356	72,705	48,587
Currency contract payable	69,432,639	1,287,229	779,870
Securities lending collateral	474,510,627	8,798,629	5,261,404
	<u>847,166,662</u>	<u>15,707,917</u>	<u>9,451,384</u>
Net assets held in trust for pension benefits	<u>\$ 5,467,099,987</u>	<u>\$ 101,471,672</u>	<u>\$ 61,775,485</u>

(A schedule of funding progress for each plan is presented on pages 50 -51.)

See Notes to Financial Statements.

Defined Benefit Pension Plans

Paid Firemen's Pension Plan A	Paid Firemen's Pension Plan B	Wyoming Judicial Retirement Plan	Wyoming Law Enforcement Retirement Plan	Total Defined Benefit Pension Plans	Defined Contribution Plan 457 Plan	Total Pension Trust Plans
\$ 58,532	\$ 327,877	\$ 25,525	\$ 689,163	\$ 4,728,685	\$ 35,769	\$ 4,764,454
8,797,864	2,671,764	510,478	14,618,759	269,739,707	5,542,860	302,024,567
8,856,396	2,999,641	536,003	15,307,922	274,468,392	5,578,629	306,789,021
-	-	-	-	360,000	-	360,000
-	-	-	-	204,952	-	204,952
-	47,165	28,258	737,311	6,160,504	342,182	6,502,686
-	127,145	26,909	734,712	6,344,573	-	6,344,573
1,940,515	589,302	112,594	3,224,409	59,495,560	-	59,495,560
671,441	205,124	39,200	1,120,400	20,619,558	298	20,619,855
2,551,123	774,734	148,024	4,239,013	78,216,630	-	78,216,630
-	-	-	9	100,530	-	100,530
-	-	-	-	-	131,301	131,301
5,163,079	1,743,470	354,985	10,055,852	171,502,307	473,781	171,976,088
9,489,685	2,881,859	550,620	15,768,307	290,950,723	22,138,302	313,089,025
30,128,863	9,149,632	1,748,166	50,062,902	923,741,383	51,189,054	974,930,437
23,759,547	7,215,378	1,378,599	39,479,480	728,460,172	54,913,908	783,374,080
128,401,414	38,993,364	7,450,232	213,355,125	3,936,746,603	123,345,735	4,060,092,338
18,385,558	5,068,293	589,159	25,249,443	537,863,113	-	537,863,113
11,327,957	3,440,111	657,282	18,822,828	347,311,568	-	347,311,568
-	-	-	-	-	9,100,017	9,100,017
-	-	-	-	-	1,554,086	1,554,086
221,493,024	66,748,637	12,374,058	362,738,085	6,765,073,562	262,241,102	7,027,314,664
235,512,499	71,491,745	13,265,046	388,101,861	7,211,044,261	268,293,512	7,479,337,773
-	-	-	24,642	245,118	-	245,118
-	-	-	-	937	-	937
11,148,162	3,385,510	646,849	18,524,075	341,799,100	-	341,799,100
145,330	44,324	8,384	243,413	4,381,099	166,695	4,547,794
2,587,163	785,678	150,115	4,298,897	79,321,591	-	79,321,591
18,385,558	5,068,293	589,159	25,249,443	537,863,113	-	537,863,113
32,266,213	9,283,805	1,394,507	48,340,470	963,610,958	166,695	963,777,653
\$ 203,246,286	\$ 62,207,943	\$ 11,870,539	\$ 339,761,391	\$ 6,247,433,303	\$ 268,126,817	\$ 6,515,560,120

Financial Section

WYOMING RETIREMENT SYSTEM
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS
Year Ended December 31, 2006

	Public Employees Pension Plan	Wyoming State Highway Patrol, Game and Fish Warden and Crim- inal Investigator Retirement Plan	Volunteer Firemen's Pension Plan
Additions			
Contributions:			
Employee	\$ 69,020,297	\$ 1,815,222	\$ 348,523
Employer	70,144,155	1,866,285	-
Other	2,520,248	186,355	1,418,209
Administrative revenue	-	-	-
	<u>141,684,700</u>	<u>3,867,862</u>	<u>1,766,732</u>
Investment income:			
From investing activities:			
Net appreciation in fair value of investments	474,959,242	8,825,698	5,309,547
Interest and dividends	135,465,187	2,509,901	1,517,805
Total investing activity	<u>610,424,429</u>	<u>11,335,599</u>	<u>6,827,352</u>
Investment activity expenses:			
Investment contractor fees	(12,642,365)	(234,119)	(140,115)
Net income from investing activities	<u>597,782,064</u>	<u>11,101,480</u>	<u>6,687,237</u>
From securities lending activities:			
Securities lending gross income	22,169,502	411,354	247,370
Securities lending expenses:			
Broker rebates	(20,372,736)	(378,019)	(227,326)
Agent fees	(476,970)	(8,849)	(5,320)
Total securities lending expenses	<u>(20,849,706)</u>	<u>(386,868)</u>	<u>(232,646)</u>
Net income from securities lending activities	1,319,796	24,486	14,724
Total investment income	<u>599,101,860</u>	<u>11,125,966</u>	<u>6,701,961</u>
Total additions	<u>740,786,560</u>	<u>14,993,828</u>	<u>8,468,693</u>
Deductions			
Benefits paid/Distributions	222,184,180	5,211,602	2,068,779
Refunds	10,759,984	276,403	52,880
Administrative expenses	1,949,051	24,618	106,738
Total deductions	<u>234,893,215</u>	<u>5,512,623</u>	<u>2,228,397</u>
Net increase	505,893,345	9,481,205	6,240,296
Net assets held in trust for pension benefits:			
Beginning of year	4,961,206,642	91,990,467	55,535,189
End of year	<u>\$ 5,467,099,987</u>	<u>\$ 101,471,672</u>	<u>\$ 61,775,485</u>

Defined Benefit Pension Plans

Paid Firemen's Pension Plan A	Paid Firemen's Pension Plan B	Wyoming Judicial Retirement Plan	Wyoming Law Enforcement Retirement Plan	Total Defined Benefit Pension Plans	Defined Contribution Plan 457 Plan	Total Pension Trust Plans
\$ -	\$ 978,240	\$ 326,237	\$ 9,114,022	\$ 81,602,541	\$ 23,837,021	\$ 105,439,562
-	1,967,332	310,668	9,105,984	83,394,424	-	83,394,424
-	29,774	4,352,109	25,122,491	33,629,186	-	33,629,185
-	-	-	-	-	104,878	104,878
-	2,975,346	4,989,014	43,342,497	198,626,150	23,941,899	222,568,048
18,041,320	5,251,729	944,087	28,970,866	542,302,488	15,113,207	557,415,696
5,155,058	1,494,708	225,841	7,777,183	154,145,683	6,543,621	160,689,304
23,196,378	6,746,437	1,169,928	36,748,049	696,448,172	21,656,828	718,105,000
(490,789)	(134,595)	(15,789)	(666,373)	(14,324,145)	(537,218)	(14,861,363)
22,705,589	6,611,842	1,154,139	36,081,676	682,124,027	21,119,610	703,243,637
838,834	245,194	39,125	1,299,685	25,251,064	-	25,251,064
(770,817)	(225,340)	(36,024)	(1,194,849)	(23,205,111)	-	(23,205,111)
(18,058)	(5,270)	(820)	(27,816)	(543,103)	-	(543,103)
(788,875)	(230,610)	(36,844)	(1,222,665)	(23,748,214)	-	(23,748,214)
49,959	14,584	2,281	77,020	1,502,850	-	1,502,850
22,755,548	6,626,426	1,156,420	36,158,696	683,626,877	21,119,610	704,746,487
22,755,548	9,601,772	6,145,434	79,501,193	882,253,028	45,061,509	927,314,537
12,151,691	451,997	315,032	9,010,743	251,394,024	17,468,300	268,862,324
-	60,558	-	2,159,291	13,309,116	-	13,309,116
32,161	14,430	1,681	101,237	2,229,916	445,059	2,674,975
12,183,852	526,985	316,713	11,271,271	266,933,056	17,913,359	284,846,415
10,571,696	9,074,787	5,828,721	68,229,922	615,319,972	27,148,150	642,468,122
192,674,590	53,133,156	6,041,818	271,531,469	5,632,113,331	240,978,667	5,873,091,998
\$ 203,246,286	\$ 62,207,943	\$ 11,870,539	\$ 339,761,391	\$ 6,247,433,303	\$ 268,126,817	\$ 6,515,560,120

WYOMING RETIREMENT SYSTEM

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 1. Reporting Entity and Summary of Significant Accounting Policies

Reporting entity: The Wyoming Retirement System (System) is a component unit of the State of Wyoming charged by State statutes to provide retirement benefits for retired and disabled public employees. The decision that the System is a component unit of the State of Wyoming was made by applying the criteria set forth in accounting principles generally accepted in the United States of America (GAAP). The basic criterion for this decision is that the State of Wyoming and its elected officials are accountable for the System. The State's financial accountability was primarily determined by the fact that the Governor appoints the voting majority of the Board of Trustees of the System and can thus impose the will of the State on the System. Additionally, the State is obligated to finance the unfunded liabilities of the System and to provide other financial support.

Although the System is a component unit of the State of Wyoming, it serves as the nucleus for the reporting entity under the provisions of Government Accounting Standards Board (GASB) Statement No. 14 for its separately issued financial statements. Using this premise, the System is not financially accountable for any other organizations and, thus, includes only the financial activity of the various plans of the System.

Basis of accounting: The accompanying financial statements are prepared using the accrual basis of accounting and include the accounts of seven defined benefit pension plans and one defined contribution plan, all of which are administered by the System:

- Public Employees Pension Plan
- Wyoming State Highway Patrol, Game and Fish Warden and Criminal Investigator Retirement Plan
- Volunteer Firemen's Pension Plan
- Paid Firemen's Pension Plan A
- Paid Firemen's Pension Plan B
- Wyoming Judicial Retirement Plan
- Wyoming Law Enforcement Retirement Plan
- Section 457 Plan

The financial activities of these pension plans are included in the fiduciary funds of the Wyoming On-Line Financial System as established by the Wyoming Funds Consolidation Act and are defined as pension (and other employee benefit) trust funds by accounting principles generally accepted in the United States of America.

Each pension plan maintains separate accounts and all actuarial determinations are made using separate fund-based information. All plans own a percentage of the combined investment fund. Although the assets of the pension plans are co-mingled for investment purposes, each pension plan's assets may be used only for the payment of benefits to the members of that plan, in accordance with the terms of the plan.

Employee and employer contributions are recognized as revenue in the period in which employee services are performed. Benefits, refunds and contribution returns are recognized when due and payable in accordance with the terms of the plan.

WYOMING RETIREMENT SYSTEM

NOTES TO THE BASIC FINANCIAL STATEMENTS

Refunds represent withdrawals of participant contributions by participants in the form of a total or partial rollover or direct distribution from the plan. Return of contributions consist of the withdrawal of both participant and employer contributions returned to the employer as allowed in limited circumstances by state statute.

Method used to value investments: Investments are reported at fair value. Where applicable, the market value of the investments was determined by the latest bid price or by the closing exchange price at the balance sheet date.

Compensated absences: The staff of the System is entitled to paid annual leave depending upon length of service. They also are allowed to accrue a maximum of 480 hours of sick leave that is payable only at termination. The amounts are reported at the time it is paid as it is considered to be immaterial to the financial statements of the System. Total compensated absences are estimated at \$192,000 as of December 31, 2006.

Administrative expenses: Administrative expenses of the System are paid proportionately based on total net assets by plan.

Note 2. Description of the Retirement Plans

The System is the administrator of a multiple employer, cost sharing public employee retirement system (PERS) and its designated purpose is to provide retirement allowances and other benefits to members. At December 31, 2006, the number of participating government employers was as follows:

At December 31, 2006, the System's membership consisted of the following:

State Agencies	82
Public Schools	49
Universities and Community Colleges	8
Counties	22
Municipalities	78
Other Special Districts	211
Volunteer Firemen	101
Paid Firemen	11
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	562
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Financial Section

WYOMING RETIREMENT SYSTEM

NOTES TO THE BASIC FINANCIAL STATEMENTS

Following are descriptions of the terms of each of the multiple employers, cost sharing public employee retirement system pension plans administered by the System:

	Wyoming State Highway Patrol, Game and Fish	Public Employees Pension Plan	Warden and Criminal Investigator Retirement Plan	Volunteer Firemen's Pension Plan	Paid Firemen's Pension Plan A	Paid Firemen's Pension Plan B	Wyoming Judicial Retirement Plan	Wyoming Law Enforcement Retirement Plan
Retirees and beneficiaries of deceased retirees currently receiving benefits		17,010	238	730	306	26	7	471
Current employees:								
Vested		20,938	192	-	19	210	24	1,185
Non-vested		13,251	120	2,271	-	85	11	1,313
		34,189	312	2,271	19	295	35	2,498
Inactive employees entitled to benefits but not yet receiving them		4,950	18	-	1	13	-	102
Total active or vested		39,139	330	2,271	20	308	35	2,600

Public Employees Pension Plan:

The Public Employees Pension Plan is a defined benefit, contributory retirement plan covering substantially all employees of the State and of the Public School Systems of Wyoming. The Plan also covers employees of those political subdivisions, which have elected to participate in the Plan.

The Plan statutorily requires 11.25% of the participant's salary to be contributed to the Plan. Contributions consist of 5.68% of the participant's salary as employer contributions and 5.57% as employee contributions. The amount of contributions designated as employee contributions represent the portion of total contributions that a participant retains ownership of and can elect to receive as a refund upon termination of employment. Employers can elect to cover all or a portion of the employee's contribution at their discretion.

The Plan allows for normal retirement after four years of service and attainment of age 60. Early retirement is allowed provided the employee has completed four years of service and attained age 50 but will result in a reduction of benefits based on the length of time remaining to normal retirement age. The Plan provides retirement, disability and death benefits according to predetermined formulas and allows retirees to select one of seven optional methods for receiving benefits, including two optional forms of benefits: a 100% joint and survivor annuity, and a 50% joint and survivor annuity. The benefit amounts under these options are determined on an actuarially equivalent basis. The Plan also statutorily provides

WYOMING RETIREMENT SYSTEM

NOTES TO THE BASIC FINANCIAL STATEMENTS

for an annual percentage increase in the benefit amounts beginning on July 1, after two full years of retirement, by the lesser of 3% or the cost of living as determined by the Board. State Statutes provide for future annual percent increases in the benefit amount to be the greater of the cost of living as determined by the Board or the percentage determined actuarially sound by the System's actuary, up to 3% each year.

Employees terminating prior to normal retirement can elect to withdraw all employee contributions plus accumulated interest through date of termination or, if they are vested, they may elect to remain in the Plan and be eligible for retirement benefits at age 50.

Wyoming State Highway Patrol, Game and Fish Warden and Criminal Investigator Retirement Plan:

The Wyoming State Highway Patrol, Game and Fish Warden and Criminal Investigator Retirement Plan is a defined benefit, contributory retirement plan covering sworn officers of the Wyoming State Highway Patrol and law enforcement officers employed by the Wyoming State Game and Fish Department who are not covered under the System, and sworn peace officers of the Division of Criminal Investigation.

The Plan statutorily requires participants to contribute 11.02% of their salary to the Plan and the State is required to contribute 11.33% of each participant's salary for a total contribution of 22.35%.

The Plan allows for normal retirement at age 50. The Plan provides retirement, disability and death benefits according to predetermined formulas. Terminating employees are entitled to a refund of employee contributions plus accumulated interest. The Plan also statutorily provides for an annual percentage increase in the benefit amounts beginning on July 1, after two full years of retirement, by the lesser of 2.25% or the cost of living as determined by the Board. State Statutes provide for future annual percent increases in the benefit amount to be the greater of the cost of living as determined by the Board or the percentage determined actuarially sound by the System's actuary, up to 2.25% each year.

The maximum service pension is 75% of the highest average salary. The minimum years of service requirement for a monthly benefit is six years.

Volunteer Firemen's Pension Plan:

The Volunteer Firemen's Pension Plan is a defined benefit, contributory retirement plan covering volunteer firemen who elect to participate in the Plan. Participants are statutorily required to contribute \$12.50 monthly to the Plan, although such contributions may be fully or partially paid by political subdivisions on behalf of participants, if approved by the governing board. In addition, the State pays into the Plan 50% of the gross annual tax collected on fire insurance premiums. The Plan provides retirement and death benefits according to predetermined amounts primarily determined by entry age and years of service of the participant. Participants may withdraw from the Plan at any time and receive refunds of participant contributions plus accumulated interest.

WYOMING RETIREMENT SYSTEM

NOTES TO THE BASIC FINANCIAL STATEMENTS

Paid Firemen's Pension Plan A:

The Paid Firemen's Pension Plan A is a defined benefit, contributory retirement plan covering paid firemen who were employed prior to July 1, 1981 and who elected to participate.

The Plan statutorily required participants to contribute 8% of their salary to a maximum not to exceed the salary of a Firemen First Class. Employers were required to contribute 21% of the salary. Effective April 1, 1997, required contributions have been suspended as the Plan has been determined to be actuarially over-funded.

The Plan statutorily provides retirement, disability and death benefits according to predetermined formulas. The Plan also statutorily provides for an annual percentage increase in the benefit amounts beginning in the year following twelve (12) months of payments, by the lesser of 3% or the cost of living as determined by the Board or the percentage determined actuarially sound by the System's actuary. In the event the current actuarial valuation indicates the market value of assets is greater than one hundred fifteen percent (115%) of the actuarial value of liabilities, the Board may increase the benefit by an amount determined affordable by the actuary but not greater than five percent (5%) of the benefit. Participants may withdraw from the Plan at any time and receive refunds of participant contributions without interest.

Paid Firemen's Pension Plan B:

The Paid Firemen's Pension Plan B is a defined benefit, contributory retirement plan covering paid firemen who were employed after July 1, 1981 and who elect to participate.

The Plan statutorily requires participants to contribute 6% of their salary to the Plan and the employer is required to contribute 12% of each participant's salary.

The Plan provides retirement, disability and death benefits according to predetermined formulas. The Plan also statutorily provides for a percentage increase in the benefit amounts beginning July 1 after one full year of retirement, by the lesser of 3% or the cost of living as determined by the Board or the percentage determined actuarially sound by the System's actuary. Participants may withdraw from the Plan at any time and receive refunds of participant contributions without interest.

WYOMING RETIREMENT SYSTEM

NOTES TO THE BASIC FINANCIAL STATEMENTS

Wyoming Judicial Retirement Plan:

The Wyoming Judicial Retirement Plan is a defined benefit, contributory plan covering any Justice of the Supreme Court, District Judge or County Court Judge appointed to any of these offices on or after July 1, 1998, and with no prior service as a justice of the Supreme Court or district judge at the time of the appointment. The Plan also covers any justice or judge who elects to participate.

The Plan statutorily requires participants to contribute 9.22% of their salary to the Plan and the employer is required to contribute 8.78% of each participant's salary.

The Plan statutorily provides retirement and death benefits according to predetermined amounts primarily determined by age and years of service of the participant. The Plan also statutorily provides for an annual percentage increase in the benefit amounts beginning July 1, after one full year of retirement, by the lesser of 3% or the cost of living as determined by the Board. State Statutes provide for future annual percent increases in the benefit amount to be the greater of the cost of living as determined by the Board or the percentage determined actuarially sound by the System's actuary, up to 3% each year. Participants may withdraw from the Plan at any time and receive refunds of participant contributions plus accumulated interest.

Wyoming Law Enforcement Retirement Plan:

The Wyoming Law Enforcement Retirement Plan is a defined benefit, contributory plan covering any county sheriff, deputy county sheriff, municipal police officer, Wyoming correctional officer, Wyoming law enforcement academy instructor, University of Wyoming campus police officer, detention officer or dispatcher for law enforcement agencies and certain investigators of the Wyoming Livestock Board.

The Plan statutorily requires participants to contribute 8.6% of their salary to the Plan and the employer is required to contribute 8.6% of each participant's salary.

The Plan statutorily provides retirement, disability and death benefits according to predetermined amounts determined by salary, age and years of service of the participant. The Plan also statutorily provides for a percentage increase in the benefit amounts beginning July 1, after two full years of retirement by 2% each year. State Statutes provide for future annual percent increases in the benefit amount to be the greater of the cost of living as determined by the Board or the percentage determined actuarially sound by the System's actuary, up to 2% each year. Participants may withdraw from the Plan at any time and receive refunds of participant contributions plus accumulated interest.

WYOMING RETIREMENT SYSTEM

NOTES TO THE BASIC FINANCIAL STATEMENTS

Wyoming Deferred Compensation Plan:

The Plan administered by the System is a defined contribution plan. This Plan is available as a supplemental plan to the basic retirement benefits of the System for employees of public employers who have adopted the Plan. Contributions may be made into the Plan (subject to Plan and Internal Revenue Code limitations) by employees of participating employers sponsoring the Plan. Employer contributions may be made into the Plan at rates determined by the employers. There are 12,255 participants in the Plan from 209 different employers.

Upon qualifying for distributions, benefits are paid out in lump sums, or as periodic benefit payments, at the option of the participant based on individual account balances and Plan provisions. The Plan's account balances are fully vested to the participants at the time of deposit.

Investments in the Plan are individually directed by Plan participants who direct the investment of their funds among Board approved investment options of varying degrees of risk and earnings potential. Participants may transfer their funds between these options daily. Investments of the Plan are reported at fair value.

In addition to accepted employee deferrals, this Plan also accepts employer contributions on behalf of their employees, provided such contribution when added to the employees' deferred contribution does not exceed the maximum deferral permitted by the Plan.

Note 3. Cash, Cash Equivalents and Investments

The System's Board has been authorized by the Wyoming Legislature pursuant to State Statutes, to act on behalf of the plan membership in investing and managing monies in the retirement account, and in doing so shall exercise the judgment and care that a prudent investor would, in light of the purposes, terms, distribution requirements and all other circumstances surrounding the monies in the retirement account, including risk and return objectives established by the Board which are reasonably suitable to the purpose of the Wyoming Retirement System. The Board shall evaluate and select investments in appropriate asset classes as is deemed necessary to enhance returns or reduce risk in the total portfolio.

