

# Wyoming Retirement System Comprehensive Annual Financial Report

A Component Unit of the State of Wyoming  
For the Fiscal Year Ended December 31, 2012





**WYOMING RETIREMENT SYSTEM  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
A COMPONENT UNIT OF THE  
STATE OF WYOMING  
FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2012**

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## *Vision Statement*

*Partnering to build financial security for members and their families*



## *Mission Statement*

*Provide expert administration and responsible investment of Wyoming's public retirement and supplemental savings programs*



## *Values*

- *Integrity*
- *Accountability*
- *Commitment*
- *Excellence*



## *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 the parameters of actuarial funding.*



# WYOMING RETIREMENT SYSTEM

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# INTRODUCTORY SECTION







# Wyoming Retirement System

*Partnering to Build Financial Security for Members and their Families*

**MATT MEAD**  
Governor

**THOMAS WILLIAMS**  
Executive Director

**HARRY L. WALES**  
Deputy Director

June 30, 2013

Wyoming Retirement Board  
6101 Yellowstone Road, Suite 500  
Cheyenne, Wyoming 82002

Dear Board Members:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Wyoming Retirement System (WRS) including the Wyoming Deferred Compensation Program (457 Plan) for the year ended December 31, 2012. The financial reporting entities of the WRS include the Public Employees Pension Plan; State Patrol, Game and Fish Warden and Criminal Investigator Pension Plan; Paid Firemen's Pension Plans A and B; Judicial Pension Plan; Wyoming Law Enforcement Pension Plan; Volunteer Firemen's Pension Plan; Volunteer Emergency Medical Technician Pension Plan, Air Guard Firefighters Pension 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 Management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and has been reported in a manner designed to present fairly the net position of each plan and the combined changes in the net position of the WRS for the year ended December 31, 2012. 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 nine defined benefit retirement plans and act as Plan Sponsor to 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 (AICPA). Financial information presented throughout this Annual Report is consistent with the financial statements.

## **Financial Information**

The 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.

WRS Management 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 position and related additions and deductions is presented in the Management's Discussion and Analysis (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.

The funded ratios for the nine defined benefit plans are included in Note 9 to the Basic Financial Statements.

### **Funding Status**

The Wyoming Retirement System has an actuarial evaluation annually that calculates the funded status of each of the nine defined benefit plans administered by the system. The 2012 Evaluation was performed by Gabriel Roeder Smith & Company (GRS). The Funded Ratio for the Public Employees Pension Plan is 78.6%; the State Patrol, Game and Fish Warden and Criminal Investigator Pension Plan is 77.1%; the Volunteer Firemen's Pension Plan is 93.5%; the Paid Firemen's Pension Plan A is 71.3%; the Paid Firemen's Pension Plan B is 106.8%; the Judicial Pension Plan is 103.7%; the Law Enforcement Pension Plan is 92.3%; the Volunteer Emergency Medical Technician Pension Plan is 126.8%; and the Air Guard Pension Plan is 91.7%. A Schedule of Funding Progress is included on page 62 of the Required Supplementary Information. The funding status of each plan is reviewed annually. The law governing the Wyoming Retirement System's plan requires that the unfunded liabilities be financed systematically over future years.

### **Investments**

The assets of the WRS are held at JP Morgan Chase, where all investment transactions by the WRS's professional investment managers are recorded, 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. Daily, JP Morgan Chase provides the WRS with detailed accounting reports, which include all trades, receipt of income and accrual information. At December 31, 2012, the net position for all nine defined benefit plans totaled \$6.8 billion, which represents a 11.2% increase from the \$6.1 billion held on December 31, 2011.

Management hired a professional investment consultant who reports quarterly, the investment returns by manager and provides recommendations regarding the managers and portfolio holdings. The Wyoming Retirement System's internal investment team includes a Chief Investment Officer, Senior Investment Manager, Research Investment Analyst and a Senior Investment and Risk Officer. The investment consultant, New England Pension Consultants, provides the Board with a measure of how well each of the investment managers performs relative to their benchmarks and peers.

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 outlined in Note 3 to the Basic Financial Statements.