WYOMING RETIREMENT SYSTEM

NOTES TO THE BASIC FINANCIAL STATEMENTS

The following table shows the System's defined benefit plan investments by type as of December 31, 2006:

Equities- US	\$2,999,119,628
Equities- International	937,626,975
Coporate Bonds	728,460,172
Mortgage Backed Securities	592,032,476
Commercial Mort Backed	85,363,203
CMO/RMIC	173,038,766
Asset Backed	73,306,938
Cash - Foreign and Cash Equivalents - Domestic	15,858,575
Cash Equivalents	253,881,132
US Treasury Bonds	290,950,723
Real Estate	347,311,568
Total Investments	\$6,496,950,156

Custodial credit risk: Custodial credit risk for deposits of the defined benefit plans is the risk that in the event of a bank failure, the Systems' and Plans' deposits may not be returned to them. Deposits subject to this risk are those other than the \$4,728,685 of deposits held by the State Treasurer. These deposits totaling \$269,739,707 are held by the System's primary custodian and are collateralized by commercial paper, repurchase agreements and money market mutual funds held by the primary custodian or its agents in accounts in the name of the Wyoming Retirement System. Deposits are presented in the basic financial statements at cost plus accrued interest which is also the market or fair value. At December 31, 2006, the carrying amount of all deposits and the corresponding bank balance totaled \$274,468,392.

Investment securities within the defined benefit plans are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the System and are held by either the counterparty or the counterparty's trust department or agent, but not in the System's name. Consistent with the System's investment policy, all investments are held by the System's primary custodian and registered in the System's name except for approximately \$347 million in real estate holdings, and \$1.56 billion of beneficial ownership of stock held in a collective trust fund. One of the System's money managers serves as the trustee for the collective trust fund's assets and holds legal title of the trust's assets for the exclusive benefit of each of the trust's beneficial owner's including the System.

The System does not have a formal deposit or investment policy for custodial credit risk.

Financial Section

WYOMING RETIREMENT SYSTEM

NOTES TO THE BASIC FINANCIAL STATEMENTS

Concentration of credit risk: The Systems and Plans expect the domestic investment managers to maintain diversified portfolios by sector and by issuer using the following guidelines in accordance with the System's investment policies.

Final Allocation	Minimum	Target	Maximum
Fixed Income			
US Investment Grade	20%	25%	40%
US High Yield	0%	6%	10%
Total Fixed Income:	25%	31%	45%
Equity			
US Large Cap Equity	25%	32%	45%
US Small – Medium Cap	10%	13%	20%
Non-US – Developed and Emerging Markets	10%	16%	20%
Real Estate and Alternatives	0%	8%	10%
Total Equity and Real Estate:	55%	69%	75%

The policy of the Board is to discourage equity investment managers from holding positions in a single issue whose market value exceeds 5% of the market value of the portfolio. However, exceptions can be made if this percentage of the overall portfolio is exceeded as a consequence of long held positions whose value has grown as a consequence of their strong returns. At December 31, 2006, the System did not hold any single investment with a market value of greater than 5% of its portfolio. The board does not have any formal policy relating to any specific investment related risk.

The Board does not authorize the use of derivatives as speculative instruments or in a leveraged manner such that the risk of loss from a particular position would be materially larger than if actual securities were utilized. Derivatives for the purpose of equalizing cash in a non-leveraged context is acceptable with specific Board authorization.

The purpose of real estate investments is to provide counter cyclical returns income and a defense against inflation. Funds considered will be comprised primarily of highly-leased properties with reasonable income components. The real estate portfolio, in aggregate, shall be diversified by property type, property size, geographic region, and economic sector exposure. Leverage shall be used sparingly.

Credit risk – debt securities: In addition to the diversification policy guidelines by sector provided above, the System expects that unless otherwise specified in the manager specific guidelines, fixed income investment grade investments shall have an average quality of the portfolio equivalent of a Standard & Poor's rating of A or better. Managers of accounts holding publicly traded non-Government debt should select and manage them so as to assure an appropriate balance in maturity, quality, marketability and adequate diversification with respect to industry and issues.

WYOMING RETIREMENT SYSTEM

NOTES TO THE BASIC FINANCIAL STATEMENTS

High yield investments are defined by the System as those debt securities, which carry a Standard & Poor's quality rating of BB or lower. According to the System's investment policies, fund managers who manage these investments should structure a well diversified portfolio with respect to rating, maturity, duration, yield, industry and issuer with the intent of minimizing the risk of losses in any single security.

The distribution of quality rating of debt securities in the System's investment portfolio at fair value as of December 31, 2006 is as follows:

Quality Rating:			
	AAA	\$	940,988,670
	AA		127,784,411
	A		129,783,434
	BBB		102,542,377
	BB		145,621,890
	B & below		205,480,774
Total credit risk debt securities			1,652,201,556
U.S. Government and agency investments			290,950,723
Total debt securities investments		\$	1,943,152,279

Interest rate risk: The System is also exposed to investment fair value loss arising from increased interest rates. Duration is a measure of the sensitivity of a debt security's value to rate changes. It is calculated using the present value of cash flows, weighted for those cash flows as a percentage of the investment's full price. More specifically, it is the approximate percentage change in value for a 100 basis point change in rates. The System's investment policy guidelines require that the investment grade debt securities portfolio be maintained with a weighted-average portfolio duration of no longer than ten years. No specific investment guidelines exist for other debt securities subject to interest rate risk not included in the investment grade portfolio.

At December 31, 2006 the following table shows investments by investment type, amount and the effective weighted duration:

Investment Type	Amount	Effective Weighted Duration
Treasury bonds	290,950,723	1.32
Asset backed	73,306,938	0.07
Mortgage backed	592,032,476	1.41
CMO/remic	173,038,766	0.14
Commercial mortgage backed	85,363,203	0.57
Corporate bonds	728,460,173	3.02
Total debt securities	\$ 1,943,152,279	1.80

Financial Section

WYOMING RETIREMENT SYSTEM

NOTES TO THE BASIC FINANCIAL STATEMENTS

Foreign currency risk: The System also expects its International Security Investment Managers to maintain diversified portfolios by currency denomination, however, no formal policy limits have been established. At December 31, 2006, the System's exposure to foreign currency risk for its short-term and equity securities is as follows:

	Foreign Cash	Foreign Equities
Australian Dollar	\$ -	\$ 38,537,754
Austrian Schilling	-	2,832,552
Belgium Franc	-	5,638,170
British Pound	(50,586)	170,653,372
Canadian Dollar	61,221	5,190,347
Czech Republic Krona	-	7,384,337
Danish Krone	-	8,156,688
Euro	7,618,657	221,312,155
Finnish Markka	-	6,396,809
French Franc	-	45,442,035
German Mark	-	33,425,012
Greek Drachma	-	2,958,244
Hong Kong Dollar	507,774	21,123,012
Hungarian Forint	-	13,315,148
Indonesian Rupiah	1	1,026,707
Irish Punt	-	3,932,354
Italian Lira	-	17,480,123
Japanese Yen	1,709,996	147,178,990
Malaysian Ringgit	(73,662)	289,286
Mexican New Peso	-	4,493,878
Netherlands Guilders	-	15,289,496
New Zeland Dollar	-	1,381,856
Norwegian Krone	913,917	11,092,119
Philippine Peso	-	1,424,817
Polish New Zloty	-	28,817,684
Portuguese Escudo	-	1,580,124
Singapore Dollar	-	4,358,808
Spain Peseta	-	18,162,449
Swedish Krona	2,148,246	31,525,751
Swiss Franc	3,023,011	66,259,252
Thailand Buht	-	967,643
Totals	\$ 15,858,575	\$ 937,626,972

At December 31, 2006, the System had no debt securities denominated in a foreign currency.

WYOMING RETIREMENT SYSTEM

NOTES TO THE BASIC FINANCIAL STATEMENTS

Defined contribution plan cash and investments: The cash and investments held within the defined contribution plan are comprised of the aggregate holdings of the participant's accounts that are invested in 22 different mutual fund type investment options and cash held on deposit with the State collected from participants as fees for the purposes of plan administration. Plan participants determine the holdings of their individual participant accounts, therefore, the exposure of each participant to the investment risks discussed above including custodial, credit, interest rate, foreign currency and concentration is determined by that individual's risk tolerance. Additionally, the risks of the investment portfolios associated with each of the 22 investment options are determined by the mutual fund manager and may vary depending on their risk tolerances and performance objectives. The defined contribution plan does not have any investments (other than those issued or guaranteed by the U.S. Government) in any one organization that represent 5% or more of the plan's net assets.

Securities lending: Under the authority of the governing statutes and in accordance with policies set by the Board of Trustees, the System lends its securities to broker-dealers with a simultaneous agreement to return the collateral for the securities in the future. The System's custodian is authorized to lend available securities to authorized broker-dealers subject to the receipt of acceptable collateral. The System lends securities such as common stock, U.S. Treasury and corporate bonds and receives collateral in the form of either cash or other securities similar to the type on loan. Borrowers are required to provide collateral amounts of 102% of the market value of loaned U.S. securities plus accrued interest and 105% of the market value of loaned non-U.S. securities plus accrued interest. The System cannot pledge or sell collateral securities received until and unless a borrower defaults. Securities held as collateral at year-end are not subject to the preceding disclosures of custodial credit risk as they are held in a collateral investment pool. At year-end, the System has no credit risk exposure to borrowers because the amounts the System owes the borrowers exceed the amounts the borrowers owe the System. Contracts with the lending agents require them to indemnify the System if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or fail to pay the System for income distributions by the securities' issuers while the securities are on loan. Net securities lending income during the year ended December 31, 2006 was \$1,502,850.

Securities lent as of December 31, 2006, with a market value of \$524,568,682 and a collateral value at a rate of 102% and/or 105%, as appropriate, for a total market value of \$537,863,113, could be terminated on demand by either the System or the borrower(s). There is no direct match of the maturities of the collateral investments with the maturities of the securities loaned.

WYOMING RETIREMENT SYSTEM

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4. Contributions Required and Contributions Made

Funding policies for the System provide for periodic employer and employee contributions at statutorily determined rates that, expressed as percentages of annual covered payroll, are sufficient to accumulate assets to pay benefits when due.

Actuarial valuations are prepared annually for all systems. In the event, based upon the results of the actuarial valuation, present statutory contribution requirements are insufficient to accumulate assets to pay benefits when due, the Wyoming Retirement Board and/or Volunteer Fire Pension Board, after approval by the Legislature, would revise statutory contribution requirements to maintain the actuarial integrity of the applicable System. For the year ended December 31, 2006, contributions were made in accordance with statutorily determined contribution requirements.

Note 5. Commitments

At December 31, 2006, the System was committed to the future purchase of investments at an aggregate cost of \$341,799,100.

The System leased a commercial office facility, under a noncancelable lease agreement. Future minimum annual rental commitments are \$144,050 per year, until the lease agreements expires on June 30, 2009. The lease agreement includes an adjustment provision effective July 1, 2007, whereby the minimum annual lease payments will be adjusted for cumulative percent increases in the Wyoming Statewide Cost of Living Index with total rent payments not to exceed approximately \$350,000 over the remaining term of the lease.

Note 6. Master Trust

The System has entered into a master trust agreement with JP Morgan Chase. In accordance with the terms of the agreement, in addition to holding System investments in custodial accounts, JP Morgan Chase, as trustee, is authorized at the direction of the System or its investment managers to receive proceeds from investment sales and dividend and interest payments, to disburse funds for purchase of investments, to retire obligations upon maturity or redemption and to execute in the System's name whatever certification is necessary for other investment transactions.

WYOMING RETIREMENT SYSTEM

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 7. Risk Management

The nature of the System's operations makes it susceptible to lawsuits, legal actions, and other judgments. The System mitigates its risk of material loss from these situations through participation in the State of Wyoming self-insurance program. Wyoming Statute 1-41-103 created the State self-insurance fund to handle liability insurance claims brought against the State. The range of losses financed includes general liability, automobile liability, policy liability, medical malpractice liability and civil rights. The System had no significant changes in coverage from the prior year.

The State generally does not maintain reserves; losses are covered by a combination of appropriations from the State's general fund in the year in which the payment occurs and by assessing State agencies a pro rata share of anticipated claims expenditures for the fiscal year. The Department of Administration and Information estimates a liability for claims against the State as a whole including incurred but not reported claims (IBNR's) but does not make the estimate for each individual department of the State including the System. Consequently, no liability for these claims is reflected in the financial statements of the System. Management believes that any claims that may exist would be immaterial to the System.

Note 8. Pension and Retirement Plans

All full-time or regular part-time employees of the System participate in the Public Employees Pension Plan as described in Note 2. The System pays 100% of the required contribution. Contributions made by the System to the Public Employees Pension Plan for the years ended December 31, 2006, 2005 and 2004 were \$124,737, \$119,053 and \$78,845, respectively.

The System also participates in the 457 Plan as described in Note 2. The system matches up to \$20 per month for each employee who has elected to participate in the Deferred Compensation Plan for the years ended December 31, 2006, 2005 and 2004 were \$5,820, \$5,588 and \$3,684, respectively.

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REQUIRED SUPPLEMENTARY INFORMATION

Financial Section

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)
Public Employees Pension Plan:		
January 1, 2002	4,582,462,306	4,442,033,000
January 1, 2003	4,352,424,000	4,718,618,000
January 1, 2004	4,657,898,000	5,077,443,000
January 1, 2005	4,704,299,000	5,536,192,000
January 1, 2006	4,843,861,000	5,091,763,000
January 1, 2007	5,160,602,000	5,468,229,000
Wyoming State Highway Patrol, Game and Fish Warden and Criminal Investigator Retirement Plan		
January 1, 2002	79,951,800	79,121,700
January 1, 2003	78,718,400	84,016,000
January 1, 2004	84,718,000	89,981,600
January 1, 2005	86,375,500	96,288,800
January 1, 2006	89,777,100	100,910,600
January 1, 2007	95,795,200	106,902,900
Volunteer Firemen's Pension Plan:		
January 1, 2002	47,097,475	39,355,900
January 1, 2003	46,150,700	40,725,500
January 1, 2004	50,312,600	43,818,100
January 1, 2005	51,834,200	46,830,000
January 1, 2006	54,298,200	51,703,700
January 1, 2007	58,468,200	55,361,800
Paid Firemen's Pension Plan A:		
January 1, 2002	207,381,100	217,845,000
January 1, 2003	192,928,800	212,222,700
January 1, 2004	199,882,000	181,290,000
January 1, 2005	192,096,700	185,647,000
January 1, 2006	188,317,600	187,452,000
January 1, 2007	191,123,500	187,953,100
Paid Firemen's Pension Plan B:		
January 1, 2002	36,241,800	23,805,700
January 1, 2003	37,754,300	30,673,200
January 1, 2004	42,681,000	34,680,000
January 1, 2005	46,679,900	40,769,400
January 1, 2006	51,899,500	47,153,000
January 1, 2007	59,057,300	54,666,500
Wyoming Judicial Retirement Plan:		
January 1, 2002	1,886,000	6,479,300
January 1, 2003	3,244,300	6,575,100
January 1, 2004	3,637,000	8,371,700
January 1, 2005	5,188,000	8,826,200
January 1, 2006	5,883,300	9,476,700
January 1, 2007	11,355,500	10,943,000
Wyoming Law Enforcement Retirement Plan:		
January 1, 2003	186,080,300	206,395,100
January 1, 2004	204,892,200	236,411,300
January 1, 2005	230,698,500	260,025,800
January 1, 2006	264,962,700	296,633,400
January 1, 2007	322,969,500	331,483,200

n/a - not applicable

The Wyoming Law Enforcement Plan became effective July 1, 2002.

Unfunded AAL (UAAL)(b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ([b-a]/c)
(140,429,306)	103	964,121,000	(15)
366,194,000	92	988,135,000	37
419,545,000	92	1,032,259,000	41
831,893,000	85	1,086,736,244	77
247,902,000	95	1,156,399,714	21
307,627,000	94	1,285,096,000	24
(830,100)	101	12,811,600	(7)
5,297,600	94	13,633,500	39
5,263,600	94	14,244,400	37
9,913,300	90	14,647,898	68
11,133,500	89	15,527,845	72
11,107,700	90	17,273,900	63
(7,741,575)	120	n/a	n/a
(5,425,200)	113	n/a	n/a
(6,494,500)	115	n/a	n/a
(5,004,200)	111	n/a	n/a
(2,594,500)	105	n/a	n/a
(3,106,400)	106	n/a	n/a
10,463,900	95	2,458,300	(426)
19,293,900	91	1,928,200	1,001
(18,592,000)	110	1,520,800	(1,223)
(6,449,700)	104	1,471,750	(438)
(865,600)	101	1,271,200	(68)
(3,170,400)	102	1,076,400	(295)
(12,436,100)	152	8,401,400	(148)
(7,081,100)	123	10,422,300	(68)
(8,001,000)	123	13,154,600	(61)
(5,910,500)	114	14,584,167	(41)
(4,746,500)	110	15,689,300	(30)
(4,390,800)	108	17,359,200	(25)
4,593,300	29	2,349,900	195
3,330,800	49	2,363,047	141
4,734,700	43	3,066,500	154
3,638,200	59	3,059,877	119
3,593,400	62	3,493,934	103
(412,500)	104	3,591,300	(12)
20,314,800	90	79,217,739	26
31,519,100	87	84,242,600	37
29,327,300	89	89,351,600	33
31,670,700	89	98,070,611	32
8,513,700	97	108,350,000	8

**SCHEDULE OF CONTRIBUTIONS FROM THE EMPLOYER
AND OTHER CONTRIBUTING ENTITIES**

Year Ended December 31,	Public Employees Pension Plan			Wyoming State Highway Patrol, Game and Fish Warden and Criminal Investigator Retirement Plan			Volunteer Firemen's Pension Plan		
	Annual Contribution	Annual Required	Percentage Contributed	Annual Contribution	Annual Required	Percentage Contributed	Annual Contribution	Annual Required	Percentage Contributed
2001	56,517,377	11,700,000	483%	1,572,973	93,500	1682%	995,498	525,506	189%
2002	57,377,428	51,463,000	111%	1,700,597	1,032,700	165%	886,722	797,300	111%
2003	55,363,788	82,740,000	67%	1,746,788	1,629,200	107%	1,599,882	719,400	222%
2004	60,573,670	90,477,000	67%	1,796,863	1,725,500	104%	1,471,932	754,300	195%
2005	65,191,670	60,573,670	108%	1,890,808	1,806,100	105%	1,484,406	358,300	414%
2006	72,664,403	65,714,000	111%	2,052,640	1,758,200	117%	1,418,209	644,200	220%

Financial Section

**SCHEDULE OF CONTRIBUTIONS FROM THE EMPLOYER
AND OTHER CONTRIBUTING ENTITIES (continued)**

Year Ended December 31,	Paid Firemen's Pension Plan A			Paid Firemen's Pension Plan B			Wyoming Judicial Retirement Plan*			Wyoming Law Enforcement Retirement Plan*		
	Annual Contribution	Required	Percentage Contributed	Annual Contribution	Required	Percentage Contributed	Annual Contribution	Required	Percentage Contributed	Annual Contribution	Required	Percentage Contributed
2001	-	-	n/a	1,191,603	438,500	272%	117,250	111,700	105%	-	-	n/a
2002	-	2,325,773	0%	1,233,700	504,100	245%	1,290,324	113,000	1142%	8,945,231	-	n/a
2003	-	3,548,600	0%	1,396,498	1,879,600	74%	151,681	112,800	134%	7,229,001	6,693,300	108%
2004	-	2,215,900	0%	1,704,986	2,367,900	72%	1,324,638	268,300	494%	12,902,452	7,873,900	164%
2005	-	494,200	0%	1,834,792	1,572,900	117%	241,273	276,300	87%	11,155,211	7,138,000	156%
2006	-	244,200	0%	1,997,106	1,780,100	112%	4,662,777	306,600	1434%	34,228,475	7,810,100	438%

*Law Enforcement Retirement Plan was enacted on July 1, 2002.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

		Wyoming State															
		Public Employees Pension Plan		Warden and Criminal Retirement Plan		Game and Fish Warden and Criminal Retirement Plan		Volunteer Firemen's Pension Plan		Paid Firemen's Pension Plan A		Paid Firemen's Pension Plan B		Wyoming Judicial Retirement Plan		Wyoming Law Enforcement Retirement Plan	
Valuation date	01/01/07	01/01/07	01/01/07	01/01/07	01/01/07	01/01/07	01/01/07	01/01/07	01/01/07	01/01/07	01/01/07	01/01/07	01/01/07	01/01/07	01/01/07	01/01/07	01/01/07
Actuarial cost method	Individual Entry	Individual Entry	Individual Entry	Individual Entry	Individual Entry	Individual Entry	Individual Entry	Individual Entry	Individual Entry	Individual Entry	Individual Entry	Individual Entry					
Amortization method	Age Normal Level percent	Age Normal Level percent	Age Normal Level percent	Age Normal Level percent	Age Normal Level percent	Age Normal Level percent	Age Normal Level percent	Age Normal Level percent	Age Normal Level percent	Age Normal Level percent	Age Normal Level percent	Age Normal Level percent					
Amortization period	open 30	open 30	open 30	open 30	open 10	open 30											
Asset valuation method	Actuarial value equals adjusted market value	Actuarial value equals adjusted market value	Actuarial value equals adjusted market value	Actuarial value equals adjusted market value	Actuarial value equals adjusted market value	Actuarial value equals adjusted market value	Actuarial value equals adjusted market value	Actuarial value equals adjusted market value	Actuarial value equals adjusted market value	Actuarial value equals adjusted market value	Actuarial value equals adjusted market value	Actuarial value equals adjusted market value					
Actual assumptions:																	
Investment rate of return	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Projected salary increases	4.00%	5.50%	n/a	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	5.50%	5.50%	4.50%	4.50%	5.00%	5.00%	5.00%
Cost-of-living adjustments	3.00%	2.25%	2.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	2.00%	2.00%
Assumed inflation rate	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

Although the actuarial valuation is performed using the assumption for cost-of-living adjustments for each fund, these assumptions are not necessarily affordable in the long run. The valuations are based on current actuarial valuations, on current asset levels, on 8% future returns and on future demographic changes as assumed. Therefore, the actual cost-of-living adjustments have been recommended by the System's Actuary as affordable and will be paid on July 1, 2007 as follows:

Actual cost-of-living adjustments awarded	1.00%	1.38%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	2.82%	2.00%
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OTHER SUPPLEMENTARY INFORMATION

Financial Section

SCHEDULE OF ADMINISTRATIVE EXPENSES AND INVESTMENT ADVISORY FEES Year Ended December 31, 2006

	Defined Benefit Plan	457 Plan	Total
Personnel Services:			
Staff salaries	\$891,869	\$217,090	\$1,108,959
Board and other salaries	3,271	279	3,550
Social Security	66,719	16,340	83,059
Retirement	100,314	24,423	124,737
Insurance	160,970	36,364	197,334
Deferred compensation	4,620	1,200	5,820
Total personnel services	1,227,763	295,696	1,523,459
Communication:			
Postage	66,087	6,813	72,900
Telephone	21,973	6,678	28,651
Total communication	88,060	13,491	101,551
Miscellaneous:			
Dues and licenses	19,451	6,874	26,325
Office supplies	34,520	15,388	49,908
Office equipment	2,838	2,015	4,853
Other	83,902	14,085	97,987
Travel	46,226	17,155	63,381
Utilities	2,889	438	3,327
State Car	-	3,108	3,108
Total miscellaneous	189,826	59,063	248,889
Restrictive Costs and Service:			
Administrative costs payments	-	(19,802)	(19,802)
Reimbursement from deferred compensation	-	-	-
Total restrictive costs and services	-	(19,802)	(19,802)
Professional Services:			
Buck Consultants - Actuarial	220,000	-	220,000
McGee, Hearne & Paiz, LLP CPA's - Auditing	31,280	8,000	39,280
State of Wyoming - Data Processing and Internet Web Site	33,559	2,596	36,155
Buck Consultants - Investment Consultant	25,878	-	25,878
R V Kuhns - Investment Consultant	-	75,000	75,000
In-Quiz It - Data Base Software Solution	129,389	-	129,389
Kelly Services - Temporary Services	23,444	280	23,724
Miscellaneous Vendors - Disability Medical and Legal Consulting	260,717	10,735	271,452
Total professional services	724,267	96,611	820,878
Total administration expenses	2,229,916	445,059	2,674,975
Investment Fees:			
Investment contractor fees	14,324,145	537,218	14,861,363
Security lending broker rebates	23,205,111	-	23,205,111
Securities lending agent fees	543,103	-	543,103
Total investment fees	38,072,359	537,218	38,609,577
Total administrative expenses and investment fees	\$40,302,275	\$982,277	\$41,284,552

**DEFINED CONTRIBUTION PLAN
COMBINING SCHEDULE OF PARTICIPANT
AND ADMINISTRATIVE NET ASSETS**

December 31, 2006

	Administrative Account	Plan Participant Balances	Eliminations	Total
Assets				
Cash and short-term investments:				
Cash with State Treasurer	\$ 35,769	\$ -	\$ -	\$ 35,769
Domestic liquidity - outside banks	1,475,039	4,067,821	-	5,542,860
	<u>1,510,808</u>	<u>4,067,821</u>	<u>-</u>	<u>5,578,629</u>
Receivables:				
Employee contributions	-	342,182	-	342,182
Securities sold	-	-	-	-
Accrued interest and dividends	298	-	-	298
Participant fee receivable	325,620	-	(325,620)	-
Rebate and fee income receivable	131,301	-	-	131,301
	<u>457,219</u>	<u>342,182</u>	<u>(325,620)</u>	<u>473,781</u>
Investments, at fair value:				
United States Treasury securities	-	22,138,302	-	22,138,302
Mortgage-backed securities	-	51,189,054	-	51,189,054
Bonds	-	54,913,908	-	54,913,908
Common and preferred stock	-	123,345,735	-	123,345,735
Investment contracts	-	9,100,017	-	9,100,017
Other	-	1,554,086	-	1,554,086
	<u>-</u>	<u>262,241,102</u>	<u>-</u>	<u>262,241,102</u>
Total assets	<u>1,968,027</u>	<u>266,651,105</u>	<u>(325,620)</u>	<u>268,293,512</u>
Liabilities				
Participant fee payable	-	325,620	(325,620)	-
Administrative and consulting fees payable	166,695	-	-	166,695
Total liabilities	<u>166,695</u>	<u>325,620</u>	<u>(325,620)</u>	<u>166,695</u>
Net assets held in trust for pension benefits	<u>\$1,801,332</u>	<u>\$266,325,485</u>	<u>\$ -</u>	<u>\$268,126,817</u>

Financial Section

DEFINED CONTRIBUTION PLAN COMBINING SCHEDULE OF CHANGES IN PARTICIPANT AND ADMINISTRATIVE NET ASSETS

Year Ended December 31, 2006

	Administrative Account	Plan Participant Balances	Eliminations	Total
Additions				
Administrative revenue	\$1,312,898	\$ -	\$1,208,020	\$104,878
Member contributions	-	23,837,021	-	23,837,021
Investment income:				
Net appreciation (depreciation) in fair value of investments	-	15,113,207	-	15,113,207
Interest and dividends	64,191	6,479,430	-	6,543,621
Total investment income	1,377,089	45,429,658	1,208,020	45,598,727
Deductions				
Benefits paid/Distributions	-	17,468,300	-	17,468,300
Administrative expenses	445,059	-	-	445,059
Investment contractor fees	537,218	-	-	537,218
Participant fees assessed	-	1,208,020	1,208,020	-
Total expenditures	982,277	18,676,320	1,208,020	18,450,577
Net increase	394,812	26,753,338	-	27,148,150
Net assets held in trust for pension benefits				
Beginning of year	1,406,520	239,572,147	-	240,978,667
End of year	\$1,801,332	\$266,325,485	\$ -	\$268,126,817



*Investment
Section*

WYOMING RETIREMENT SYSTEM

INVESTMENTS

(The following section has been compiled by staff using reports supplied by Buck Consultants, JP Morgan Chase and internally generated documents.)

The Retirement System’s investment requirements are outlined in W. S. 9-3-408.

I. W. S. 9-3-408(b) states in part “... shall exercise the judgment and care that a prudent investor would, in light of the purposes, terms, distribution requirements and all other circumstances surrounding the monies in the retirement account, including risk and return objectives established by the board ...”

The Board has established investment guidelines and policies for each of the investment managers.

Buck Consultants provides the Wyoming Retirement Board with a semi-annual analysis of the investment performance of the fund. This analysis is broken down not only by asset classification but also by manager.

The investment managers employed by the Retirement Board and the asset allocation at December 31, 2006 were:

Equity Managers

Alliance Bernstein - New York
Alliance Capital Mgmt. - Minneapolis
Ark Asset Management Co. - New York
Barclays Global Investors – San Francisco
Dodge & Cox – San Francisco
Julius Baer Invest. Mgmt. – New York
SASCO Capital, Inc. -- Fairfield
Wellington Management – San Francisco

Fixed Income Managers

Alliance Capital Mgmt. - Minneapolis
Seix investment Advisors - Wood Cliff Lake
Western Asset Mgmt. Co. - Pasadena

Real Estate Managers & Other

ING Clarion Partners - Roseville
Prudential Financial – San Francisco
UBS Realty Adv. - Hartford
PIMCO – Newport Beach

The assets were allocated as follows:

Category of Assets	2002 <u>% of Total</u>	2003 <u>% of Total</u>	2004 <u>% of Total</u>	2005 <u>% of Total</u>	2006 <u>% of Total</u>
Equity	42.1	55.4	50.2	46.3	46.9
Int’l. Equity	12.2	14.4	12.9	15.6	13.7
Other Assets	1.5	.9	5.5	1.6	4.2
Fixed Income	44.2	29.3	29.0	29.1	29.9
Real Estate	n/a	n/a	2.4	7.4	5.3

Investment Section

The following tables compare the actual rates of return for investment categories to the corresponding benchmark rates of return.

Fixed Income Returns

	<u>2006</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>	<u>Inception</u>
Total Fixed Income	5.57%	4.75%	6.18%	6.67%	8.76%
Lehman Aggregate	4.43%	3.70%	5.06%	6.24%	8.60%

Equity Returns

	<u>2006</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>	<u>Inception</u>
Total Equities	16.31%	13.79%	8.69%	10.34%	12.78%
Wilshire 5000	15.88%	11.54%	7.65%	8.67%	11.83%

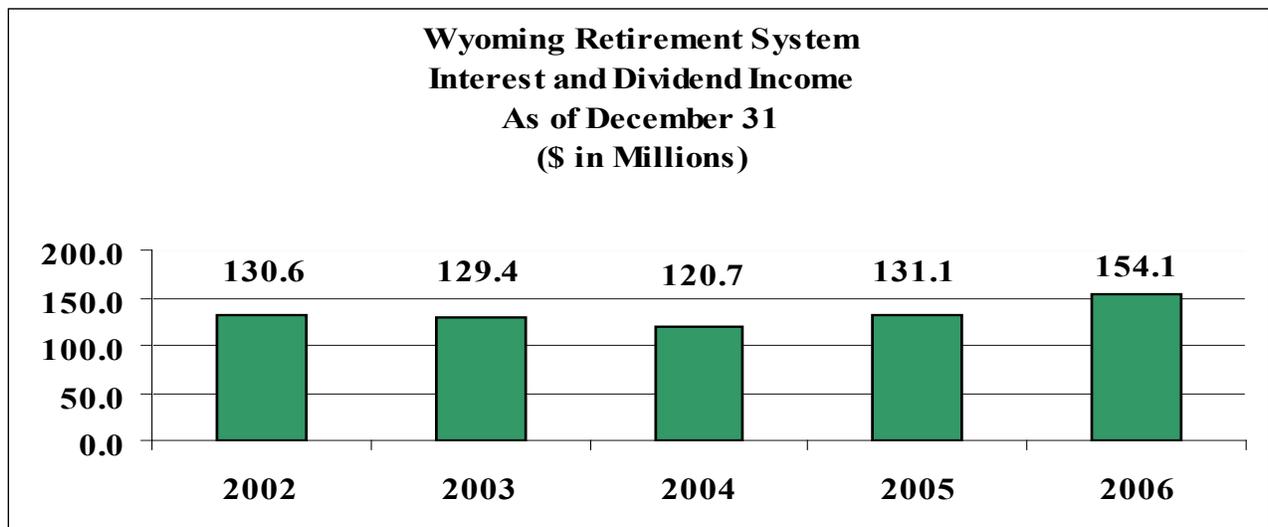
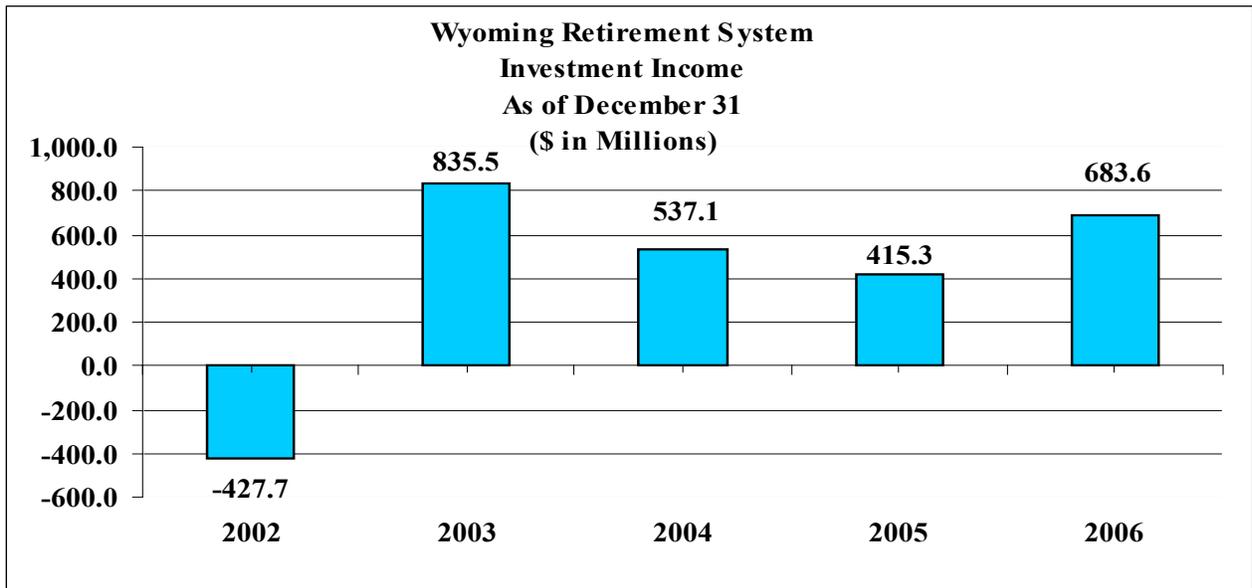
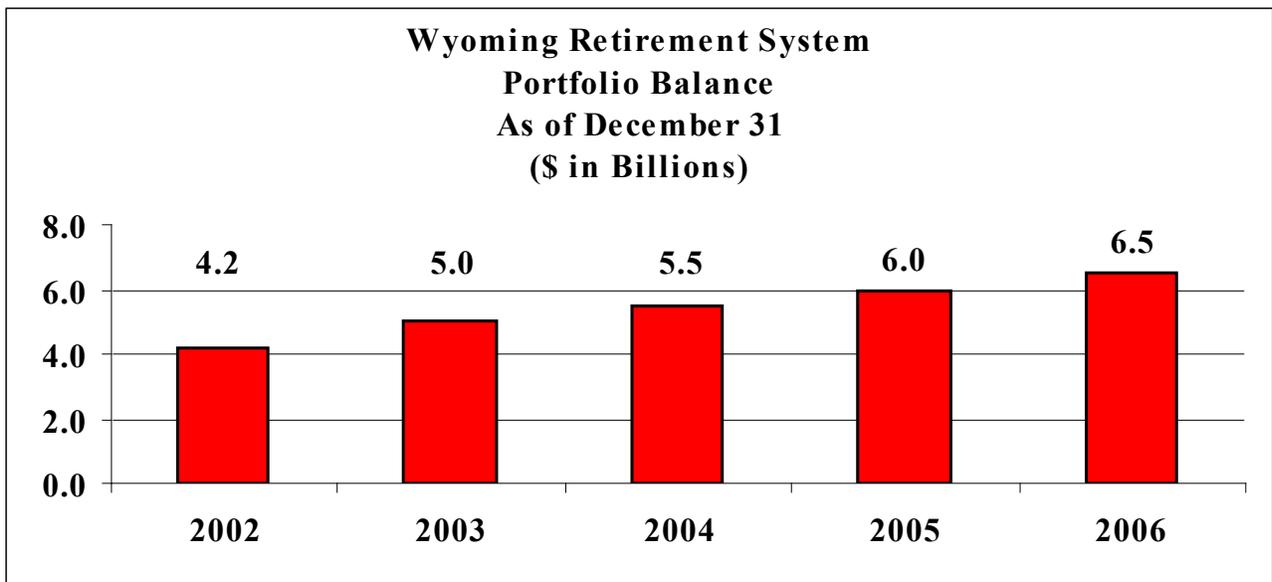
Real Estate Returns

	<u>2006</u>	<u>1 Year</u>	<u>Inception</u>
Total Portfolio	15.94%	15.94%	16.27%
NCREIF Property Index	16.59%	16.59%	17.02%

Total Portfolio Returns

	<u>2006</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>	<u>Inception</u>
Total Portfolio	12.63%	10.78%	8.34%	8.75%	10.51%
Benchmark Composite	13.99%	10.37%	8.49%	9.19%	10.79%

The benchmark composite was comprised of 32% S & P 500, 13% Russell 2500, 16% MSCI EAFE, 28% Lehman Aggregate, 6% Lehman High Yield 5% NCREIF.



LARGEST STOCK HOLDINGS

Shares	Company	Total Market Value
1,061,010	Well Point Inc.	47,442,594
75,320	Google Inc.	34,683,354
388,450	Apple Inc.	32,956,098
742,566	Comcast Corp.	31,432,819
344,980	Boeing Co.	30,648,023
446,705	Proctor & Gamble	28,709,730
690,100	Hewlett Packard Co.	28,425,219
1,164,000	News Corp.	25,002,720
915,240	PFIZER Inc. Com	23,704,716
407,747	Wachovia Corp.	23,221,192

LARGEST BOND HOLDINGS

Bond Description	Total Market Value
FNMA TBA, 5%, due 1/25/2036	\$91,994,043
Federal National Mortgage Assoc., 6%, due 1/25/2036	54,152,928
FNMA Mortpass, 5.5%, due 5/1/2036	42,808,444
TBA FNMA SF, 5.5%, due 1/25/2036	30,483,811
FNMA Mortpass, 5.5%, due 8/1/2035	26,307,196
UST Bonds, 8.75%, 5/15/2017	24,289,729
USA Treas BDS, 3.625%, 4/15/2028	24,145,736
GNMA I, 6%, due 11/15/2033	22,653,688
FNMA Mortpass, 5%, due 2/1/2036	21,974,283
TBA GNMA I SF, 6%, due 1/15/2036	21,897,000

A complete list of portfolio holdings is available upon request to the Wyoming Retirement System.

Schedule of Fees and Commissions
Total Defined Benefit Pension Plans

	Assets Under Management	Fees	Basis Points
Investment manager's fees:			
Real Estate managers	347,311,568	3,754,664	108.1 bp
Fixed income managers	1,943,152,278	3,089,612	15.9 bp
Equity managers	<u>3,936,746,603</u>	<u>6,731,837</u>	17.1 bp
Total investment manager's fees	6,227,210,449	13,576,113	21.9 bp
Other investment service fees:			
Custodian fees		748,032	N/A
Security lending fees		23,748,211	N/A
Investment consultant fees*		220,000	N/A
Total other investment service fees		38,292,356	N/A

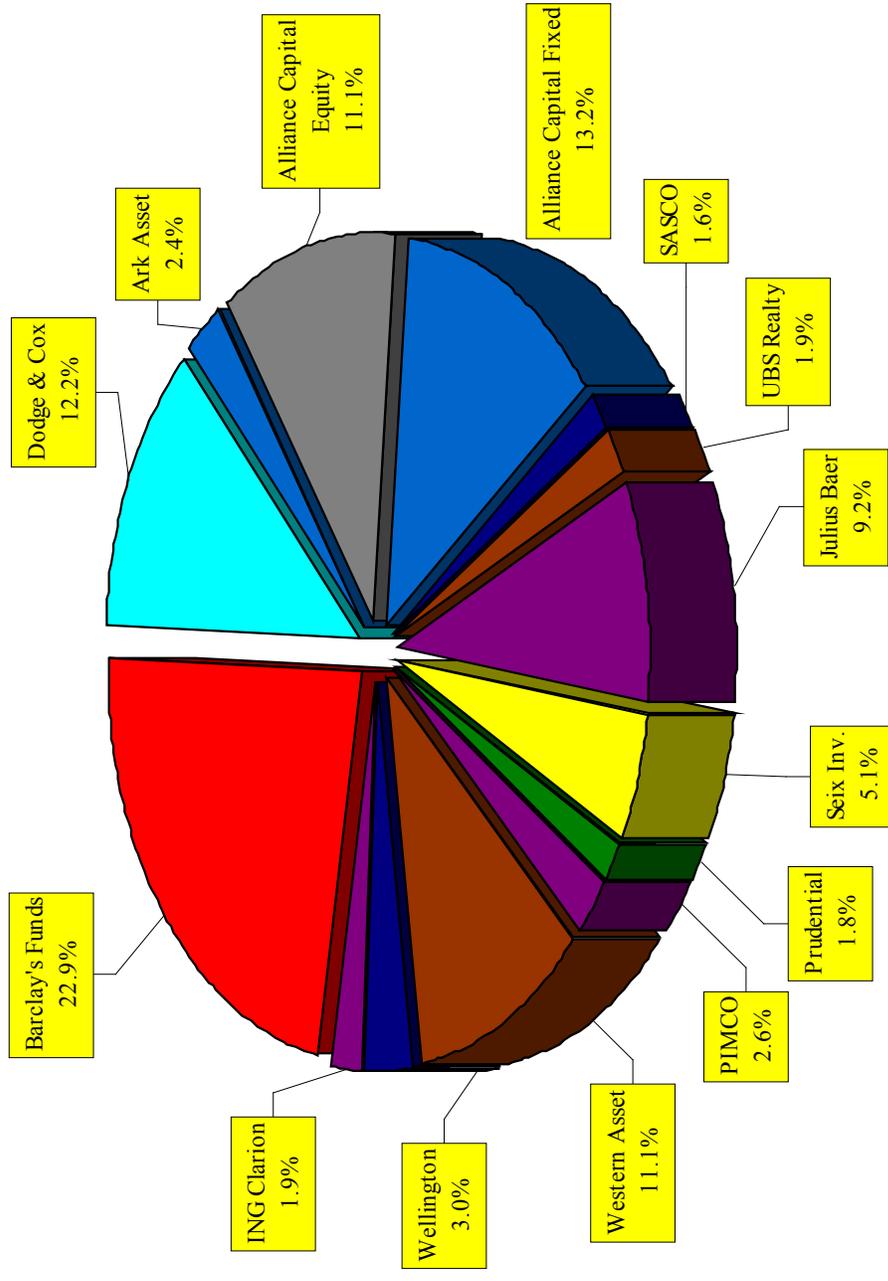
*Investment consultant fees are included in the administrative expense category on the Statement of Changes in Fiduciary Net Assets.

	Number of Shares Traded (000)	Total Commissions (000)	Commissions Per Share (Cents)
Brokerage Firm			
JP Morgan Chase	46,797	2	< .01
Goldman Sachs, New York	5,016	31	.62
Goldman Sachs & Co.	3,965	45	1.13
Merrill Lynch, Pierce	2,039	120	5.89
Lehman Brothers	1,494	63	4.22
Morgan Stanley & Co.	1,252	45	3.59
Credit Suisse First	881	58	6.58
Deutsche Banc Securities	842	29	3.44
Banc of America Securities	772	62	8.03
UBS Warburg	297	46	15.49
All others	<u>405</u>	<u>1,408</u>	<u>347.65</u>
Total	63,760	1,909	2.99

INVESTMENT SUMMARY
YEAR ENDED DECEMBER 31, 2006

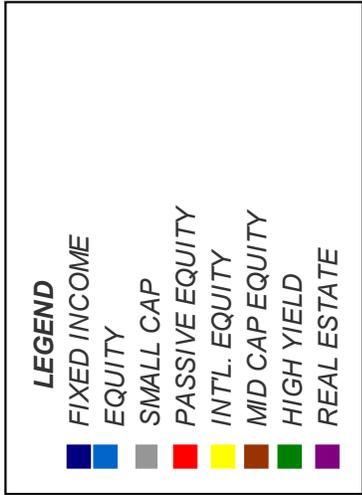
	At Cost	Fair Values	% of Total Fair Value
Fixed Income:			
U S Treasury Securities	281,525,398	290,950,723	4.5%
Mortgage Backed Securities	922,917,419	923,741,383	14.2%
Corporate Bonds	715,438,998	728,460,172	11.2%
Total Fixed Income	1,919,881,815	1,943,152,278	29.9%
Equities:			
Capital Equipment	389,136,033	510,926,311	7.9%
Consumer Goods	318,211,880	367,255,681	5.7%
Energy	118,896,401	159,917,721	2.5%
Finance	216,052,695	286,411,395	4.4%
Materials	64,864,243	80,686,123	1.2%
Miscellaneous	191,591,890	327,957,351	5.0%
Services	401,722,712	344,302,733	5.3%
International Equities	586,720,271	892,988,258	13.7%
Equity Index Fund - S & P	412,574,661	583,648,292	9.0%
Equity Ext. Index Fund	232,207,455	382,652,739	5.9%
Total Equities	2,931,978,241	3,936,746,604	60.6%
Real Estate	296,268,369	347,311,568	5.3%
Cash and Temporary Investments	269,599,274	269,739,706	4.2%
Total Investments	5,417,727,699	6,496,950,156	100.0%

WYOMING RETIREMENT SYSTEM INVESTMENT MANAGERS



TOTAL ASSETS 12/31/05 - \$6,247.4 M

Fixed Income - 26.1% Equity - 73.9%



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*Actuarial
Section*



May 3, 2007

Wyoming Retirement Board
5th Floor West
6101 Yellowstone Road
Cheyenne, WY 82002

**RE: WYOMING RETIREMENT SYSTEM
Actuarial Valuation Certificate**

Ladies and Gentlemen:

The basic financing objective in determining the funding requirements of the Wyoming Retirement System is to establish contribution requirements which, expressed as a percent of covered payroll, will remain approximately level. An exception is for the Wyoming Volunteer Firemen's Pension Fund which does not base benefits on compensation. Contribution requirements for this Fund are expressed as a level dollar amount per year of service. The financing objective includes a level percent of payroll amortization of the Unfunded Actuarial Accrued Liability over a finite number of years.