During 2012 the investment team continued to implement its long-term strategy of better diversifying the portfolio while lowering its overall risk characteristics. This was accomplished through lesser reliance on active management for both the fixed income and equity components of the portfolio. In addition, the team diversified the portfolio by implementing a Global Tactical Asset Allocation (GTAA) which included Global Macro and Risk Parity Strategies. The net total return of the fund as of December 31, 2012 was 13.7%. This placed our fund within the top third of peer public pension plans. Investment activities are monitored by both internal and external auditors for compliance with WRS's Investment Policy Statement (IPS).

The Financial Section and Investment Section contain 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' assets as well as liabilities and the impact on those liabilities proposed plan modifications may have. Reports from the WRS's actuary, Gabriel Roeder Smith & Company (GRS) are included in this report.

### **Operations and Activities**

Activities occurring in the nine defined benefit retirement plans include: responding to numerous telephone and personal inquiries from members, including, in the Benefits Section alone, preparing 5,334 estimates, 93 redeposit calculations; 205 service credit calculations; processed 1,219 retirements, 3,062 refunds, 215 payroll walk-in's, along with sending thousands of pieces of correspondence covering various benefit topics, and working personally with 807 members who visited WRS offices; the Payroll Section produced monthly payments to approximately 24,540 retirees of over \$405.6 million per year. The staff responded to numerous requests for account changes and answered thousands of questions on all aspects of retirement planning. Other personnel coordinated the collection of contributions and maintained the accounts of the 48,017 active or vested members of WRS, attended meetings and workshops on retirement issues, met with member agencies to resolve various problems, and worked with consultants, the three retirement boards, the legislature, the Governor's Office, retirement board committees, employee groups and the Legislative Service Office to prepare retirement legislation authorized by the Board.

WRS provides member education about WRS's retirement programs, retirement planning and investing for retirement. WRS's retirement educators reached 5,552 members in person in 2012 and provided additional seminars on budgeting and saving. To improve the partnership between WRS and participating employers, Retirement Educators provided training to employer representatives across Wyoming. The Deferred Compensation Plan had 264 participating local government employers as of December 31, 2012.

## Awards and Acknowledgments

The WRS submitted its 2011 report to the Government Finance Officers 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 2011. This represents the twentieth consecutive year the WRS has been recognized in this manner. 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.

We express our thanks and appreciation to all stakeholders including our members, 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 Pension Plan, the WRS Board of Trustees, Volunteer Firemen and Emergency Medical Technician Board of Trustees, our consultants and other associates whose diligence and commitment have contributed significantly to another year of accomplishment 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 both critically important and commendable.