Progress toward this fundamental objective is measured by actuarial valuations which determine the present financial position and test the adequacy of established contribution rates. The actuarial valuations are performed annually for all plans. The dates of the latest completed actuarial valuations are as follows:

<u>Component Plan</u>	<u>Latest Actuarial Valuation</u>
Wyoming Retirement System – State System	January 1, 2007
Wyoming Law Enforcement Retirement system	January 1, 2007
Wyoming Paid Firemen's Retirement Fund Plan A	January 1, 2007
Wyoming Paid Firemen's Retirement Fund Plan B	January 1, 2007
Wyoming State Highway Patrol, Game and Fish Warden and Criminal Investigator Retirement Fund	January 1, 2007
Wyoming Volunteer Firemen's Pension Fund	January 1, 2007
Wyoming Judicial Retirement System	January 1, 2007

Separate actuarial valuations are performed for each of the plans as the assets of each plan are only available to pay the benefits for that plan. The actuarial assumptions varied by plan and were, in general, adopted by the Board in 2002 based on a review of the Retirement System's experience during the period 1997 to 2001.

Wyoming Retirement System
May 3, 2007

Differences between assumptions and actual experience since the prior valuation are identified as actuarial gains and losses. These gains and losses impact the unfunded actuarial accrued liability and future funding requirements determined in subsequent valuations.

The actuarial valuations were based on membership information provided by the Retirement Office and preliminary financial statements prepared by the independent accountant. We have not verified and would customarily not verify such information; however, we have reviewed the membership information for reasonableness. We prepared the accompanying Actuarial Assumptions and Methods for the various plans. The staff of the Wyoming Retirement System prepared the other supporting schedules in this section and the trend tables in the financial section, based upon information supplied in our reports.

A description of the actuarial assumptions and methods are included in the attached exhibits. Also, recent changes in plan provisions and actuarial assumptions and methods are included in the attached exhibits. It is our opinion that the assumptions and methods used in these valuations meet the parameters established by Governmental Standards Board Statement No. 25.

The results of the latest actuarial valuations for all plans indicate the current contribution levels equal or exceed those required by the financing objectives adopted by the Board.

In our opinion, the actuarial assumptions used in the aggregate are reasonably related to the past and anticipated experience under the plan.

Sincerely,



Michelle Reding DeLange, FSA, EA, MAAA
Director, Consulting Actuary



David H. Slishinsky, ASA, EA, MAAA
Principal and Consulting Actuary

/mlp

Enclosures

WYOMING RETIREMENT SYSTEM – MAIN SYSTEM

EXHIBIT I

ACTUARIAL ASSUMPTIONS AND COST METHOD

Mortality Rates:

Healthy Lives: 1994 Group Annuity Mortality Table (with margins)
 Disabled Lives: 1979 PBGC Disabled Lives Receiving Social Security

Termination Rates before retirement:

Sample Rates:

Age	RATE				
	Death		Disability	Withdrawal	
	Male	Female		Male	Female
25	.07%	.03%	--	31.91%	36.56%
30	.08	.04	.01%	18.38	22.50
35	.09	.05	.01	10.03	13.10
40	.11	.07	.01	7.61	10.72
45	.16	.10	.06	7.29	10.32
50	.26	.14	.16	6.32	8.43
55	.44	.23	.40	4.62	6.20
60	.80	.44	--	--	--

Retirement Rates:

Age	Rate of Retirement (Examples Shown)
50	2%
55	6%
60	15%
62	25%
65	35%
70	100%

Interest Rate: 8.0% per annum, net of investment expenses

Salary Scale: 5.0% per annum

Payroll Growth: 4.0% per annum

Inflation: 3.0% per annum

Increase in Section 415
 Maximum Pension and
 Section 401(a)(17) Limitation
 Compensation: 3.0% per annum

Spouse Assumptions: 85% of members were married at time of death. It is assumed that males are, on average, three years older than their spouse.

Interest on Member
 Contributions: 5.5% per annum

Cost Method: Individual Entry Age Normal Actuarial Cost Method. This method was adopted in 2007 and first effective for the January 1, 2007 valuation.

Liability for Vested Inactive Non-Retired Members:

No data is available for members entitled to deferred benefits. The present value of benefits expected to be paid to vested inactive nonretired members is approximated as (a) 195% of accumulated member contribution balances for benefits valued with a 3% COLA, and (b) 160% of accumulated member contribution balances for benefits valued with no (0%) COLA. This assumption was effective January 1, 2005 valuation.

Actuarial Value of Assets:

Adjusted market value that immediately recognizes interest and dividends. The procedure recognizes 20% of each plan year's total appreciation (depreciation) in excess of the expected return on a market value basis beginning with the year of occurrence. After five years, the appreciation (depreciation) is fully recognized. If the adjusted market value is less than 80% of market value, or more than 120%, an adjustment will be made to bring it within that range. This assumption was effective for the January 1, 2001 valuation.

Administrative Expenses:

Annual administrative expenses are assumed to increase 5% per year. Expenses for the valuation year are projected at this rate based on the prior two years' average adjusted expenses.

Cost-of-Living Adjustments:

It is assumed that the maximum 3.0% COLA will be awarded every year. In addition, results are presented assuming no future COLAs are granted. Whenever the maximum COLA cannot be provided, we include the COLA level that can be provided on an actuarially sound basis.

Benefit Commencement Age:

It is assumed that members who terminate with a vested deferred benefit will commence payment at age 60.

Amortization Method:

The unfunded liability is amortized over an open period of 30 years. This methodology was adopted effective January 1, 2005.

CHANGES IN ACTUARIAL ASSUMPTIONS AND COST METHOD

The cost method changed from Aggregate Entry Age Normal Cost to Individual Entry Age Normal Cost.

CHANGES IN PLAN PROVISIONS

There have been no changes in Plan provisions since last year's valuation.

WYOMING LAW ENFORCEMENT RETIREMENT FUND

EXHIBIT II

ACTUARIAL ASSUMPTIONS AND COST METHOD

Mortality Rates:

Healthy Lives: 1994 Group Annuity Mortality Table (with margins).
 Disabled Lives: 1979 PBGC Disabled Lives Receiving Social Security.

Termination Rates before retirement :

Sample Rates:

Age	Death		Duty Disability	Non-Duty Disability	Withdrawal
	Male	Female			
25	.07%	.03%	.01%	--	15.86%
30	.08	.04	.01	--	9.42
35	.09	.05	.01	--	6.26
40	.11	.07	.01	--	4.90
45	.16	.10	.03	.01%	3.70
50	.26	.14	.06	.02	2.76
55	.44	.23	.16	.04	.00
60	.80	.44	--	--	.00

Retirement Rates:

Sample Rates:

Age	Rate of Normal Retirement	Rate of Early Retirement
50	10%	5%
55	25	5
60	50	-
62	100	-

For participants with 20 years of service, the retirement rate is assumed to be 25% for all ages prior age to 55.

Interest Rate: 8.0% per annum, net of investment expenses.

Salary Scale: 5.0% per annum.

Payroll Growth: 4.0% per annum.

Inflation: 3.0% per annum.

Percent Married:	85% of participants were married at time of death. It is assumed that males are, on average, three years older than their spouse.
Increase in Section 415 Maximum Pension and Section 401(a)(17) Limit on Compensation:	3.0% per annum.
Liability for Vested Inactive Nonretired Participants:	No data is available for members entitled to deferred benefits. The present value of benefits expected to be paid to vested inactive nonretired participants is approximated as (a) 183% of accumulated member contribution balances for benefits valued with a 2% COLA, and (b) 160% of accumulated member contribution balances for benefits valued with no (0%) COLA. This assumption was effective for the January 1, 2005 valuation.
Interest Rate for Member Contributions:	5.5% per annum.
Administrative Expenses:	Annual administrative expenses are assumed to increase 5% per year. Expenses for the valuation year are projected at this rate based on the prior two years' average expenses.
Benefit Commencement Age for DVS:	Age 60, or age on valuation date if greater than 60.
Cost Method:	Individual Entry Age Normal Actuarial Cost Method. This method was adopted in 2007 and first effective for the January 1, 2007 valuation.
Actuarial Value of Assets:	Adjusted market value that immediately recognizes interest and dividends. The procedure recognizes 20% of each plan year's total appreciation (depreciation) in excess of the expected appreciation on a market value basis beginning with the year of occurrence. After five years, the appreciation (depreciation) is fully recognized. If the adjusted market value is less than 80% of market value, or more than 120%, an adjustment will be made to bring it within that range. This method was effective for the January 1, 2001 valuation.
Cost-of-Living Adjustments:	It is assumed that the maximum 2% COLA will be awarded every year. In addition, results are presented assuming no future COLAs are granted. Whenever the maximum COLA cannot be provided, we include the COLA level that can be provided on an actuarially sound basis.
Amortization Method:	The unfunded liability is amortized over an open period of 30 years. This methodology was adopted effective January 1, 2005.

CHANGES IN ACTUARIAL ASSUMPTIONS AND COST METHOD

The cost method changed from Aggregate Entry Age Normal Cost to Individual Entry Age Normal Cost.

CHANGES IN PLAN PROVISIONS

There have been no changes in Plan provisions since last year's valuation.

WYOMING PAID FIREMEN'S RETIREMENT FUND PLAN A EXHIBIT III

ACTUARIAL ASSUMPTIONS AND COST METHOD

Mortality Rates:

Healthy Lives: 1994 Group Annuity Mortality Table (with margins). Male rates for members; female rates for widows.

Disabled Lives: 1979 PBGC Disabled Lives receiving Social Security.

Termination Rates before Retirement:

Plan A members are all eligible to retire, so it is no longer appropriate to have termination assumptions.

Retirement Rates:

Sample Rates:

Age	Plan A
50	15%
55	25%
60	50%
62	100%

Interest Rate: 8.0% per annum, net of investment expenses.

Salary Scale: Maximum salary of a Fireman First Class is assumed to increase 4.5% per annum.

Inflation: 3.0% per annum.

Increase in Section 415
Maximum Pension and
Section 401(a)(17) Limit on
Compensation: 3.0% per annum.

Percent Married: 100% of participants are married at time of death. It is assumed that males are, on the average, three years older than their spouse.

Cost Method: Individual Entry Age Normal Actuarial Cost Method. This method was adopted in 2007 and first effective for the January 1, 2007 valuation.

Actuarial Section

Actuarial Value of Assets: Adjusted market value that immediately recognizes interest and dividends. The procedure recognizes 20% of each plan year's total appreciation (depreciation) in excess of the expected return on a market value basis beginning with the year of occurrence. After five years, the appreciation (depreciation) is fully recognized. If the adjusted market value is less than 80% of market value, or more than 120%, an adjustment will be made to bring it within that range. This method was effective for the January 1, 2001 valuation.

Administrative Expenses: Annual administrative expenses are assumed to increase 5% per year. Expenses for the valuation year are projected at this rate based on the prior two years' average adjusted expenses.

Cost-of-Living Adjustments: It is assumed that a 3% COLA will be awarded every year.

Amortization Method: The unfunded liability is amortized over an open period of 10 years.

CHANGES IN ACTUARIAL ASSUMPTIONS

The cost method changed from Aggregate Entry Age Normal Cost to Individual Entry Age Normal Cost.

CHANGES IN PLAN PROVISIONS

There have been no changes in plan provisions since last year's valuation.

WYOMING PAID FIREMEN'S RETIREMENT FUND PLAN B EXHIBIT IV

ACTUARIAL ASSUMPTIONS AND COST METHOD

Mortality Rates:

Healthy Lives: 1994 Group Annuity Mortality Table (with margins).

Disabled Lives: 1979 PBGC Disabled Lives receiving Social Security.

Termination Rates before Retirement:

Sample Rates:

Age	Death	Disability	Withdrawal
25	.07%	.03%	17.08%
30	.08	.03	4.40
35	.09	.19	2.91
40	.11	.42	2.25
45	.16	.65	1.33
50	.26	.82	.00
55	.44	1.81	.00

Retirement Rates:

Sample Rates

Age	Plan B
50	10%
55	25%
60	50%
62	100%
65	100%
70	100%

Interest Rate: 8.0% per annum, net of investment expenses

Salary Scale: 5.5% per annum.

Payroll Growth: 4.0% per annum.

Inflation: 3.0% per annum.

Increase in Section 415
Maximum Pension and
Section 401(a)(17) Limit on
Compensation: 3.0% per annum.

Percent Married:	100% of participants were married at time of death. It is assumed that males are, on average, three years older than their spouse.
Cost Method:	Individual Entry Age Normal Actuarial Cost Method. This method was adopted in 2007 and first effective for the January 1, 2007 valuation.
Actuarial Value of Assets:	Adjusted market value that immediately recognizes interest and dividends. The procedure recognizes 20% of each plan year's total appreciation (depreciation) in excess of the expected return on a market value basis beginning with the year of occurrence. After five years, the appreciation (depreciation) is fully recognized. If the adjusted market value is less than 80% of market value, or more than 120%, an adjustment will be made to bring it within that range. This assumption was effective for the January 1, 2001 valuation.
Administrative Expenses:	Annual administrative expenses are assumed to increase 5% per year. Expenses for the valuation year are projected at this rate based on the prior two years' average adjusted expenses.
Benefit Commencement Age for DVS:	Age 50, or age on valuation date if greater than 50.
Cost of Living Adjustments:	It is assumed that the maximum 3% COLA will be awarded every year. In addition, results are presented assuming no future COLAs are granted. Whenever the maximum COLA cannot be provided, we include the COLA level that can be provided on an actuarially sound basis.
Amortization Method:	The unfunded liability is amortized over an open period of 30 years. This methodology was adopted effective January 1, 2005.

CHANGES IN ACTUARIAL ASSUMPTIONS

The cost method changed from Aggregate Entry Age Normal Cost to Individual Entry Age Normal Cost.

CHANGES IN PLAN PROVISIONS

There have been no changes in Plan provisions since last year's valuation.

WYOMING STATE HIGHWAY PATROL, GAME & FISH WARDEN AND CRIMINAL
INVESTIGATOR RETIREMENT FUND EXHIBIT V

ACTUARIAL ASSUMPTIONS AND COST METHOD

Mortality Rates:

Healthy Lives: 1994 Group Annuity Mortality Table (with margins).
Disabled Lives: 1979 PBGC Disabled Lives Receiving Social Security.

Termination Rates before retirement:

Age	Death		Disability	Withdrawal
	Male	Female		
25	.07%	.03%	.08%	11.07%
30	.08	.04	.18	6.37
35	.09	.05	.30	4.90
40	.11	.07	.44	3.43
45	.16	.10	.56	2.59
50	.26	.14	.58	1.93
55	.44	.23	.00	.00
60	.80	.44	.00	.00

Retirement Rates:

Sample Rates:

Age	Rate of Retirement
50	10%
55	13%
60	40%
62	100%
65	100%
70	100%

Interest Rate: 8.0% per annum, net of investment expenses.

Salary Scale: 5.5% per annum.

Payroll Growth: 4.0% per annum. This assumption was effective for the January 1, 2005 valuation.

Inflation: 3.0% per annum.

Increase in Section 415 Maximum Pension and Section 401(a)(17) Limit on Compensation: 3.0% per annum.

Percent Married:	85% of participants were married at time of death. It is assumed that males are, on average, three years older than their spouse.
Administrative Expenses:	Annual administrative expenses are assumed to increase 5% per year. Expenses for the valuation year are projected at this rate based on the prior two years' average expenses.
Interest Rate for Member Contributions:	5.5% per annum.
Benefit Commencement Age for DVS:	Age 50, or age on valuation date if greater than 50.
Cost Method:	Individual Entry Age Normal Actuarial Cost Method. This method was adopted in 2007 and first effective for the January 1, 2007 valuation.
Liability for Vested Inactive Non Retired Members:	No benefit data is available for members entitled to deferred benefits. The present value of benefits expected to be paid to vested inactive non retired members is approximated as (a) 186% of accumulated member contributions balances for benefits valued with a maximum COLA of 2.25%, and (b) 160% of accumulated member contribution balances for benefits valued with no (0%) COLA. Interpolation method is used to derive deferred vested liability for COLA that is less than 2.25%. This assumption was effective for the January 1, 2006 valuation.
Actuarial Value of Assets:	Adjusted market value that immediately recognizes interest and dividends. The procedure recognizes 20% of each plan year's total appreciation (depreciation) in excess of the expected appreciation on a market value basis beginning with the year of occurrence. After five years, the appreciation (depreciation) is fully recognized. If the adjusted market value is less than 80% of market value, or more than 120%, an adjustment will be made to bring it within that range. This method was effective for the January 1, 2001 valuation.
Cost-of-Living Adjustments:	It is assumed that the maximum 2.25% COLA will be awarded every year. In addition, results are presented assuming only currently affordable break-even future COLAs are granted. Whenever the maximum COLA cannot be provided, we include results for the COLA level that can be provided on an actuarially sound basis.
Amortization Method:	The unfunded liability is amortized over an open period of 30 years. This methodology was adopted effective January 1, 2005.

CHANGES IN ACTUARIAL ASSUMPTIONS AND COST METHOD

The cost method changed from Aggregate Entry Age Normal Cost to Individual Entry Age Normal Cost.

CHANGES IN PLAN PROVISIONS

There have been no changes to Plan Provisions since the previous valuation.

WYOMING VOLUNTEER FIREMEN'S PENSION FUND

EXHIBIT VI

ACTUARIAL ASSUMPTIONS AND COST METHOD

Mortality Rates:

Healthy Lives: 1994 Group Annuity Mortality Table (with margins).

Termination Rates before retirement (example shown):

Age	Death	Withdrawal	
		Entry Age 45 & Under	Entry Age 46 & Over
20	.03%	18.0%	--
25	.03	14.0	--
30	.04	13.0	--
35	.05	6.0	--
40	.07	5.0	--
45	.10	5.0	--
50	.14	4.0	10.0%
55	.23	1.0	6.0

Retirement Age: Members are assumed to retire on the first date they are eligible.

Entry <u>Age</u>	Retirement <u>Age</u>
<46	60
46-47	61
48-49	62
50-51	63
52-53	64
54-55	65
56-57	66
58-59	67
60-61	68
62-63	69
>63	70

Interest Rate: 8.0% per annum, net of investment expenses.

Percent Married: 85% of participants were married at time of death. It is assumed that males are on average, three years older than their spouse.

Interest Rate
for Member
Contributions 3.0% per annum.

Cost Method: Individual Entry Age Normal Actuarial Cost Method. This method was adopted in 2007 and first effective for the January 1, 2007 valuation.

Actuarial Value of Assets:

Adjusted market value that immediately recognizes interest and dividends. The procedure recognizes 20% of each plan year's total appreciation (depreciation) in excess of the expected return on market value beginning with the year of occurrence. After five years, the appreciation (depreciation) is fully recognized. If the adjusted market value is less than 80% of market, or more than 120%, an adjustment will be made to bring it within that range. This method was effective for the January 1, 2001 valuation.

Administrative Expenses:

Annual administrative expenses are assumed to increase 5% per year. Expenses for the valuation year are projected at this rate based on the prior two years' average adjusted expenses.

Cost-of-Living Expenses:

It is assumed that the maximum 2.0% COLA will be awarded every year. Whenever the maximum COLA cannot be provided, we include the results at the COLA level that can be provided on an actuarially sound basis.

Amortization Method:

The unfunded liability is amortized over an open period of 30 years. This methodology was adopted effective January 1, 2005.

ACTUARIAL ASSUMPTIONS AND COST METHOD

There have been no changes in actuarial assumptions or cost method since the prior valuation.

CHANGES IN PLAN PROVISIONS

As of January 1, 2007, there had been no changes in Plan provisions since last year's valuation. During the 2007 Legislative Session, the maximum COLA has been increased to 3%. This change will first be reflected in the January 1, 2008 actuarial valuation.

WYOMING JUDICIAL RETIREMENT SYSTEM

EXHIBIT VII

ACTUARIAL ASSUMPTIONS AND COST METHOD

Mortality Rates:

Healthy Lives: 1994 Group Annuity Mortality Table (with margins).

Disabled Lives: 1979 PBGC Disabled Lives Receiving Social Security.

Termination Rates before retirement (sample rates):

Age	Death		Disability	Withdrawal
	Male	Female		
35	.09%	.05%	.01%	10.03%
40	.11	.07	.01	7.25
45	.16	.10	.01	5.61
50	.26	.14	.03	4.21
55	.44	.23	.05	3.08
60	.80	.44	.07	.00

Retirement Rates (sample rates):

Age	Normal Rate of Retirement
50	0%
55	0%
60	33%
62	0%
65	50%
70	100%

- Interest Rate: 8.0% per annum, net of investment expenses.
- Salary Scale: 4.5% per annum.
- Payroll Growth: 4.0% per annum. This assumption was effective for the January 1, 2005 valuation.
- Inflation: 3.0% per annum.
- Increase in Section 415 Maximum Pension and Section 401(a)(17) Limit on Compensation: 3.0% per annum.