Sincerely,



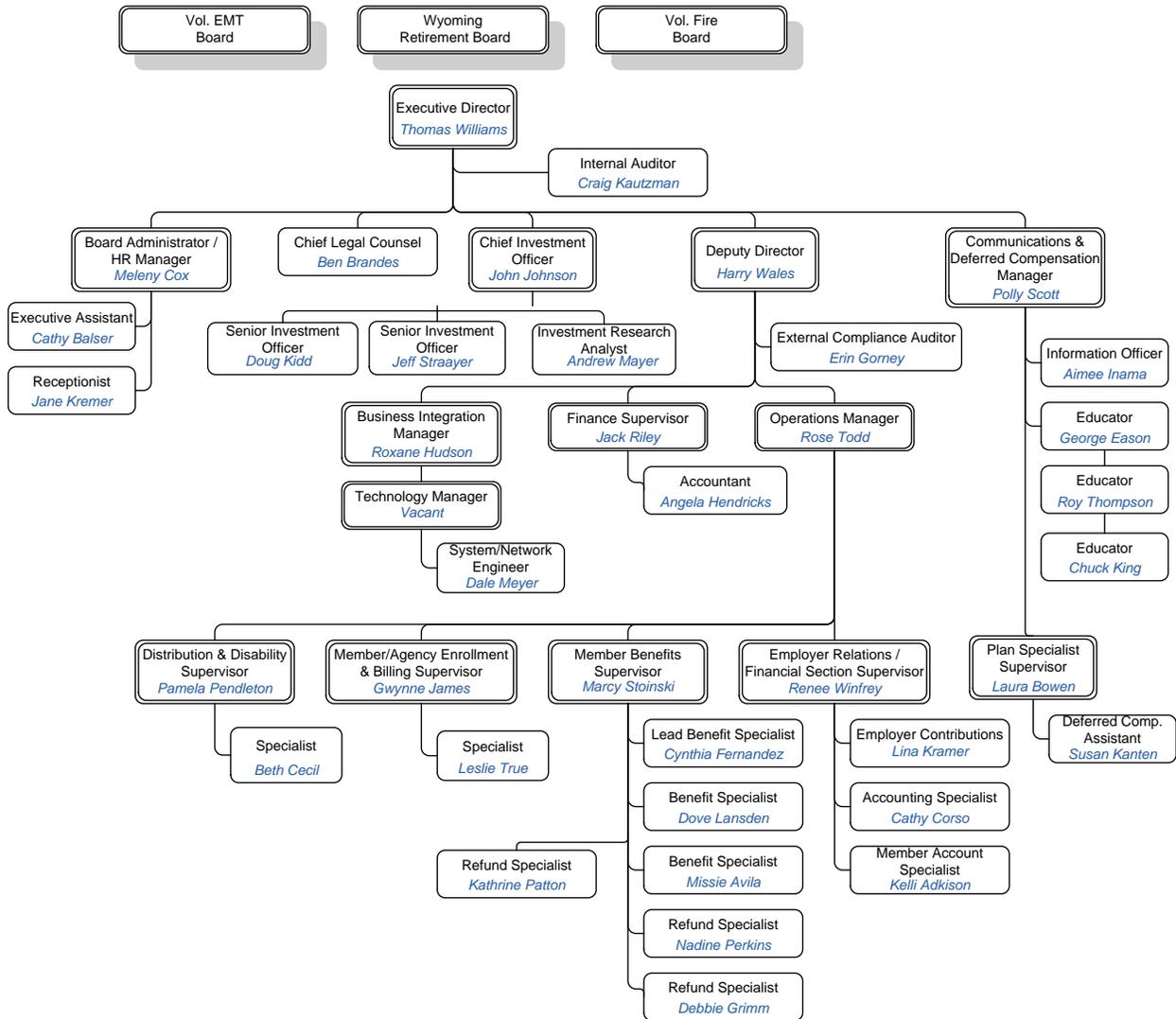
Jack Riley  
Finance Supervisor



Thomas Williams  
Executive Director

# Introduction Section

## Wyoming Retirement System Organization Chart For Year Ended December 31, 2012



# INTRODUCTORY SECTION

## ADMINISTRATIVE ORGANIZATION

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

1. Public Employees Pension Plan
2. State Patrol, Game and Fish Warden and Criminal Investigator Pension Plan
3. Paid Firemen's Pension Plan A
4. Paid Firemen's Pension Plan B
5. Judicial Pension Plan
6. Law Enforcement Pension Plan
7. Air Guard Firefighters Pension Plan
8. Volunteer Emergency Medical Technician Pension Plan
9. Volunteer Firemen's Pension Plan
10. Deferred Compensation (457) Program

The responsibility for the administration and operation of the first seven retirement systems and Deferred Compensation (457) Plan 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, the University of Wyoming or Community College System
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, 2012 are:

Joseph Bluemel (At Large) Kemmerer, Wyoming	Max "Tom" Chapman III (At Large) Jackson, Wyoming	Stephen Sommers, Chair (Retiree) Cheyenne, Wyoming
Carl Jensen (At Large) Wheatland, Wyoming	Garth Shanklin, Vice Chair (School Employee) Casper, Wyoming	Mark Gordon (State Treasurer) Cheyenne, Wyoming
Tracy Gover (Public Employee) Gillette, Wyoming	Laura Ladd (At Large) Wilson, Wyoming	Carrie F. Johnson (School Employee) Lander, Wyoming
Steve Wolff (Public Employee) Cheyenne, Wyoming	Rex Arney (At Large) Sheridan, Wyoming	

The Volunteer Firemen's Pension Plan is controlled by a separate board and administered by the Executive 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, 2012 are:

Lanny Applegate Cheyenne, Wyoming	Alan Sessions Afton, Wyoming
Jerry Munger Wheatland, Wyoming	Gene Diedtrich Newcastle, Wyoming
Tracy Brown Lingle, Wyoming	Kim Lee Cheyenne, Wyoming

## INTRODUCTORY SECTION

### ADMINISTRATIVE ORGANIZATION (Continued)

The Volunteer Emergency Medical Technician Pension Plan is controlled by a separate board and administered by the Executive 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 emergency medical technician with a minimum of five years of service as a volunteer EMT in the State of Wyoming.