Actuarial Section

Spouse

Assumptions: 85% of participants were married at time of death. It is assumed that males are, on average, three years older than their spouse.

Administrative

Expenses: Annual administrative expenses are assumed to increase 5% per year. Expenses for the valuation year are projected at this rate based on the prior two years' average expenses.

Interest Rate

for Member

Contributions: 5.5% per annum.

Benefit

Commencement Age for DVS:

Service	Age at Commencement
Less than 15	70
15 – 19	65
Greater than 20	60

Cost Method: Individual Entry Age Normal Actuarial Cost Method. This method was adopted in 2007 and first effective for the January 1, 2007 valuation.

Actuarial Value of Assets:

Adjusted market value that immediately recognizes interest and dividends. The procedure recognizes 20% of each plan year's total appreciation (depreciation) in excess of the expected appreciation beginning with the year of occurrence. After five years, the appreciation (depreciation) is fully recognized. If the adjusted market value is less than 80% of market value, or more than 120%, an adjustment will be made to bring it within that range. This method was effective for the January 1, 2001 valuation.

Cost-of-Living

Adjustments:

It is assumed that the maximum 3.0% COLA will be awarded every year. In addition, results are presented assuming no future COLAs are granted. Whenever the maximum COLA cannot be provided, we include the COLA level that can be provided on an actuarially sound basis.

Amortization

Method:

The unfunded liability is amortized over an open period of 30 years. This methodology was adopted effective January 1, 2007.

CHANGE IN ACTUARIAL ASSUMPTIONS AND COST METHOD

The cost method changed from Aggregate Entry Age Normal Cost to Individual Entry Age Normal Cost. In addition, the State of Wyoming made an additional payment which settled its commitment to fund the unfunded liability as of plan implementation. As a result, an amortization related to the unfunded actuarial liability is now included in the actuarial contribution requirement.

The open amortization period changed from 15 years to 30 years as of the valuation date.

CHANGES IN PLAN PROVISIONS

There have been no changes to Plan Provisions since the previous valuation.

ACTUARIAL SUMMARY

One purpose of the actuarial valuation is to determine the contribution sufficient to meet the long-term obligations to the participants covered by the System in accordance with the benefit provisions of the Wyoming Retirement Act.

If each of the actuarial assumptions is exactly fulfilled, the true actuarial cost of the System will equal the cost projected by the actuarial calculations. However, this result is seldom achieved because of the length of time for which projections are made and because of the great number of variables which can affect the emerging costs. The costs, expressed as a percentage of payroll, will increase if the System experiences net actuarial losses and will decrease if the System experiences net actuarial gains.

ASSETS

As shown in the auditor's report as of December 31, 2006, net assets totaled \$7,211,044,261 at market value. This represents an increase of (28.0%) from 2005. However, assets are taken at a somewhat different value for the actuarial valuation. Effective January 1, 1986, the Board approved a valuation basis that adjusts to market value gradually as follows:

Appreciation and depreciation, whether realized or unrealized, is spread over five years beginning with the year of occurrence. Interest and dividends are recognized immediately. The procedure results in recognition of all changes in market value after five years.

For the Public Employee System, approximately \$306 million of deferred appreciation will be recognized in future years. The actuarial value of investments on this basis is \$5,383,875,910, which is 3.9% higher than last year's value of \$5,179,467,242.

For the Volunteer Firemen's Pension Plan, approximately \$3.3 million of deferred appreciation will be recognized in future years. The actuarial value of investments on this basis is \$60,740,243, which is 5.1% higher than last year's value of \$57,760,994.

For the Wyoming State Highway Patrol, Game & Fish Warden and Criminal Investigator Pension Plan, \$5.7 million of deferred appreciation will be recognized in future years. The actuarial value of investments on this basis is \$99,819,123, which is 4.1% higher than last year's value of \$95,882,811.

For the Paid Firemen's Pension Plan A, \$12.1 million of deferred appreciation will be recognized in future years. The actuarial value of investments on this basis is \$199,841,043, which is 1.0% lower than last year's value of \$201,725,791.

For the Paid Firemen's Pension Plan B, \$3.2 million of deferred appreciation will be recognized in future years. The actuarial value of investments on this basis is \$61,529,385, which is 11.1% higher than last year's value of \$55,357,256.

For the Wyoming Judicial Pension Plan, \$515,070 of deferred appreciation will be recognized in future years. The actuarial value of investments on this basis is \$11,805,832, which is 89.2% higher than last year's value of \$6,240,997.

For the Wyoming Law Enforcement Pension Plan, \$16.8 million of deferred appreciation will be recognized in future years. The actuarial value of investments on this basis is \$336,004,701, which is 19.2% higher than last year's value of \$281,876,668.

The amount of write-up or write-down, which reflects changing market values, is considered part of the investment income for the year. This procedure treats realized and unrealized capital gains or losses equally. In other words, the sale of a security - either at a gain or loss - has no effect on the value of assets for actuarial purposes. If the market value has gone up, the increase is gradually reflected in the value of the fund's assets; it does not have to be sold for the appreciation to be "realized". This "automatic" reflection of market value appreciation or depreciation should eliminate any need for making investment decisions for the explicit purposes of meeting the investment return assumption.

RESULTS OF ACTUARIAL VALUATION

An actuarial cost procedure, known as the individual entry age normal actuarial cost method, for funding all benefits has been utilized. This method is used in situations where a cost is desired which will remain relatively level as a percentage of the participating payroll.

Under the individual entry age normal actuarial method, the total contribution requirement has three components: an annual normal cost, an allowance for administrative expenses, and a payment with respect to the unfunded actuarial accrued liability (UAAL.)

The annual normal cost is calculated as the level percentage of pay required over each employee's period of covered employment to fund the total expected benefits. If the average entry age remains stable, the total normal cost rate should remain a level percentage of payroll.

The normal cost payments are not sufficient to finance the benefit program when there is an unfunded actuarial liability. An unfunded actuarial liability may be created by changes in the benefits, actuarial assumptions, or funding method and by experience which differs from that projected by the actuarial assumptions. When plan assets exceed the actuarial liability, there is a negative unfunded liability indicating that past changes and experience have been favorable.

We have calculated the cost of funding (or amortizing) the unfunded actuarial accrued liability (UAAL) over an open period of 30 years. This methodology was adopted by the Retirement Board effective January 1, 2005. The amortization method uses payments that are assumed to increase at 4.0% per annum, the rate at which the covered payroll is assumed to grow. This amortization is added to the normal cost with administrative expenses to determine the total cost.

FUNDING STATUS

One measure of the progress of funding a retirement plan is by benefit security ratios. The benefit security ratio represents the percentage of plan assets to plan liabilities - the greater the ratio, the better funded the retirement plan is. This ratio can be calculated using different measures of the retirement plan's liabilities.

Funding Basis - Actuarial Accrued Liability

This measure of liabilities is used in calculating pension costs. It uses the Entry Age Normal Actuarial Cost method that spreads costs as a level percentage of payroll over a participant's working career.

For determining plan costs, a smoothed value of assets (called actuarial value) is used. Hence, for this ratio, the actuarial value of assets is used.

Schedule of Active Member Valuation Data

Public Employees Pension Plan

Valuation Date	Reporting Agencies	Number	Annual Payroll*	Annual Average Salary	% Increase In Average Salary	Average Monthly Salary
1/1/2002	315	32,811	964,121	29,384	3%	2,449
1/1/2003	325	31,135	988,135	31,737	8%	2,645
1/1/2004	338	31,494	1,032,259	32,776	3%	2,731
1/1/2005	342	32,134	1,086,736	33,819	3%	2,818
1/1/2006	343	32,919	1,156,400	35,129	4%	2,927
1/1/2007	343	34,189	1,285,096	37,588	7%	3,132

*Annual payroll in Thousands

Wyoming State Highway Patrol, Game & Fish, and Criminal Investigator Pension Plan

Valuation Date	Reporting Agencies	Number	Annual Payroll*	Annual Average Salary	% Increase In Average Salary	Average Monthly Salary
1/1/2002	3	277	12,812	46,251	10%	3,854
1/1/2003	3	275	13,634	49,576	7%	4,131
1/1/2004	3	289	14,244	49,289	-1%	4,107
1/1/2005	3	290	14,648	50,510	3%	4,209
1/1/2006	3	303	15,528	51,247	2%	4,271
1/1/2007	3	312	17,274	55,365	8%	4,614

*Annual payroll in Thousands.

Volunteer Firemen's Pension Plan

Valuation Date	Reporting Agencies	Number	Average Accumulated Contribution	Average Age	Average Years Of Service
1/1/2002	94	2,139	1,825	44	11
1/1/2003	95	2,163	1,900	44	11
1/1/2004	100	2,229	1,922	44	11
1/1/2005	100	2,264	1,972	45	11
1/1/2006	100	2,285	2,047	45	11
1/1/2007	100	2,271	2,114	44	11

Note: The statutes that govern this Pension Plan specifies that contributions are to be a fixed amount per month.

Schedule of Active Member Valuation Data (Continued)

Paid Firemen's Pension Plan A

Valuation Date	Reporting Agencies	Number	Annual Payroll *	Annual Average Salary	% Increase In Average Salary	Average Monthly Salary
1/1/2002	7	57	2,458	43,128	9%	3,594
1/1/2003	7	43	1,928	44,842	4%	3,737
1/1/2004	7	32	1,521	47,524	6%	3,960
1/1/2005	7	29	1,472	50,750	7%	4,229
1/1/2006	6	23	1,271	55,268	9%	4,606
1/1/2007	6	19	1,076	56,654	3%	4,721

* Annual payroll in Thousands.

Paid Firemen's Pension Plan B

Valuation Date	Reporting Agencies	Number	Annual Payroll *	Annual Average Salary	% Increase In Average Salary	Average Monthly Salary
1/1/2002	9	229	8,401	36,687	5%	3,057
1/1/2003	9	242	10,442	43,150	18%	3,596
1/1/2004	9	266	13,155	49,453	15%	4,121
1/1/2005	9	279	14,584	52,273	6%	4,356
1/1/2006	11	283	15,689	55,438	6%	4,620
1/1/2007	11	295	17,359	58,845	6%	4,904

* Annual payroll in Thousands.

Schedule of Active Member Valuation Data (Continued)

Wyoming Judicial Pension Plan

Valuation Date	Reporting Agencies	Number	Annual Payroll *	Annual Average Salary	% Increase in Average Salary	Average Monthly Salary
1/1/2002	12	29	2,350	81,031	-2%	6,753
1/1/2003	12	29	2,363	81,484	1%	6,790
1/1/2004	12	32	3,067	95,829	18%	7,986
1/1/2004	12	32	3,060	95,621	-0%	7,968
1/1/2006	12	35	3,494	99,827	4%	8,319
1/1/2007	12	35	3,591	102,609	3%	8,551

* Annual payroll in Thousands

Wyoming Law Enforcement Pension Plan

Valuation Date	Reporting Agencies	Number	Annual Payroll *	Annual Average Salary	% Increase In Average Salary	Average Monthly Salary
1/1/2003	15	2,146	\$79,218	\$36,914	NA	\$3,076
1/1/2004	76	2,208	84,243	38,153	3%	3,179
1/1/2005	72	2,278	89,352	39,224	3%	3,269
1/1/2006	77	2,400	98,071	40,863	4%	3,405
1/1/2007	77	2,498	108,350	43,375	6%	3,615

* Annual payroll in Thousands.

**The Wyoming Law Enforcement Plan became effective July 1, 2002

Schedule of Retirees and Beneficiaries Added to and Removed From Rolls

Public Employees Pension Plan

Year	Added to Rolls Number	Removed from Rolls Number	Rolls-End of Year Number	Annual * Allowances	% Increase in Annual Allowances	Average Annual Allowances
2001	688	261	14,446	145.8	8.3%	10,093
2002	740	336	14,850	162.5	11.4%	10,940
2003	836	294	15,392	183.2	12.7%	11,902
2005	893	334	15,951	199.7	9.0%	12,520
2006	863	353	16,461	213.2	6.8%	13,212
2007	1,053	504	17,010	228.0	4.7%	13,692

Wyoming State Highway Patrol, Game & Fish Warden and Criminal Investigator Pension Plan

Year	Added to Rolls Number	Removed from Rolls Number	Rolls-End of Year Number	Annual * Allowances	% Increase in Annual Allowances	Average Annual Allowances
2001	9	0	181	2,988,000	3.0%	16,508
2002	7	0	188	3,248,827	8.7%	17,270
2003	11	0	199	3,618,975	11.4%	18,186
2005	17	0	216	4,216,369	16.5%	19,520
2006	15	3	228	4,691,902	10.8%	20,491
2007	16	6	238	5,488,005	17.5%	24,696

Schedule of Retirees and Beneficiaries Added to and Removed From Rolls
(continued)

Volunteer Firemen's Pension Plan

Year	Added to Rolls Number	Removed From Rolls Number	Rolls-End of Year Number	Annual Allowances	% Increase in Annual Allowances	Average Annual Allowances
2001	29	0	489	1,080,399	11.9%	2,209
2002	55	4	540	1,309,870	21.2%	2,426
2003	50	9	581	1,490,165	13.8%	2,565
2005	46	0	627	1,730,846	16.1%	2,761
2006	56	13	670	1,917,814	10.9%	2,862
2007	74	14	730	2,121,659	10.6%	3,204

Paid Firemen's Pension Plans A and B

Plan	Year	Added to Rolls Number	Removed From Rolls Number	Rolls-End of Year Number	Annual Allowances	% Increase in Annual Allowances	Average Annual Allowances
Both	2001	20	7	298	8,104,442	13.1%	27,196
Plan A	2002	13	0	299	9,834,829	24.5%	32,892
Plan B	2002	2	0	14	254,117	27.9%	18,151
Plan A	2003	11	0	310	10,717,703	9.0%	34,573
Plan B	2003	0	0	14	247,865	(2.5%)	17,705
Plan A	2005	3	4	309	11,420,772	6.6%	36,960
Plan B	2005	4	0	18	317,416	28.1%	17,634
Plan A	2006	7	8	308	11,858,914	3.8%	38,378
Plan B	2006	4	1	21	419,341	32.1%	19,969
Plan A	2007	11	13	306	12,151,691	2.5%	40,572
Plan B	2007	5	0	26	512,555	22.2%	20,904

Note: These plans were combined prior to 2002.

Schedule of Retirees and Beneficiaries Added to and Removed From
Rolls (continued)

Wyoming Judicial Pension Plan

<u>Year</u>	<u>Added to Rolls Number</u>	<u>Removed From Rolls Number</u>	<u>End of Year Number</u>	<u>Annual Allowances</u>	<u>% Increase In Annual Allowances</u>	<u>Average Annual Allowances</u>
2001	2	0	4	184,433	96.2%	46,108
2002	0	0	4	208,260	12.9%	52,065
2003	0	0	4	214,508	30.0%	53,627
2005	1	0	5	297,375	38.6%	59,475
2006	0	0	5	283,375	-4.7%	57,468
2007	2	0	7	315,032	11.2%	55,356

Wyoming Law Enforcement Pension Plan

<u>Year</u>	<u>Added to Rolls Number</u>	<u>Removed From Rolls Number</u>	<u>End of Year Number</u>	<u>Annual Allowances</u>	<u>% Increase In Annual Allowances</u>	<u>Average Annual Allowances</u>
2002	NA	NA	244	\$2,058,220	NA	\$ 8,435
2003	47	2	289	4,950,427	140.5%	17,130
2005	65	0	354	7,747,280	56.5%	21,885
2006	59	4	409	10,532,309	36.0%	25,751
2007	67	5	471	11,170,034	47.6%	22,224

Note: The Wyoming Law Enforcement Pension Plan became effective July 1, 2002.

WYOMING RETIREMENT SYSTEM

Solvency Test

Testing the financial solvency of a retirement system can be done in several ways. The funding objective is to meet long term benefit promises through contributions that remain approximately level from year to year as a percent of member payroll. If the contributions to the system are level in concept and soundly executed, and if the system continues its present operations pattern for the indefinite future, the system will pay all promised benefits when due -- the ultimate test of financial soundness.

A short-term solvency test is one means of checking a system's progress under its funding program. In a short-term solvency test, the plan's present assets (cash and investments) are compared with:

1. Active members' contributions on deposit;
2. Liabilities for future benefits to present retired members;
3. Liabilities for service already rendered by active members.

In a system that has been following the discipline of level percent of payroll financing, the liabilities for active member contributions on deposit (liability 1) and the liabilities for future benefits to present retired members (liability 2) will be fully covered by present assets (except in rare circumstances). In addition, the liabilities for service already rendered by active members (liability 3) will be partially covered by the remainder of present assets. Generally, if the system has been using level cost financing, the funded portion of liability 3 will increase over time. Liability 3 being fully funded is very rare.

The tables that follow illustrates the progress of funding liability 3 of Wyoming Retirements System's seven plans, and is indicative of each plans' policy to follow the discipline of level contribution rate funding.

Public Employees Pension Plan

Valuation Date	(1) Active * Member Contributions	(2) Retirees * and Beneficiaries	(3) Active * Members (Employer Financed Portion)	* Valuation Assets	Portion of Accrued Liabilities Covered by Assets		
					(1)	(2)	(3)
01/01/02	738,228	1,943,547	1,760,258	4,582,462	100%	100%	108.0%
01/01/03	755,759	2,074,341	1,888,518	4,352,424	100%	100%	80.6%
01/01/04	795,274	2,266,865	2,015,294	4,657,443	100%	100%	79.2%
01/01/05	840,104	2,592,159	2,103,929	4,704,299	100%	100%	60.5%
01/01/06	888,544	2,354,500	1,848,710	4,843,861	100%	100%	86.6%
01/01/07	941,572	2,488,504	2,038,153	5,160,602	100%	100%	84.9%

* Amounts in Thousands

Solvency Test (continued)

Wyoming State Highway Patrol, Game & Fish Warden and Criminal Investigator Pension Plan

Valuation Date	(1) Active * Member Contributions	(2) Retirees * and Beneficiaries	(3) Active * Members (Employer Financed Portion)	* Valuation Assets	Portion of Accrued Liabilities Covered by Assets		
					(1)	(2)	(3)
01/01/02	18,053	38,189	22,880	79,952	100%	100%	103.6%
01/91/03	18,982	41,647	23,387	78,718	100%	100%	77.3%
01/01/04	19,488	47,300	23,194	84,718	100%	100%	77.3%
01/01/05	19,498	53,707	23,084	86,376	100%	100%	57.1%
01/01/06	19,073	60,558	21,280	89,777	100%	100%	47.7%
01/01/07	19,825	62,684	24,394	95,795	100%	100%	54.5%

* Amounts in Thousands

Volunteer Firemen's Pension Plan

Valuation Date	(1) Active * Member Contributions	(2) Retirees * and Beneficiaries	(3) Active * Members (Employer Financed Portion)	* Valuation Assets	Portion of Accrued Liabilities Covered by Assets		
					(1)	(2)	(3)
01/01/02	3,904	13,982	21,470	47,098	100%	100%	136.1%
01/01/03	4,110	16,604	20,012	46,151	100%	100%	127.1%
01/01/04	4,284	18,418	21,116	50,313	100%	100%	130.8%
01/01/05	4,465	20,323	22,042	51,834	100%	100%	122.7%
01/01/06	4,676	22,831	24,197	54,298	100%	100%	110.7%
01/01/07	4,801	25,883	24,678	58,468	100%	100%	112.6%

* Amounts in Thousands

Solvency Test (continued)

Paid Firemen's Pension Plan A

Valuation Date	(1) Active * Member Contributions	(2) Retirees * and Beneficiaries	(3) Active * Members (Employer Financed Portion)	* Valuation Assets	Portion of Accrued Liabilities Covered by Assets		
					(1)	(2)	(3)
01/01/02	1,991	178,568	37,286	207,381	100%	100%	71.9%
01/01/03	1,470	181,512	29,241	192,929	100%	100%	34.0%
01/01/04	1,095	162,675	17,820	199,882	100%	100%	204.3%
01/01/05	1,471	167,299	16,877	192,097	100%	100%	138.2%
01/01/06	1,271	171,300	14,881	188,318	100%	100%	105.8%
01/01/07	1,076	174,599	12,278	191,123	100%	100%	125.8%

* Amounts in Thousands

Paid Firemen's Pension Plan B

Valuation Date	(1) Active * Member Contributions	(2) Retirees * and Beneficiaries	(3) Active * Members (Employer Financed Portion)	* Valuation Assets	Portion of Accrued Liabilities Covered by Assets		
					(1)	(2)	(3)
01/01/02	3,246	4,242	16,318	36,242	100%	100%	176.2%
01/01/03	3,737	4,969	21,967	37,754	100%	100%	132.2%
01/01/04	4,500	4,214	25,966	42,681	100%	100%	130.8%
01/01/05	5,229	5,625	29,915	46,680	100%	100%	119.8%
01/01/06	5,924	7,117	34,112	51,900	100%	100%	113.9%
01/01/07	6,704	9,264	38,699	59,057	100%	100%	111.3%

* Amounts in Thousands

Solvency Test (continued)

Wyoming Judicial Pension Plan

Valuation Date	(1) Active Member Contributions	(2) Retirees and Beneficiaries	(3) Active Members (Employer Financed Portion)	* Valuation Assets	Portion of Accrued Liabilities Covered by Assets		
					(1)	(2)	(3)
01/01/02	623,768	2,395,200	3,460,332	1,886,000	100%	52.7%	0%
01/01/03	860,001	2,443,900	3,271,199	3,244,300	100%	97.6%	0%
01/01/04	1,209,148	2,412,100	4,750,452	3,637,000	100%	100%	0.3%
01/01/05	1,315,893	3,204,400	4,305,907	5,188,000	100%	100%	15.5%
01/01/06	1,704,433	3,106,000	4,666,267	5,883,300	100%	100%	23.0%
01/01/07	1,948,045	4,270,900	4,724,055	11,355,500	100%	100%	108.7%

Wyoming Law Enforcement Pension Plan

Valuation Date	(1) Active * Member Contributions	(2) Retirees * and Beneficiaries	(3) Active * Members (Employer Financed Portion)	*Valuation Assets	Portion of Accrued Liabilities Covered by Assets		
					(1)	(2)	(3)
01/01/03	\$51,097	\$54,435	\$100,863	186,080	100%	100%	79.9%
01/01/04	56,404	71,027	109,010	204,892	100%	100%	71.1%
01/01/05	61,843	87,958	110,225	230,699	100%	100%	73.4%
01/01/06	66,828	109,836	119,969	264,963	100%	100%	73.6%
01/01/07	72,005	130,672	128,806	322,970	100%	100%	93.4%

* Amounts in Thousands.

**The Wyoming Law Enforcement Plan became effective July 1,2002.

Summary of Unfunded Actuarial Accrued Liabilities

Unfunded actuarial accrued liabilities are the difference between actuarially calculated liabilities for service already rendered and the assets of the retirement fund. It is natural for unfunded liabilities to exist for the System's seven retirement plans.

The law governing the Wyoming Retirement System's plans requires that these liabilities be financed systematically over future years.

Benefits to retirees are "fully funded," that is, assets reserved for benefits currently being paid equal liabilities for those benefits. Liabilities for members are based on service rendered toward their retirement benefits which will be payable in the future. Unfunded actuarial accrued liabilities exist because liabilities for such service by members exceed assets currently on hand for such future benefits.

In an inflationary economy, the value of dollars is decreasing. Looking at just the dollar amounts of unfunded accrued liabilities can be misleading. Unfunded accrued liabilities dollars divided by active employee payroll dollars provide a meaningful index which helps understanding. The smaller the ratio of unfunded liabilities to active member payroll, the stronger the system.

Observation of this relative index over a period of years will give an indication of whether the system is becoming financially stronger or weaker.

Unfunded Actuarial Accrued Liabilities (UAAL)

Public Employees Pension Plan

Valuation Date	Valuation * Assets	Aggregate * Accrued Liabilities	Assets as a % of Accrued Liabilities	Unfunded * Accrued Liabilities (UAL)	Annual * Active Member Payroll	UAL as a % of Annual Active Member Payroll
01/01/02	4,582,462	4,442,033	103.2%	(140,429)	964,121	(14.6%)
01/01/03	4,352,424	4,718,618	92.2%	366,194	988,135	37.1%
01/01/04	4,657,898	5,077,443	91.7%	419,545	1,032,259	40.6%
01/01/05	4,704,299	5,536,192	85.0%	831,893	1,086,736	76.5%
01/01/06	4,843,862	5,091,763	95.1%	247,902	1,156,400	21.4%
01/01/07	5,160,602	5,468,229	94.4%	307,627	1,285,096	23.9%

* Amounts in Thousands

Unfunded Actuarial Accrued Liabilities (UAAL) (continued)

Wyoming State Highway Patrol, Game & Fish Warden and Criminal Investigator Pension Plan

Valuation Date	Valuation * Assets	Aggregate * Accrued Liabilities	Assets as a % of Accrued Liabilities	Unfunded * Accrued Liabilities (UAL)	Annual * Active Member Payroll	UAL as a % of Annual Active Member Payroll
01/01/02	79,952	79,122	101.0%	(830)	12,812	(6.5%)
01/01/03	78,718	84,016	93.7%	5,298	13,634	38.9%
01/01/04	84,718	89,982	94.2%	5,264	14,244	37.0%
01/01/05	86,376	96,289	89.7%	9,913	14,648	67.7%
01/01/06	89,777	100,911	89.0%	11,134	15,528	71.7%
01/01/07	95,795	106,903	89.6%	11,108	17,274	64.3%

* Amounts in Thousands

Volunteer Firemen's Pension Plan

Valuation Date	Valuation * Assets	Aggregate * Accrued Liabilities	Assets as a % of Accrued Liabilities	Unfunded * Accrued Liabilities (UAL)	Annual * Active Member Payroll	UAL as a % of Annual Active Member Payroll
01/01/02	47,098	39,356	119.7%	(7,742)	**	NA
01/01/03	46,151	40,726	113.3%	(5,425)	**	NA
01/01/04	50,313	43,818	114.8%	(6,495)	**	NA
01/01/05	51,834	46,830	110.7%	(5,004)	**	NA
01/01/06	54,298	51,704	105.0%	(2,595)	**	NA
01/01/07	58,468	55,362	105.6%	(3,106)	**	NA

* Amounts in Thousands

** Contributions are a fixed monthly amount of \$12.50.

Unfunded Actuarial Accrued Liabilities (UAAL) (continued)

Paid Firemen's Pension Plan A

Valuation Date	Valuation * Assets	Aggregate * Accrued Liabilities	Assets as a % of Accrued Liabilities	Unfunded * Accrued Liabilities (UAL)	Annual * Active Member Payroll	UAL as a % of Annual Active Member Payroll
01/01/02	207,381	217,845	95.2%	10,464	2,458	426.0%
01/01/03	192,929	212,223	90.9%	19,294	1,928	1,000.6%
01/01/04	199,882	181,290	110.3%	(18,592)	1,521	(1,222.5%)
01/01/05	192,097	185,647	103.5%	(6,450)	1,471	(438.5%)
01/01/06	188,318	187,452	100.5%	(866)	1,271	(68.1%)
01/01/07	191,124	187,953	101.7%	(3,170)	1,076	(294.6%)

* Amounts in Thousands

Paid Firemen's Pension Plan B

Valuation Date	Valuation * Assets	Aggregate * Accrued Liabilities	Assets as a % of Accrued Liabilities	Unfunded * Accrued Liabilities (UAL)	Annual * Active Member Payroll	UAL as a % of Annual Active Member Payroll
01/01/02	36,242	23,806	152.2%	(12,436)	8,401	(148.0%)
01/01/03	37,754	30,673	123.1%	(7,081)	10,442	(67.8%)
01/01/04	42,681	34,680	123.1%	(8,001)	13,155	(60.8%)
01/01/05	46,680	40,769	114.5%	(5,911)	14,584	(40.5%)
01/01/06	51,900	47,153	110.1%	(4,747)	15,689	(30.3%)
01/01/07	59,057	54,667	108.3%	(4,391)	17,359	(25.3%)

* Amounts in Thousands

Unfunded Actuarial Accrued Liabilities (UAAL)(continued)

Wyoming Judicial Pension Plan

Valuation Date	Valuation Assets	Aggregate Accrued Liabilities	Assets as a % of Accrued Liabilities	Unfunded Accrued Liabilities (UAL)	Annual Active Member Payroll	UAL as a % of Annual Active Member Payroll
01/01/02	1,886,000	6,479,300	29.1%	4,593,300	2,349,900	195.5%
01/01/03	3,244,300	6,575,100	49.3%	3,330,800	2,363,000	141.0%
01/01/04	3,637,000	8,371,700	43.4%	4,734,700	3,066,500	154.4%
01/01/05	5,188,000	8,826,200	58.8%	3,638,200	3,059,900	118.9%
01/01/06	5,883,300	9,476,700	62.1%	3,593,400	3,493,900	102.8%
01/01/07	11,355,500	10,943,000	103.8%	(412,500)	3,591,300	(11.5)%

Wyoming Law Enforcement Pension Plan

Valuation Date	Valuation * Assets	Aggregate * Accrued Liabilities	Assets as a % of Accrued Liabilities	Unfunded * Accrued Liabilities (UAL)	Annual * Active Member Payroll	UAL as a % of Annual Active Member Payroll
01/01/03	\$186,080	\$206,395	90.2%	\$20,315	\$79,217	25.7%
01/01/04	204,892	236,441	86.7%	31,519	84,243	37.4%
01/01/05	230,699	260,026	88.7%	29,327	89,352	32.8%
01/01/06	264,963	296,633	89.3%	31,671	98,071	32.3%
01/01/07	322,970	331,483	97.4%	8,514	108,350	7.9%

* Amounts in Thousands.

**The Wyoming Law Enforcement Plan became effective July 1, 2002.

State of Wyoming Retirement System

Analysis of Financial Experience

Gains & Losses in Accrued Liabilities during the Year Ended 12/31/2006
Resulting from Differences between Assumed Experience & Actual Experience

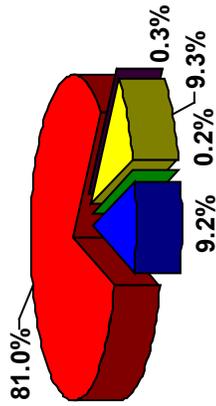
Type of Activity	Gain (Loss) For Year 2006
<u>Age & Service Retirements.</u> If members retire at older ages or with lower final average pay than assumed, there is a gain. If younger ages or higher average pays, a loss.	\$ (60,692,629)
<u>Disability Retirements.</u> If disability claims are less than assumed, there is a gain. If more claims, a loss.	(889,040)
<u>Death-In-Service Benefits.</u> If survivor claims are less than assumed, there is a gain. If more claims, there is a loss.	6,571,917
<u>Withdrawal From Employment.</u> If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss.	(10,499,676)
<u>New Entrants.</u> New employees entering the plan will create a loss.	(18,256,853)
<u>Pay Increases.</u> If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.	(70,163,500)
<u>Contribution Income.</u> If more contributions are received than expected, there is a gain. If less, a loss.	(51,446,949)
<u>Investment Income.</u> If there is greater investment income than assumed, there is a gain. If less income, a loss.	77,544,076
<u>Death After Retirement.</u> If retirees live longer than assumed, there is a loss. If not as long, a gain.	3,148,354
<u>Other.</u> Miscellaneous gains and losses resulting from data adjustments, timing of financial transactions, valuation methods, break-even COLA being granted, etc..	46,357,152
Gain (Loss) During Year From Financial Experience	(78,327,148)
Non-Recurring Items. Adjustments for plan amendments, etc.	0
Composite Gain (Loss) During Year	\$ (78,327,148)

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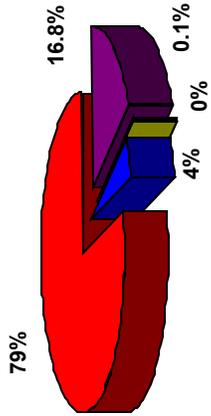


*Statistical
Section*

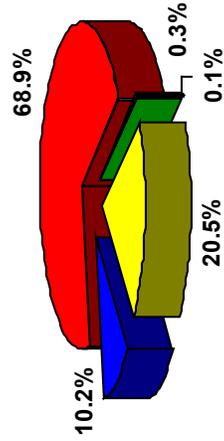
2006 Additions by Source



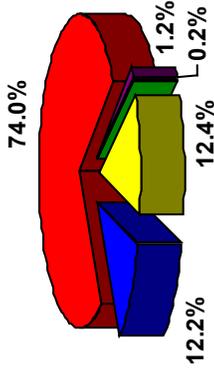
Public Employees Pension Plan



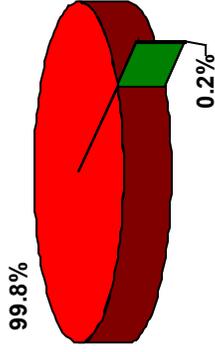
Volunteer Firemen's Pension Plan



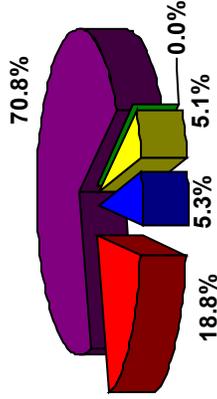
Paid Firemen's Pension Plan B



Warden & Patrol Pension Plan



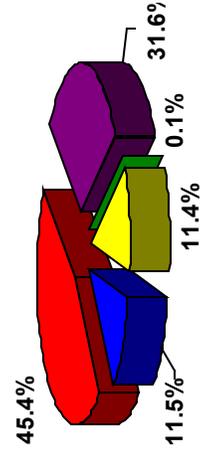
Paid Firemen's Pension Plan A



Wyoming Judicial Pension Plan

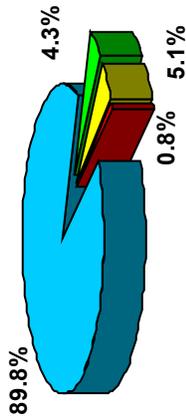
Legend

- Investment Activities
- Other Income
- Employer Contributions
- Securities Lending Inc.
- Employee Contributions

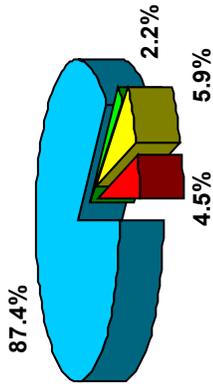


Wyoming Law Enforcement Pension Plan

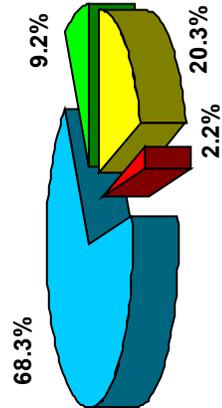
2006 Deductions by Type



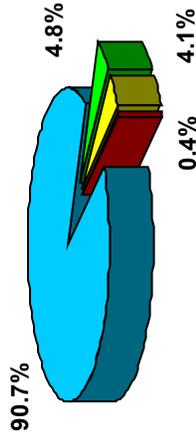
Public Employees Pension Plan



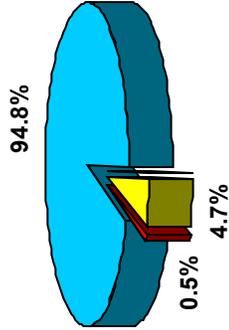
Volunteer Firemen's Pension Plan



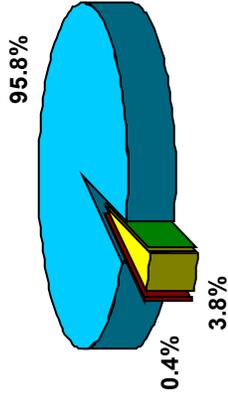
Paid Firemen's Pension Plan B



Warden & Patrol Pension Plan



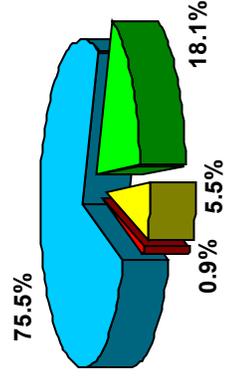
Wyoming Judicial Pension Plan



Paid Firemen's Pension Plan A

Legend

- Benefit Payments
- Refund Payments
- Investment Advisor Fees
- Administrative Expenses



Wyoming Law Enforcement Pension Plan

Public Employees Pension Plan

Changes in Net Assets

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Additions by Source										
Employer* Contributions	70,144	64,495	60,264	55,057	57,140	56,465	50,489	48,577	46,143	44,919
Employee* Contributions	69,020	63,381	61,413	60,848	58,234	53,792	51,868	50,106	47,366	46,153
Investment* Income (Loss)	599,102	366,704	475,299	743,986	(391,610)	(203,932)	(54,233)	543,857	635,341	584,364
Other* Funding Revenue	2,520	696	309	307	238	52	50	104	40	39
Total*	740,786	495,276	597,285	860,198	(275,998)	(93,623)	48,174	642,644	728,890	675,475
Deductions by Type										
Benefits*	222,184	207,613	192,633	176,366	162,459	145,808	131,734	121,068	112,829	105,318
Refunds*	10,760	9,695	9,139	9,461	8,702	10,381	12,887	11,360	11,030	11,808
Other Expenses*					85,380					
Administrative Expenses*	1,949	1,930	1,644	1,436	1,282	1,388	1,097	1,183	1,075	1,148
Total*	234,893	219,238	203,416	187,263	257,823	157,577	145,718	133,611	124,934	118,274
Change in Plan Net Assets	505,893	276,038	393,869	672,935	(533,821)	(251,200)	(97,544)	509,033	603,956	557,201

* Amounts in Thousands

Expenses By Type

	2006	2005	2004
Retirees			
Members	15,150	14,680	14,260
Benefits Paid	\$ 199,480,019	\$ 188,270,409	\$ 174,872,556
Beneficiary			
Members	1,585	1,524	1,461
Benefits Paid	\$ 16,939,639	\$ 15,916,621	\$ 14,651,486
Disability			
Members	275	257	230
Benefits Paid	\$ 3,680,695	\$ 3,426,156	\$ 3,108,809
Refunds			
Death Benefits \$	2,083,827	-	-

Total Expenses Paid \$ 222,184,180 \$ 207,613,186 \$ 192,632,851

* Information not available prior to 2004. Refund Death Benefits not available prior to 2006.

ACTIVE MEMBERSHIP

Year Ending December 31, 2006

	2006	2005	2004	2003	2002	2001
State	8,413	7,758	7,577	7,567	7,404	9,466
University	1,088	1,114	1,041	1,060	1,125	1,052
Community Colleges	1,136	1,123	1,025	1,027	1,090	1,008
Schools	16,326	16,058	14,615	14,309	15,602	14,765
Counties	2,049	1,980	2,753	2,657	1,834	2,410
Libraries	437	406	389	376	393	324
Cities & Towns	2,443	2,185	2,715	2,552	1,883	2,071
Weed & Pest	79	73	61	55	61	52
Irrigation Districts	53	50	43	37	44	32
Others	2,165	2,172	1,915	1,854	1,699	1,631
Totals	34,189	32,919	32,134	31,494	31,135	32,811
	25%	24%	24%	24%	24%	29%
	3%	3%	3%	3%	4%	3%
	3%	3%	3%	3%	4%	3%
	48%	49%	46%	45%	50%	45%
	6%	6%	9%	8%	6%	7%
	1%	1%	1%	1%	1%	1%
	7%	7%	8%	8%	6%	6%
	0%	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%	0%
	6%	7%	6%	6%	6%	5%
	100%	100%	100%	100%	100%	100%

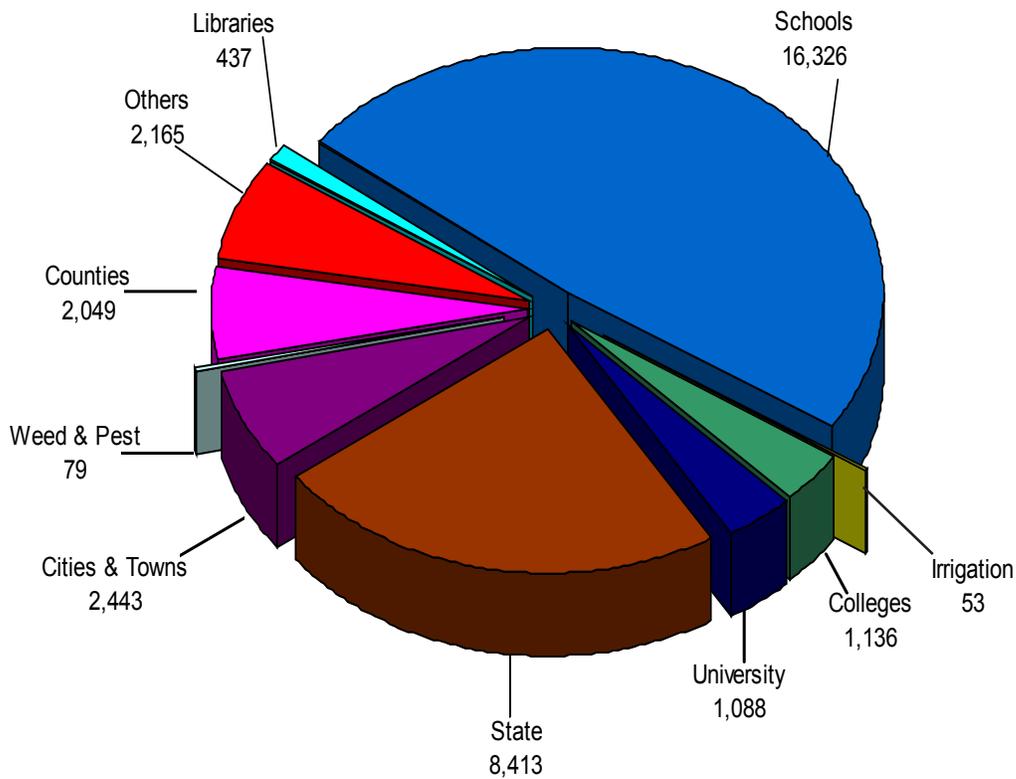
Public Employees Pension Plan(continued)

ACTIVE MEMBERSHIP

Year Ending December 31, 2006

	2000		1999		1998		1997		1996	
State	7,682	24%	7,728	24%	7,492	24%	7,484	24%	7,468	35%
University	1,129	4%	1,252	4%	1,317	4%	1,418	5%	1,480	5%
Community Colleges	1,013	3%	938	3%	1,178	4%	1,204	4%	1,250	4%
Schools	15,309	49%	16,188	50%	15,460	49%	15,403	49%	15,369	49%
Counties	2,360	8%	2,496	8%	2,387	8%	2,368	8%	2,414	8%
Libraries	371	1%	366	1%	347	1%	326	1%	308	1%
Cities & Towns	2,068	7%	2,095	6%	2,011	6%	1,958	6%	1,923	6%
Weed & Pest	52	0%	51	0%	53	0%	47	0%	47	0%
Irrigation Districts	35	0%	36	0%	36	0%	35	0%	33	0%
Others	1,473	5%	1,424	4%	1,385	4%	1,379	5%	1,322	4%
Totals	31,492	100%	32,574	100%	31,666	100%	31,622	100%	31,614	100%

WYOMING RETIREMENT SYSTEM
Active Members by Group
As of December 31, 2006
Public Employees Pension Plan



Total Membership - 34,189

CENSUS OF EMPLOYEES IN ACTIVE SERVICE ON DECEMBER 31, 2006

Public Employees Pension Plan
Males and Females Combined

Age Last Birthday	Years of Service										Total
	0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	Over 34			
15 - 19	81	-	-	-	-	-	-	-	-	-	81
20 - 24	978	9	-	-	-	-	-	-	-	-	987
25 - 29	2,148	281	2	-	-	-	-	-	-	-	2,431
30 - 34	1,843	876	136	3	-	-	-	-	-	-	2,858
35 - 39	1,709	1,007	611	145	5	-	-	-	-	-	3,477
40 - 44	1,665	1,054	658	539	211	32	-	-	-	-	4,159
45 - 49	1,634	1,215	880	715	727	391	13	-	-	-	5,575
50 - 54	1,443	1,045	884	864	820	972	257	-	-	-	6,285
55 - 59	1,042	719	656	761	794	799	396	85	-	-	5,252
60 - 64	474	359	265	336	367	290	164	87	-	-	2,342
Over 64	234	156	91	79	66	62	36	18	-	-	742
Total	13,251	6,721	4,183	3,442	2,990	2,546	866	190	-	-	34,189

Average Age = 46.4

Average Service = 10.4

Schedule of Average Monthly Benefit Payments
Public Employees Pension Plan

Years of Service	0 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	Over 34
1997								
Number	1,186	2,630	2,552	2,150	1,608	1,233	860	249
Average Amount	\$139	\$272	\$57	\$679	\$939	\$1,338	\$1,859	\$1,805
1998								
Number	750	2,645	2,745	2,355	1,821	1,395	1,081	357
Average Amount	\$124	\$239	\$426	\$646	\$914	\$1,266	\$1,837	\$2,046
1999								
Number	772	2,664	2,816	2,441	1,900	1,485	1,134	366
Average Amount	\$121	\$245	\$441	\$674	\$948	\$1,343	\$1,892	\$2,125
2000								
Number	876	2,657	2,858	2,542	1,950	1,562	1,207	367
Average Amount	\$187	\$252	\$454	\$699	\$982	\$1,407	\$1,965	\$2,260
2001								
Number	799	2,715	2,921	2,620	2,045	1,667	1,299	380
Average Amount	\$141	\$287	\$509	\$778	\$1,091	\$1,556	\$2,148	\$2,502
2002								
Number	815	2,774	2,964	2,667	2,137	1,751	1,355	387
Average Amount	\$154	\$297	\$524	\$806	\$1,131	\$1,628	\$2,239	\$2,610
2003								
Number	843	2,854	3,009	2,740	2,207	1,878	1,455	406
Average Amount	\$169	\$307	\$544	\$835	\$1,183	\$1,703	\$2,336	\$2,743
2004								
Number	862	2,885	3,049	2,813	2,311	2,018	1,576	437
Average Amount	\$176	\$317	\$558	\$861	\$1,222	\$1,763	\$2,421	\$2,879
2005								
Number	905	2,951	3,086	2,887	2,383	2,129	1,667	453
Average Amount	\$184	\$324	\$573	\$878	\$1,256	\$1,818	\$2,479	\$2,976
2006								
Number	929	3,012	3,142	2,953	2,468	2,263	1,769	474
Average Amount	\$188	\$331	\$584	\$898	\$1,280	\$1,872	\$2,539	\$3,075

For the Wyoming State Highway Patrol, Game & Fish Warden and Criminal Investigator Pension Plan;

Volunteer Firemen's Pension Plan; Paid Firemen's Pension Plan A & B; Wyoming Judicial Pension Plan and the Wyoming Law Enforcement Pension Plan, the average benefit payments are not maintained.