#### Board members as of December 31, 2012 are:

Kristine Bacheller Pinedale, Wyoming	Roy Barber Baggs, Wyoming
Britt Wilson Glendo, Wyoming	Radawn Ruud Afton, Wyoming
Gard Ferguson Worland, Wyoming	Sally Waugh Hulett, Wyoming

#### CONSULTANTS

Actuary:	Gabriel Roeder Smith & Company Irving, Texas
Auditor:	McGee, Hearne & Paiz, LLP Cheyenne, Wyoming
Investment Consultant:	New England Pension Consultants, LLC Cambridge, Massachusetts
Master Custodian:	J P Morgan Chase & Company Austin, Texas

#### INVESTMENT MANAGERS

Please see the Investment Section, Pages 69 thru 84 for a complete listing of investment managers employed by the Wyoming Retirement System and a schedule of fees by investment type.

*This section intentionally left blank.*

## INTRODUCTORY SECTION

### HISTORY AND PLAN SUMMARIES

The System began as a teacher's retirement program on April 1, 1943. Contributions were one percent (1%) of the first \$2,000.00 of salary. The state employee's retirement program began in April of 1949. On April 1, 1953, both retirement programs were terminated for a day and consolidated to be the Public Employees Retirement Plan. The public employees were brought in under the Federal Social Security System at that time.

Following is the history of member contribution rates:

4-1-43 to 12-31-47	1% of 2,000	1-1-48 to 12-31-52	2% of 3,000
1-1-53 to 12-31-56	2% of 3,600	1-1-57 to 12-31-58	2% of 4,200
1-1-59 to 12-31-62	2% of 4,800	1-1-63 to 12-31-64	2% of 7,200
1-1-65 to 6-30-67	2.25% of 7,200	7-1-67 to 6-30-69	3% of 8,600
7-1-69 to 12-31-72	5% of 8,600	1-1-73 to 12-31-73	5% of 9,100
1-1-74 to 12-31-74	5% of 10,000	1-1-75 to 6-30-75	5% of 12,600
7-1-75 to 6-30-76	5.45% of 12,600	7-1-76 to 6-30-77	5.45% of 18,000
7-1-77 to 12-31-77	5.50% of 1800	1-1-78 to 8-31-10	5.57% No Ceiling
9-01-10 to Present	7% 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 1½% 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: Higher
  - 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:

Year  
Legislation  
Effective

- (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.

## INTRODUCTORY SECTION

### HISTORY AND PLAN SUMMARIES (Continued)

- (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:
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.

## INTRODUCTORY SECTION

### HISTORY AND PLAN SUMMARIES (Continued)

- (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.
- (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.
- (1991) 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.
- (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.
- (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.

## INTRODUCTORY SECTION

### HISTORY AND PLAN SUMMARIES (Continued)

- (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.
- Retirees in the Warden, Patrol, DCI Plan who retired before April 1, 1996 to have their benefit increased by \$5.00 per month for each year of service in the plan.
- 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.

## INTRODUCTORY SECTION

### HISTORY AND PLAN SUMMARIES (Continued)

(2001) Cont'd. 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, Plan B Firemen: 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 Pension 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 Pension 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 Pension 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.

## INTRODUCTORY SECTION

### HISTORY AND PLAN SUMMARIES (Continued)

(2004) Cont'd. 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 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.

(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 Pension 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.

(2007) House Bill 0015 passed effective February 16, 2007, 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.

House Bill 0039 passed relating to volunteer firemen's pension fund; increasing the maximum annual cost of living increase to 3%.

## INTRODUCTORY SECTION

### HISTORY AND PLAN SUMMARIES (Continued)

(2007) Cont'd. House Bill 0172 passed relating to public employee retirement; modifying the calculation for purchase of service credit. Effective July 1, 2007, vested members may purchase up to 5 years of service credit without the requirement of prior employment.

House Bill 0254 passed which provides a deadline of June 30, 2008 for Law Enforcement Pension Plan members to buy back service with a city, town, or county prior to the creation of the Law Enforcement Pension Plan in 2002.

Senate File 0063 passed providing funding for a study of the establishment of an emergency medical technician retirement program.

Senate File 0097 provides a clarification of a duty related disability for the Law Enforcement, Warden and Patrol Plans effective July 1, 2007.