Public Employees Pension Plan
Retirees as of December 31, 2006

Pensioners:	Number			Average Monthly Amount		
	Male	Female	Total	Male	Female	Total
Option 1	1,624	4,577	6,201	\$2,021,331	\$4,172,217	\$6,193,548
Option 2	3,047	1,545	4,592	4,406,476	1,408,393	5,814,869
Option 3	502	306	808	934,952	356,409	1,291,361
Option 4	291	441	732	342,895	366,399	709,294
Option 5	316	1,047	1,363	380,987	874,145	1,255,132
Option 2P	627	614	1,241	872,935	691,455	1,564,390
Option 3P	169	218	387	331,987	321,626	653,613
Total	6,576	8,748	15,324	\$9,291,563	\$8,190,644	\$17,482,207
Beneficiaries	275	1,411	1,686	209,983	1,311,719	1,521,702
Total Retirees	6,851	10,159	17,010	\$9,501,546	\$9,502,363	\$19,003,909

Option 1 – Provides a lifetime benefit as calculated in the formula. Upon the retiree’s death, the beneficiary would receive a lump-sum payment of any remaining contributions and interest in the account.

Option 2 – Full joint and survivor benefit. Based on both the life expectancy of the retiree and beneficiary. When the retiree dies, the beneficiary receives the same benefit payment for the remainder of their life.

Option 2P – Full joint and survivor benefit with pop-up provision. Based on both the life expectancy of the retiree and beneficiary. When the retiree dies, the beneficiary receives the same benefit payment for the remainder of their life. If the beneficiary dies first, the benefit pops-up to Option 1.

Option 3 – ½ joint and survivor benefit. Based on both the life expectancy of the retiree and beneficiary. When the retiree dies, the beneficiary receives one half the monthly benefit payment for the remainder of their life.

(Options continued on page 109.)

Pensions Awarded During 2006

Public Employees Pension Plan

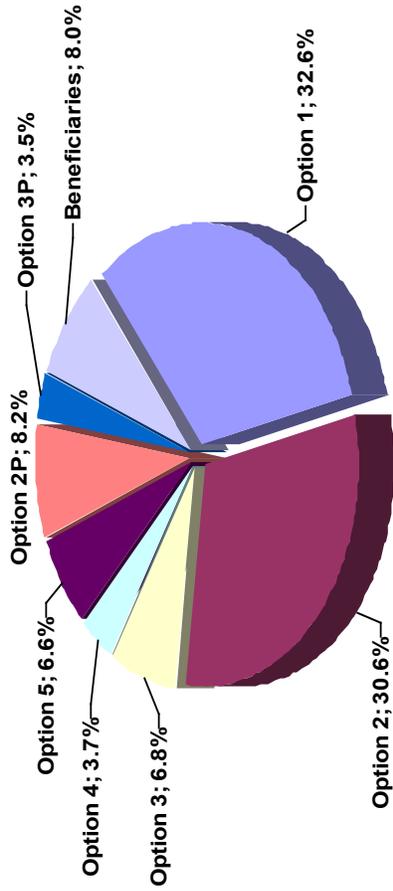
	Total	Option 1	Option 2	Option 3	Option 4	Option 5	Option 2P	Option 3P
Under \$200	56	23	15	1	3	9	4	1
\$200 - \$399	90	26	31	4	2	14	10	3
\$400 - \$599	95	29	30	4	10	6	14	2
\$600 - \$799	88	20	30	4	5	8	19	2
\$800 - \$999	58	21	20	1	1	5	8	2
\$1,000 - \$1,499	130	42	39	7	4	11	24	3
\$1,500 - \$1,999	83	25	27	3	2	8	13	5
\$2,000 - \$2,499	89	24	27	3	6	5	7	7
\$2,500 & Over	188	48	59	16	10	11	27	17
Total	877	258	278	43	43	77	136	42

Option 3P ½ joint and survivor benefit. Based on both the life expectancy of the retiree and beneficiary. When the retiree dies, the beneficiary receives one half the monthly benefit payment for the remainder of their life. . . If the beneficiary dies first, the benefit pops-up to Option 1.

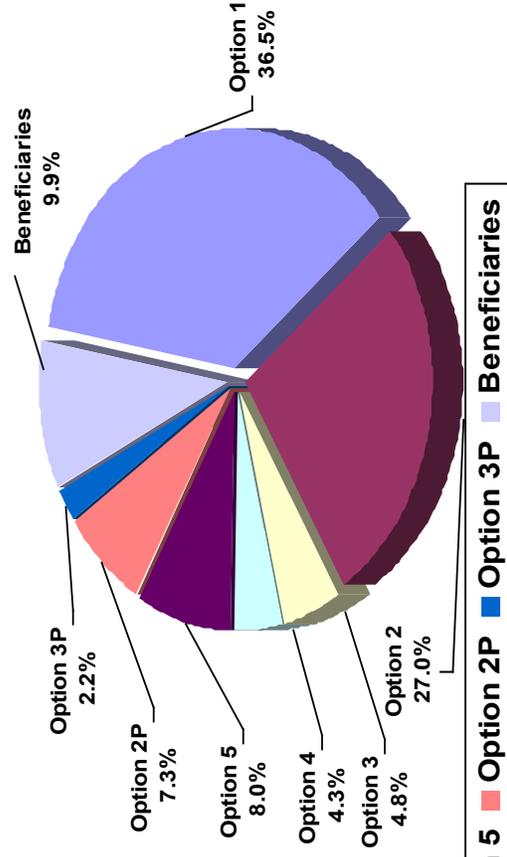
Option 4 Ten Year Certain Benefit. Based on the age of the retiree. If the retiree dies before receiving the benefit for 10 years, the beneficiary would receive the allowance for the balance of the 10-year period.

Option 5 Lifetime benefit with no beneficiary. Payable during the retiree's lifetime with no provision for any beneficiary payment after the retiree's death.

Wyoming Retirement System Public Employees Pension Plan



Total Retirees by Option at
12/31/2006



Average Monthly Benefit Paid By
Option at 12/31/2006



Wyoming State Highway Patrol, Game & Fish Warden, and Criminal Investigator Pension Plan

Changes in Net Assets

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Additions by Source										
Employer* Contributions	1,866	1,720	1,641	1,593	1,541	1,413	1,216	1,159	1,067	1,112
Employee* Contributions	1,815	1,674	1,596	1,620	1,514	1,374	1,183	1,078	1,038	1,081
Investment* Income (Loss)	11,126	6,797	8,732	13,509	(6,871)	(3,526)	(947)	9,566	10,875	9,909
Other* Funding Revenue	187	171	156	153	160	160	173	160	167	170
Total*	14,994	10,362	12,125	16,875	(3,657)	(579)	1,625	11,963	13,147	12,272
Deductions by Type										
Benefits*	5,212	4,633	4,049	3,619	3,249	2,988	2,770	2,633	2,482	2,282
Refunds*	276	39	167	406	87	147	114	345	131	256
Administrative Expenses*	25	27	17	13	17	14	9	21	26	26
Total*	5,513	4,699	4,233	4,038	3,353	3,149	2,893	2,999	2,639	2,564
Change in Plan Net Assets	9,481	5,663	7,892	12,837	(7,010)	(3,728)	(1,268)	8,964	10,508	9,708

* Amounts in Thousands

* Percentage of Annual Covered Payroll was 11.33% each year.

Expenses By Type

	2006	2005	2004
Retirees			
Members	170	160	151
Benefits Paid	\$ 4,168,190	\$ 3,718,918	\$ 3,278,865
Beneficiary			
Members	48	50	49
Benefits Paid	\$ 646,382	\$ 593,739	\$ 536,364
Disability			
Members	20	18	16
Benefits Paid	\$ 397,030	\$ 320,282	\$ 233,686
Refunds			
Death Benefits	\$ -	\$ -	-
Total Expenses Paid	\$ 5,211,602	\$ 4,632,939	\$ 4,048,915

*Information not available prior to 2004. Refund Death Benefits not available prior to 2006.

Pensions in Force on December 31, 2006

By Monthly Amount		By Nearest Age	
Under \$ 499	4	Under 50	9
\$ 500 - \$ 699	8	50 - 54	26
\$ 700 - \$ 899	12	55 - 59	52
\$ 900 - \$ 1,099	27	60 - 64	35
\$ 1,100 - \$ 1,199	16	65 - 69	42
\$ 1,200 - \$ 1,299	9	70 - 74	22
\$ 1,300 - \$ 1,399	11	75 & Over	52
\$ 1,400 - \$ 1,499	7		
\$ 1,500 - \$ 1,999	47		
\$ 2,000 & Over	97		
Total	238	Total	238

Pensions in Force – December 31, 2006

Total	Normal	Disability	Beneficiary
238	170	20	48

Volunteer Firemen's Pension Plan

Changes in Net Assets

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Additions by Source										
Employer* Contributions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Employee* Contributions	349	339	348	346	353	336	325	334	336	306
Investment* Income (Loss)	6,702	4,055	8,732	7,883	(3,975)	(2,036)	(521)	5,131	6,130	5,523
Other* Funding Revenue	1,418	1,484	1,472	1,600	887	995	943	1,164	413	1,077
Total*	8,469	5,878	10,552	9,829	(2,735)	(705)	747	6,629	6,879	6,906
Deductions by Type										
Benefits*	2,069	1,863	1,664	1,490	1,310	1,081	921	850	766	640
Refunds*	53	55	67	67	68	52	59	71	130	54
Administrative Expenses*	107	200	114	94	98	88	53	40	25	25
Total*	2,229	2,118	1,845	1,651	1,476	1,221	1,033	961	921	719
Change in Plan Net Assets	6,240	3,760	8,707	8,178	(4,211)	(1,926)	(286)	5,668	5,958	6,187

* Amounts in Thousands

Expenses By Type

	2006	2005	2004
Retirees			
Members	709	652	611
Benefits Paid	\$ 1,778,516	\$ 1,607,296	\$ 1,435,193
Beneficiary			
Members	21	18	16
Benefits Paid	\$ 285,263	\$ 255,295	\$ 229,033
Disability			
Members	-	-	-
Benefits Paid	\$ -	\$ -	\$ -
Refunds			
Death Benefits	\$ 5,000	\$ -	\$ -
Total Expenses Paid	\$ 2,068,779	\$ 1,862,591	\$ 1,664,226

*Information not available prior to 2004. Refund Death Benefits not available prior to 2006.

Pensions in Force to Members on December 31, 2006

Monthly Amount	Total	Age 60-64	Age 65-69	Age 70-74	Age 75-79	Age 80 & Over
Under \$ 74	0	0	0	0	0	0
\$ 75 - \$ 124	3	0	1	1	0	1
\$125 - \$ 149	11	0	4	2	1	4
\$150 - \$174	41	0	7	7	8	19
\$175 - \$199	109	12	27	24	32	14
\$200 - \$224	88	28	19	27	8	6
\$225 & Over	345	170	85	56	26	8
Total	597	210	143	117	75	52

Pensions in Force to Beneficiaries on December 31, 2006

	Total	Age Under 50	Age 50 - 59	Age 60 - 69	Age 70 - 79	Age 80 & Over
Under \$ 74	3	0	0	0	3	0
\$ 75 - \$ 99	4	0	0	0	2	2
\$100 - \$ 124	18	0	1	1	9	7
\$125 - \$ 149	37	2	2	11	15	7
\$150 - \$ 174	13	0	3	4	3	3
\$175 - \$ 199	12	2	0	5	3	2
\$200 - \$ 224	9	2	4	2	1	0
\$225 & Over	37	7	17	9	4	0
Total	133	13	27	32	40	21

Paid Firemen's Pension Plan A

Changes in Net Assets

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Additions by Source										
Employer* Contributions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	782	1,069
Employee* Contributions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	325	383
Investment* Income (Loss)	22,756	14,407	19,524	32,005	(17,470)	(9,533)	(2,532)	25,834	35,269	32,916
Other* Funding Revenue	0	0	0	0	0	0	0	0	0	39
Total*	22,756	14,407	19,524	32,005	(17,470)	(9,533)	(2,532)	25,834	36,376	34,407
Deductions by Type										
Benefits*	12,152	11,859	11,421	10,718	9,835	7,901	5,508	5,138	4,838	4,250
Refunds*	0	0	0	0	0	0	0	0	27	18
Administrative Expenses*	32	18	11	9	21	15	24	33	46	37
Total*	12,184	11,877	11,432	10,727	9,856	7,916	5,532	5,171	4,911	4,305
Change in Plan Net Assets	10,572	2,530	8,092	21,278	(27,326)	(17,449)	(8,064)	20,663	31,465	30,102

* Amounts in Thousands

Paid Firemen's Plans A & B were combined until 1999 when they were separated for record keeping

Expenses By Type

	2006	2005	2004
Retirees			
Members	242	239	241
Benefits Paid	\$ 9,849,326	\$ 9,456,320	\$ 9,023,029
Beneficiary			
Members	43	45	44
Benefits Paid	\$ 1,486,147	\$ 1,549,991	\$ 1,515,738
Disability			
Members	21	24	24
Benefits Paid	\$ 816,218	\$ 852,603	\$ 882,005
Refunds			
Death Benefits	\$ -	\$ -	\$ -

Total Expenses Paid \$ 12,151,691 \$ 11,858,914 \$ 11,420,772

*Information not available prior to 2004. Refund Death

Benefits not available prior to 2006.

Pensions in Force on December 31, 2006

Age	By Type and Nearest Age on That Date			By Type and Monthly Amount					
	Total	Normal	Disability	Beneficiary	Amount	Total	Normal	Disability	Beneficiary
Under 45	0	0	0	0	\$0-599	1	0	0	1
45-49	28	22	0	6	\$600-999	4	1	0	3
50-54	55	51	3	1	\$1,000-1,249	0	0	0	0
55-59	47	36	8	3	\$1,250-1,499	4	3	0	1
60-64	43	39	3	1	\$1,500-1,749	4	3	0	1
65-69	39	32	1	6	\$1,750-1,999	6	5	0	1
70-74	32	19	1	12	\$2,000-2,249	4	3	0	1
75-79	38	27	2	9	\$2,250-2,499	4	4	0	0
80 & Over	24	16	3	5	\$2,500-2,749	5	5	0	0
					\$2,750-2,999	67	51	6	10
					\$3,000-3,499	72	57	9	6
					\$3,500-3,999	79	61	6	12
					\$4,000 & Over	56	49	0	7
Totals	306	242	21	43	Totals	306	242	21	43

Paid Firemen's Pension Plan B

Changes in Net Assets

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Additions by Source										
Employer* Contributions	1,967	1,835	1,705	1,396	1,234	1,192	818	741	n/a	n/a
Employee* Contributions	978	917	872	883	617	245	444	371	n/a	n/a
Investment* Income (Loss)	6,626	3,823	4,630	6,656	(3,112)	(1,546)	(367)	4,015	n/a	n/a
Other* Funding Revenue	30	0	0	0	0	0	0	0	n/a	n/a
Total*	9,601	6,575	7,207	8,935	(1,261)	(109)	895	5,127	n/a	n/a
Deductions by Type										
Benefits*	452	400	295	248	254	199	163	147	n/a	n/a
Refunds*	61	19	22	27	29	29	67	26	n/a	n/a
Administrative Expenses*	14	16	10	8	12	9	12	8	n/a	n/a
Total*	527	435	327	283	295	237	242	181	n/a	n/a
Change in Plan Net Assets	9,074	6,140	6,880	8,652	(1,556)	(346)	653	4,946	n/a	n/a

* Amounts in Thousands

Paid Firemen's Plans A & B were combined until 1999 when they were separated for record keeping

Expenses By Type

	2006	2005	2004
Retirees			
Members	13	9	5
Benefits Paid	\$ 236,829	\$ 187,546	\$ 121,748
Beneficiary			
Members	3	2	2
Benefits Paid	\$ 42,504	\$ 31,659	\$ 29,108
Disability			
Members	10	10	11
Benefits Paid	\$ 172,664	\$ 181,161	\$ 144,565
Refunds			
Death Benefits	\$ -	\$ -	\$ -

Total Expenses Paid \$ 451,997 \$ 400,366 \$ 295,421

*Information not available prior to 2004. Refund Death Benefits not available prior to 2006.

Pensions in Force on December 31, 2006

Age	By Type and Nearest Age on That Date			By Type and Monthly Amount					
	Total	Normal	Disability	Beneficiary	Amount	Total	Normal	Disability	Beneficiary
Under 45	4	0	2	2	\$0-599	1	1	0	0
45-49	3	1	2	0	\$600-999	0	0	0	0
50-54	11	7	4	0	\$1,000-1,249	1	1	0	0
55-59	6	4	2	0	\$1,250-1,499	9	5	3	1
60-64	1	1	0	0	\$1,500-1,749	0	0	0	0
65-69	1	0	0	1	\$1,750-1,999	4	0	3	1
70-74	0	0	0	0	\$2,000 & Over	11	6	4	1
75-79	0	0	0	0					
80 & Over	0	0	0	0					
Total	26	13	10	3	Total	26	13	10	3

Wyoming Judicial Pension Plan

Changes in Net Assets

	2006	2005	2004	2003	2002	2001	2000	1999	1998
Additions by Source									
Employer* Contributions	311	241	168	152	134	117	171	51	62
Employee* Contributions	326	307	273	274	216	190	237	41	15
Investment* Income (Loss)	1,156	423	498	579	(126)	52	(22)	5	1
Other* Funding Revenue	**4,352	0	1,157	0	1,157	0	1,166	19	0
Total*	6,145	971	2,096	1,005	1,381	359	1,552	116	78
Deductions by Type									
Benefits*	315	283	268	215	208	184	75	48	7
Refunds*	0	0	30	0	0	0	0	2	0
Return of Contributions*			65						
Administrative Expenses*	2	2	1	0	3	0	0	0	0
Total*	317	285	364	215	211	184	75	50	7
Change in Plan Net Assets	5,828	686	1,732	790	1,170	175	1,477	66	71

* Amounts in Thousands **Additional State contribution to fully fund the January 1, 2000 unfunded actuarial liability.

The Wyoming Judicial Retirement System Began on July 1, 1998.

Expenses By Type

	2006	2005	2004
Retirees			
Members	7	5	5
Benefits Paid	\$ 315,032	\$ 283,480	\$ 267,502
Beneficiary			
Members	-	-	-
Benefits Paid	\$ -	\$ -	\$ -
Disability			
Members	-	-	-
Benefits Paid	\$ -	\$ -	\$ -
Refunds			
Death Benefits	\$ -	\$ -	\$ -
Total Expenses Paid	\$ 315,032	\$ 283,480	\$ 267,502

*Information not available prior to 2004. Refund Death Benefits not available prior to 2006.

Pensions in Force on December 31, 2006

Age	By Type and Nearest Age on That Date			By Type and Monthly Amount				
	Total	Normal	Disability	Beneficiary	Amount	Total	Normal	Disability
Under 70	3	3	0	0	\$1,500 & Over	7	7	0
Over 70	4	4	0	0				
Total	7	7	0	0	Total	7	7	0

Wyoming Law Enforcement Plan

Changes in Net Assets

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Additions by Source										
Employer* Contributions	9,106	8,184	7,397	6,492	3,445	-	-	-	-	-
Employee* Contributions	9,114	8,185	8,416	8,647	5,223	-	-	-	-	-
Investment* Income (Loss)	36,159	19,042	23,300	30,850	(4,529)	-	-	-	-	-
Other* Funding Revenue	25,122	2,971	5,505	737	156	-	-	-	-	-
Total*	79,501	38,382	44,618	46,726	4,295	-	-	-	-	-
Deductions by Type										
Benefits*	9,011	7,567	6,126	4,950	2,058	-	-	-	-	-
Refunds*	2,159	2,965	1,621	1,525	157	-	-	-	-	-
Administrative Expenses*	101	138	83	68	15	-	-	-	-	-
Total*	11,271	10,670	7,830	6,543	2,230	-	-	-	-	-
Change in Plan Net Assets	68,230	27,712	36,788	40,183	2,065	-	-	-	-	-

* Amounts in Thousands

The Wyoming Law Enforcement Plan became effective July 1, 2002.

Expenses By Type

	2006	2005	2004
Retirees			
Members	345	293	247
Benefits Paid	\$ 6,930,698	\$ 5,772,909	\$ 4,605,855

Beneficiary			
Members	57	58	51
Benefits Paid	\$ 474,032	\$ 528,141	\$ 419,041

Disability			
Members	69	58	56
Benefits Paid	\$ 1,517,118	\$ 1,265,955	\$ 1,100,892

Refunds			
Death Benefits	\$ 88,895	\$ -	\$ -

Total Expenses Paid \$ 9,010,743 \$ 7,567,005 \$ 6,125,788

*Information not available prior to 2004. Refund Death Benefits not available prior to 2006.