Senate File 0120 changes the requirements for retirees returning to work after a 30-day break in service. Also requires that participating employers pay a fee when hiring a retiree who works in any capacity for the employer.

(2008) Senate File 0009 relates to the Uniform Management of Public Employee Retirement system Act clarifying personal liability of board members stating board members are immune from liability while acting within the scope of administering and operating the retirement system except in cases of willful misconduct, intentional torts or illegal acts.

Senate File 0057 allows employers to elect to become members so that employees can participate in the plans. This allows employees of county memorial hospitals and special hospital districts to participate in the retirement system; however the employer election can only occur between July 1, 2008 and January 1, 2009.

Senate File 0062 created a volunteer emergency medical technician pension fund beginning July 1, 2008.

Senate File 0068 passed relating to the judicial retirement plan, increased the employer contribution rate from 8.78% to 14.5%; reduced full retirement requirements of members from 15 years of service to four years of credited service and reduced age limitation from age 60 to age 55 with four years of service and implemented a five percent (5%) reduction in benefits for each year the member retires before age 65.

Senate File 0083 changes the requirements for retirees returning to work after a 30-day break in service if the member fills a vacant full-time position of a regular contributing employee in any capacity. This bill clarifies Senate File 0120 during the 2007 legislative session.

Senate File 0084 passed relating to the Paid Firemen's Pension Plan B increasing the pension payable from 2.5% to 2.8% of the final average compensation and increased the member contribution from 6% to 8.5%.

(2009) House Bill 0162 provides funding to any member in the military service of the United States, which covers two (2) years of service credit at no cost to the member and after June 30, 2010, state agencies are required to include the benefit in their standard budget.

House Bill 0241 passed authorizing the Wyoming Retirement System to obtain financial, state and national criminal history record information for employees and applicants for employment in the Wyoming Retirement System.

House Bill 0252 repealed the deadline for hospital participation in the retirement system.

## INTRODUCTORY SECTION

### HISTORY AND PLAN SUMMARIES (Continued)

(2010) Senate File 0072 amends contributions required to be made to the state retirement plan effective September 1, 2010. This bill increases the employee contribution by 1.43% which will be paid by the employees. The employer contribution is increased by 1.44% of salary, for a total increase of 2.87%.

(2011) No legislation passed during 2011 which directly impacted the defined benefit or defined contribution retirement plans.

(2012) Senate File 30 increased the contribution rate for the Highway Patrol, Game & Fish Warden and Criminal Investigator Retirement plan. The employee contribution rate was increased from 11.02% to 12.64%. The employer contribution rate was increased from 11.33% to 12.96%.

Senate File 59 removed the statutory language in all of the pension plans except for the Paid Fire A Plan. This change allows the board to issue a cost-of-living adjustment, only if the plan has at least 100% funding or greater and the COLA granted would not lower the funding level below 100%.

Senate File 97 added a second tier to the existing Public Employee defined benefit plan. This new tier applies to new hires on or after September 1, 2012 and increases the normal retirement age to 65, the highest average salary is calculated over five years and each member would receive 2% for each year of service as opposed to the current 2.125% for the first 15 years and 2.25% for service thereafter.