Pensions in Force on December 31, 2006

Age	By Type and Nearest Age on That Date				By Type and Monthly Amount				
	Total	Normal	Disability	Beneficiary	Amount	Total	Normal	Disability	Beneficiary
Under 50	60	38	17	5	Under \$599	54	30	0	24
50 - 54	92	70	17	5	\$600 - 799	20	13	0	7
55 - 59	129	99	22	8	\$800 - 999	27	21	1	5
60 - 64	80	59	12	9	\$1,000 - 1,499	70	46	10	14
65 - 69	47	4	0	7	\$1,500 - 1,999	116	87	25	4
70 - 74	27	18	1	8	\$2,000 - 2,499	110	85	22	3
75 & Over	36	21	0	15	Over \$2,500	74	63	11	0
Total	471	345	69	57	Total	471	345	69	57

**Member and Benefit Recipient Statistics
December 31, 2006**

	Public Employees	Warden & Patrol	Volunteer Fireman	Paid Firemen Plan A	Paid Firemen Plan B	Wyoming Judicial Plan	Wyoming Law Enforcement
Active Members – 12/31/06	<u>34,189</u>	<u>312</u>	<u>2,271</u>	<u>19</u>	<u>295</u>	<u>35</u>	<u>2,498</u>
Retirement Benefits:							
Total receiving retirement benefits on Dec. 31, 2005	16,461	228	670	308	21	5	409
Total retiring during 2006	877	10	55	3	6	2	63
Retirees deceased during 2006	<u>328</u>	<u>0</u>	<u>9</u>	<u>5</u>	<u>1</u>	<u>0</u>	<u>1</u>
Total receiving retirement benefits - Dec. 31, 2006	17,010	238	730	306	26	7	471
Total paid in retirement benefits in 2006 (amounts in millions except Paid Fireman Plan B and Judges)							
Average monthly benefit	\$222	\$5	\$2	\$12	\$451,997	\$315,032	\$9
	\$1,141	\$2,058	\$236	\$3,381	\$1,742	\$4,613	\$1,852

TEN LARGEST EMPLOYERS

State of Wyoming	8,715
Laramie County School District # 1	2,126
Natrona County School District	2,116
Campbell County School District	1,479
University of Wyoming	1,093
Sweetwater County School District # 1	849
Albany County School District	714
Sheridan County School District # 2	565
City of Cheyenne	488
Sweetwater County School District # 2	461
All Others	<u>18,002</u>
Total	<u><u>36,608</u></u>

WYOMING RETIREMENT SYSTEM

Schedule of Affiliated Employers

CITIES AND TOWNS 2,443 Members	HULETT JACKSON KEYCEE KEMMERER LAGRANGE LANDER LARAMIE LAGRANGE LINGLE LOVELL LUSK LYMAN MARBELTON MEDICINE BOW MEETEETSE MIDWEST MILLS MOORCROFT MOUNTAINVIEW NEWCASTLE PINE BLUFFS PINEDALE PINE HAVEN POWELL RAWLINS RIVERTON ROCK RIVER ROCK SPRINGS SARATOGA SHERIDAN SHOSHONI SINCLAIR STAR VALLEY RANCH SUNDANCE THAYNE THERMOPOLIS TORRINGTON UPTON WAMSUTTER WHEATLAND WORLAND YODER	UNIVERSITY AND COLLEGES 2,224 Members CASPER COLLEGE CENTRAL WYOMING COLLEGE EASTERN WYOMING COLLEGE LARAMIE CO. COMM. COLLEGE NORTHWEST COLLEGE NORTHERN WYOMING COLLEGE WESTERN WYOMING COLLEGE UNIVERSITY OF WYOMING LIBRARIES 437 Members ALBANY COUNTY LIBRARY BIG HORN COUNTY LIBRARY CARBON COUNTY LIBRARY CROOK COUNTY LIBRARY FREMONT COUNTY LIBRARY GEORGE AMOS MEM. LIBRARY GOSHEN COUNTY LIBRARY HOT SPRINGS COUNTY LIBRARY JOHNSON COUNTY LIBRARY LARAMIE COUNTY LIBRARY LINCOLN COUNTY LIBRARY NATRONA COUNTY LIBRARY PARK COUNTY LIBRARY PLATTE COUNTY LIBRARY SHERIDAN COUNTY LIBRARY SUBLETTE COUNTY LIBRARY SWEETWATER COUNTY LIBRARY TETON COUNTY LIBRARY UINTA COUNTY LIBRARY WASHAKIE COUNTY LIBRARY WESTON COUNTY LIBRARY	COUNTIES 2,049 Members ALBANY BIG HORN CAMPBELL CARBON CONVERSE CROOK FREMONT GOSHEN HOT SPRINGS JOHNSON LARAMIE LINCOLN NATRONA PARK PLATTE SHERIDAN SUBLETTE SWEETWATER TETON UINTA WASHAKIE WESTON IRRIGATION DISTRICTS 53 Members BIG HORN COUNTY CODY CANAL DEAVER GOSHEN HANOVER HEART MOUNTAIN LAKEVIEW LAPRELE SHOSHONI WILLWOOD
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Schedule of Affiliated Employers (continued)

OTHERS

2,165 Members

ALBANY CO. FAIR BD.	HOT SPRINGS CO. SENIOR CENTER	S. BIG HORN CO. SENIORS
ARK INDUSTRIES	HOT SPRINGS CONSERVATION	S. CHEY WATER & SEWER DIST.
BAGGS SOLID WASTE DISPOSAL DIST.	JACKSON COMMUNITY RECYCLING	SOUTH LINCOLN CEMETARY
BASIN AUTHORITY CHILD SUPPORT	JACKSON HOLE AIRPORT	SOUTH WESTON CO. BOCES
BIG HORN COUNTY FAIR	JOHNSON CO. SOLID WASTE	STAR VALLEY CONS. DIST.
BIG HORN COUNTY SOLID WASTE	KEMMERER SENIOR CENTER	SUBLETTE CITIZENS RECYCLING
BIG HORN ENTERPRISES	LANDER SENIOR CITIZENS	SUBLETTE CO. BOCES
BIG HORN FIRE DISTRICT #1	LAKE DESMET CONSERVATION DIST.	SUBLETTE CO. FAIR
BIG PINEY CEMETARY	LARAMIE CO. CONSERVATION DIST.	SUBLETTE CO. ICE ARENA
BRIDGER VALLEY JOINT POWERS BD.	LARAMIE CO. FIRE DISTRICT #2	SUBLETTE CO. RURAL HEALTH
BYRON SOLID WASTE DIST.	LARAMIE REGIONAL AIRPORT	SUBLETTE CO. SAFETY TASK FORCE
CAMPBELL CO. AIRPORT BOARD	LARAMIE SENIOR CENTER	S.W. CO. FIRE PROTECTION
CAMPBELL CO. CEMETERY BD.	LEARNING CENTER	S.W. CO. TRANSIT AUTH.
CAMPBELL CO. CONS. DIST.	LINCOLN/UINTA ASSOC. OF GOV'T	SWEETWATER CO. BOCES
CAMPBELL CO. FIRE DIST.	LINCOLN CO. FAIR BD.	SWEETWATER CO. FAIR BD.
CAMPBELL CO. PARKS & REC.	LOCAL GOV'T. LIABILITY POOL	SWEETWATER CO. CONSERVATION
CAMPBELL CO. PUBLIC LAND	MAGIC CITY ENTERPRISES	SWEETWATER CO. MUSEUM
CARBON CO. BOCHES	MEETEETSE RECREATION DIST.	SWEETWATER CO. RECREATION
CARBON CO. SENIOR CITIZENS	MOUNTAINVIEW CEMETARY	SWEETWATER CO. SOLID WST.
CARBON CO. COVE	NORTH PLATTE VALLEY CONS DIST	S.W. COUNSELING SERVICE
CENTRAL REGIONAL WATER	NORTHWEST BD COOP SERVICES	S.W. SUBLETTE CO. PIONEERS
CENTRAL WYOMING COUNSELING	NATRONA CO. AIRPORT	TEN SLEEP SENIOR CENTER
CENTRAL WYOMING SR. SERVICES	NATRONA CO. FAIR BD.	TETON CO. FAIR
CHEYENNE AIRPORT BD.	NATRONA CO. BOARD OF HEALTH	TETON CO. HOUSING AUTH.
CHEYENNE BD. OF PUBLIC UTILITIES	NE. BD. OF COOPERATIVE SERVICES	TREATMENT COURT OF
CHEYENNE HOUSING AUTHORITY	NW BOCES OF POWELL	SWEETWATER CO. #4, #6
CHILD DEVELOPMENT SERVICES	NW RURAL WATER DIST.	UINTA BOCES #1
CITY OF CHEY/LARAMIE CO. HEALTH	OYSTER RIDGE BOCES	UINTA CO. CONS. DIST.
CONVERSE CO. SENIOR HOUSING	PARK CO. DRUG COURT	UNITA CO. SAFV
CRISIS INTERVENTION SERVICES	PARK CO. FAIR ASSN.	WASHAKIE CO. CONS. DIST.
CROOK CO. FAIR	PARK CO. FIRE DIST. #1	WASHAKIE CO. SOLID WASTE
CROOK CO. MUSEUM	PARK CO. FIRE FIGHTERS #2	WESTON CO. CHILDREN'S CTR.
CROOK CO. NATURAL RESOURCES	PARK CO. MUSEUM	WESTON CO. FAIR BOARD
CROWN HILL CEMETERY DIST.	PLATTE CO. HOUSING AUTH.	WESTON CO. MUSEUM
DOUGLAS SENIOR CITIZENS	PLATTE CO. FAIR BOARD	WHITE MTN. WATER & SEWER
EASTERN LAR. CO. SOLID WASTE	PLATTE CO. RESOURCES	WIND RIVER TRANSPORTATION
EVANSTON PARKS & RECREATION	POPO AGIE CONS. DIST.	WORLAND SENIOR CENTER
EPPSON CENTER FOR SENIORS	RENDEVOUS POINTE	WORLAND FIRE DIST #1
4TH JUD DIST CHILD SUPPORT AUTH	REGION V BOCES	WY ASSN. RISK MANAGEMENT

Schedule of Affiliated Employers (continued)

FREMONT CO. ASSOC. OF GOV'T.	RENEW	WY CHILD & FAMILY DEV.
FREMONT CO. BOCES	RIVERSIDE CEMETERY DIST.	WY COALITION DOM VIOLENCE
FREMONT CO. FAIR BD.	ROCK SPRINGS AIRPORT	WY CO. COMMISSIONERS
FREMONT CO. FIREFIGHTERS	6TH JUD. DIST. CHILD SUPPORT	WY DEVELOPMENT AUTHORITY
FREMONT CO. MUSEUMS	SARATOGA/RAWLINS ENCAMP. CONS.	WY EDUCATION ASSOC
FREMONT CO. SOLID WASTE	SELF HELP CENTER	WY HIGH SCHOOL ACTIVITIES
GLENROCK CEMETERY	SENIOR CITIZENS/SHERIDAN	WY PIPELINE AUTHORITY
GOSHEN CO. SENIOR FRIENDS	SHERIDAN CO. CONS.	WY PUBLIC EMPLOYEES
GOSHEN CO. FAIR	SHERIDAN CO. DRUG COURT	WY SAFV
GREEN RIV./ROCK SPGS. JT. POWERS	SHERIDAN CO. FAIR ASSN.	WY SCHOOL BOARDS
GREYBULL RECREATION DIST.	SHERIDAN CO. RECREATION	WY STAR
HIGH COUNTRY JOINT POWERS BD.	SHERIDAN CO. JUV. JUSTICE	WY STATE BAR
HOPE AGENCY INC.	SHOSHONE MUNICIPAL PIPE	YELLOWSTONE REG. AIRPORT
HOT SPRINGS CEMETERY DIST.	SNOWY RANGE ACADEMY	YOUNG @ HEART SENIOR CITIZ.
HOT SPRINGS CO. FAIR BOARD	S. BIG HORN CONS. DIST.	

Schedule of Affiliated Employers (continued)

WEED & PEST CONTROL

79 Members

ALBANY COUNTY
 BIG HORN COUNTY
 CARBON COUNTY
 CONVERSE COUNTY
 CROOK COUNTY
 FREMONT COUNTY
 GOSHEN COUNTY
 HOT SPRINGS COUNTY
 JOHNSON COUNTY
 LINCOLN COUNTY
 NATRONA COUNTY
 NIOBRARA COUNTY
 PARK COUNTY
 PLATTE COUNTY
 SHERIDAN COUNTY
 SUBLETTE COUNTY
 SWEETWATER COUNTY
 TETON COUNTY
 UINTA COUNTY
 WASHAKIE COUNTY
 WESTON COUNTY

SCHOOLS

16,326 Members

ALBANY CO. SCHOOL DIST.
 BIG HORN SCHOOL DIST. #1
 BIG HORN SCHOOL DIST. #2
 BIG HORN SCHOOL DIST. #3
 BIG HORN SCHOOL DIST. #4
 CAMPBELL CO. SCHOOLS
 CARBON CO. SCHOOL DIST. #1
 CARBON CO. SCHOOL DIST. #2
 CONVERSE CO. SCHOOL DIST. #1
 CONVERSE CO. SCHOOL DIST. #2
 CROOK CO. SCHOOLS
 FREMONT CO. SCHOOL DIST. #1

SCHOOLS (continued)

FREMONT CO. SCHOOL DIST. #2
 FREMONT/WINDRIVER CO. SCHOOL DIST. #6
 FREMONT CO. SCHOOL DIST. #14
 FREMONT CO. SCHOOL DIST. #21
 FREMONT CO. SCHOOL DIST. #24
 FREMONT CO. SCHOOL DIST. #25
 FREMONT CO. SCHOOL DIST. #38
 GOSHEN CO. SCHOOLS
 HOT SPRINGS COUNTY SCHOOLS
 JOHNSON CO. SCHOOLS
 LARAMIE CO. SCHOOL DIST. #1
 LARAMIE CO. SCHOOL DIST. #2
 LINCOLN CO. SCHOOL DIST. #1
 LINCOLN CO. SCHOOL DIST. #2
 NATRONA CO. SCHOOLS
 NIOBRARA CO. SCHOOLS
 PARK CO. SCHOOL DIST. #1
 PARK CO. SCHOOL DIST. #6
 PARK CO. SCHOOL DIST. #16
 PLATTECO. SCHOOL DIST. #1
 PLATTE CO. SCHOOL DIST. #2
 SHERIDAN CO. SCHOOL DIST. #1 WEST
 SHERIDAN CO. SCHOOL DIST. #2
 SHERIDAN CO. SCHOOL DIST. #3
 SUBLETTE CO. SCHOOL DIST. #1
 SUBLETTE CO. SCHOOL DIST. #9
 SWEETWATER SCHOOL DIST. #1
 SWEETWATER SCHOOL DIST. #2
 TETON COUNTY SCHOOLS
 UINTA CO. SCHOOL DIST. #1
 UINTA CO. SCHOOL DIST. #4
 UINTA CO. SCHOOL DIST. #6
 WASHAKIE CO. FEDERAL EMPLOYEES #1
 WASHAKIE CO. SCHOOL DIST. #1
 WASHAKIE CO. SCHOOL DIST. #2
 WESTON CO. SCHOOL DIST. #7
 WESTON CO. SCHOOL DIST. #1

Schedule of Affiliated Employers (continued)

STATE OF WYOMING

8,413 Members

ADJUTANT GENERAL	GOVERNOR OFFICE	SCHOOL FACILITIES COMM
BOARD OF CPA'S	GOVERNOR'S MANSION	SECRETARY OF STATE
ADMINISTRATIVE HEARINGS	INSURANCE DEPARTMENT	STATE AUDITOR
ATTORNEY GENERAL	JUDICIAL CONDUCT & ETHICS	STATE ENGINEER
BOARD OF BARBER EXAMINERS	JUDICIAL DISTRICT 1A	STATE LANDS & INVEST.
BOARD OF COSMETOLOGY	JUDICIAL DISTRICT 1B	STATE PARKS & CULT. RESOURCES
BOARD OF DENTAL EXAMINERS	JUDICIAL DISTRICT 1C	STATE TREASURER
BOARD OF EMBALMING	JUDICIAL DISTRICT 2A	SUPREME COURT
BOARD OF EQUALIZATION	JUDICIAL DISTRICT 2B	VETERINARY BOARD
BOARD OF GEOLOGISTS	JUDICIAL DISTRICT 3A	WATER DEV COMMISSION
BOARD OF MEDICAL LICENSING	JUDICIAL DISTRICT 3B	WY BUSINESS COUNCIL
BOARD OF NURSING	JUDICIAL DISTRICT 3C	WY LIVESTOCK BOARD
BOARD OF OCCUPATIONAL THERAPY	JUDICIAL DISTRICT 4	WY RETIREMENT SYSTEM
BOARD OF OUTFITTERS	JUDICIAL DISTRICT 5A	
BOARD OF PHARMACY	JUDICIAL DISTRICT 5B	
CHIROPRACTIC EXAMINERS	JUDICIAL DISTRICT 6	
COMMUNITY COLLEGE COMM.	JUDICIAL DISTRICT 6B	TOTAL OF ALL AGENCIES
DEPT. OF ADMIN. & INFORMATION	JUDICIAL DISTRICT 6C	36,608 Members
DEPARTMENT OF AGRICULTURE	JUDICIAL DISTRICT 7A	Includes 2,382
DEPARTMENT OF AUDIT	JUDICIAL DISTRICT 7B	Law Enforcement
DEPARTMENT OF CORRECTIONS	JUDICIAL DISTRICT 7C, 8, 8B, 9A	And 37 Judges
DEPARTMENT OF EDUCATION	JUDICIAL DISTRICT 9B	
DEPARTMENT OF EMPLOYMENT	LEGISLATIVE SERVICE	
DEPT. OF ENVIRONMENTAL QUALITY	MINER'S HOSPITAL BOARD	
DEPARTMENT OF FAMILY SERVICES	OIL & GAS COMMISSION	
DEPARTMENT OF HEALTH	OPTOMETRY EXAMINERS	WARDEN AND PATROL
DEPARTMENT OF TRANSPORTATION	PARI-MUTUEL COMMISSION	308 Members
DEPARTMENT OF WORKFORCE SRVS.	PAROLE BOARD	
DISTRICT ATTORNEY DISTRICT 1	PHYSICAL THERAPY BOARD	CRIMINAL INV. DIV.
DISTRICT ATTORNEY DISTRICT 7	PUBLIC DEFENDER	GAME WARDENS
EMPLOYEES GROUP INSURANCE	PUBLIC LANDS	HIGHWAY PATROL
ENVIRONMENTAL QUALITY COUNCIL	PUBLIC SERVICE COMM.	
FIRE PREVENTION	PROF. TEACHING STDS. BOARD	
GAME & FISH DEPARTMENT	REAL ESTATE COMMISSION	
GEOLOGICAL SURVEY	REVENUE AND TAXATION	

Schedule of Affiliated Employers (continued)

PAID FIRE DEPARTMENTS PLANS A & B

313 Members

Campbell County	Casper	Cheyenne
Laramie	Natrona County Fire Protection	Natrona County Airport
Rawlins	Rock Springs	Sheridan
Jackson/Teton Co.	Worland	

VOLUNTEER FIRE DEPARTMENTS

2286 Members

Afton	Clark	Glenrock	Laramie Co. #7	Pinedale	Sundance
Albin	Cody	Granger	Laramie Co. #8	Pine Haven	Sweetwater #1
Alpine	Crook County	Green River	Laramie Co. #10	Powder River	Sweetwater D1
Bairoil	Daniel	Greybull	Laramie Peak	Powell	Ten Sleep
Bear River	Dayton	Guernsey	Lingle	Rawlins	Thayne
Bear River Dist.	Douglas	Hanna-Elmo	Lovell	Riverton	Thermopolis
Big Horn Co. #1	Dubois	Hawk Springs	Lusk	Rock River	Tongue River
Big Horn Co. #2	Eden/Farson	Hulett	Manderson	Salt Creek	Torrington
Big Laramie	Elk Mountain	Jackson/Teton Co	Medicine Bow	Saratoga	Uinta County
Big Piney	Encampment	Jeffrey City	Meeteetse	Shell	Upton
Bondurant	Evanston	Johnson County	Mills	Shoshoni	Veteran
Boulder	Evansville	LaGrange	Moorcroft	Sinclair	Wamsutter
Buffalo	Fort Bridger	Lander	Mountain View	Sinclair Refinery	Weston County
Campbell County	Fort Laramie	Laramie Co. #1	Newcastle	South Johnson	Wheatland
Carbon County	Fremont County	Laramie Co. #2	Osage	South Lincoln	Worland
Casper Mountain	Frontier Refinery Fire	Laramie Co. #4	Palmer Canyon	Story	Yoder
Centennial Valley	Glendo	Laramie Co. #5			
Chugwater		Laramie Co. #6			

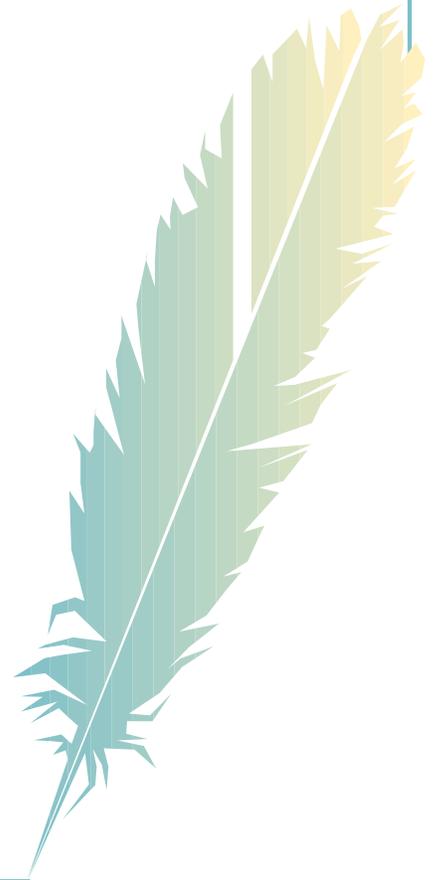
Philosophy

The Wyoming Retirement Board and the Wyoming Retirement System staff are committed to:

Carrying out all statutorily mandated and other responsibilities in a timely, courteous, professional, and ethical manner;

Safeguarding the financial integrity of the System through prudent management; and

Providing adequate member benefits for all plans within parameters of actuarial funding.



Cover: The Shoshone River, Wapiti Valley, Wyoming
Credit: The Wagner Perspective