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# INTRODUCTORY SECTION

## WYOMING RETIREMENT SYSTEM COMPARISON OF RETIREMENT PLANS

PROVISION	PUBLIC EMPLOYEES PENSION PLAN	AIR GUARD FIREFIGHTERS PLAN
<b>Statutory Reference</b>	W. S. 9-3-401 through 9-3-432	W. S. 9-3-401 through 9-3-432
<b>Administrative Responsibility</b>	Eleven-member Board (Same as Game Warden Highway Patrol Criminal Investigators, Paid Firemen A & B, Law Enforcement, Judicial and Air Guard Firefighters).	Eleven-member Board (Same as Public Employees, Paid Firemen A & B, Judicial, Game Warden Highway Patrol Criminal Investigators and Law Enforcement).
<b>Membership</b>	All public employees including State, University and Community Colleges, School District, City and County employees and any other political sub-division requesting membership.	Employees of the Wyoming Air National Guard fire department crash and rescue unit employed on a full-time basis for firefighting and rescue operations within the department.
<b>Funding</b>	Employee Contributions = 7.00% Employer Contributions = <u>7.12%</u> Total = 14.12%	Employee Contributions = 16.65% Employer Contributions = <u>7.12%</u> Total = 23.77%
<b>Vesting</b>	4 years of service constituted by 48 months of service.	4 years of service constituted by 48 months of service.
<b>Refund</b>	Member's contribution with interest presently 5.5%.	Member's contribution with interest presently 5.5%.
<b>Pre-Retirement Death Benefit</b>	<u>Non-Vested</u> : Double the member's account balance. <u>Vested</u> : Same as non-vested or beneficiary can choose monthly allowance using the deceased's salary, years of service and age of beneficiary.	<u>Non-Vested</u> : Double the member's account balance. <u>Vested</u> : Same as non-vested or beneficiary can choose monthly allowance using the deceased's salary, years of service and age of beneficiary.
<b>Service Retirement &amp; Service Retirement Tier 1</b>	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 the number of years of service times the highest average salary for the first fifteen years, and 2.25% times the number of years of service times the highest average salary over fifteen years.	Full retirement at age 60 or qualifies for Rule of 75, or is at least age 50 with 25 years of service. Early retirement at age 50 with less than 25 years of service, or under age 50 with 25 years of service. Formula basis - 2.5% times number of years of service times highest average salary
<b>Service Retirement Tier 2</b>	Full retirement at age 65 or qualifies for Rule of 85 - Early retirement at age 55, or 25 years of service. Formula 2% times number of years of service times 5 yr highest average salary. Must have a min. of 5 years of service.	N/A
<b>Post-Retirement Death Benefits</b>	Depends upon option selected at retirement.	Depends on option selected at retirement.
<b>Disability Benefit</b>	<b>Tier 1:</b> Must have at least 10 years of service and be less than age 60. Calculate service retirement as if employee were age 60. <b>Tier 2:</b> Must have at least 10 years of service and be less than age 65. Calculate service retirement as if employee were age 65.	<b>Duty:</b> Total and partial equal 65% of salary: <b>Non-Duty:</b> Total and partial equal 65% of salary and have 10 years of service.
<b>Redeposit</b>	After 2 years re-employed and before 7 years after re-employed - repay withdrawn funds with interest.	After 2 years re-employed and before 7 years after re-employed - repay withdrawn funds with interest.
<b>Survivor</b>	Designated in writing on registration document or retirement application.	Designated in writing on registration document or retirement application.
<b>Other Provisions</b>	Social security benefits in addition to above benefits.	Social security benefits in addition to above benefits.

**INTRODUCTORY SECTION**  
**WYOMING RETIREMENT SYSTEM**  
**COMPARISON OF RETIREMENT PLANS**

<b>PROVISION</b>	<b>VOLUNTEER FIREMEN PLAN</b>	<b>STATE PATROL, GAME AND FISH WARDEN, &amp; CRIMINAL INVESTIGATOR PENSION PLAN</b>
<b>Statutory Reference</b>	W. S. 35-9-601 through 35-9-615	W. S. 9-3-601 through 9-3-620
<b>Administrative Responsibility</b>	Six-member Board.	Eleven-member Board (Same as Public Employees, Paid Firemen A & B, Judicial, Law Enforcement and the Air Guard Firefighters).
<b>Membership</b>	Open to any volunteer fireman who is carried on the rolls of a regularly constituted volunteer fire department.	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.
<b>Funding</b>	\$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 Contributions = 12.64% Employer Contributions = <u>12.96%</u> Total = 25.60%
<b>Vesting</b>	Upon retirement age. Based on table of benefits.	6 years of service constituted by 72 months of service.
<b>Refund</b>	Total contributions with interest; presently 3.0%.	Member's contribution with interest presently 5.5%.
<b>Pre-Retirement Death Benefit</b>	<u>Single Member</u> - Greater of \$5,000 or amount in members' account; <u>Married Member</u> - Surviving spouse's benefit or children's benefit under table of benefits whichever is applicable.	<u>Non-Duty Related</u> : 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 and children. <u>Duty Related</u> : 50% of final actual salary plus 5% for each minor child payable to spouse, limited to 100% of FAS.
<b>Service Retirement</b>	Determined by table of benefits – Entry age into plan.	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.
<b>Post-Retirement Death Benefits</b>	Same as Pre-Retirement Death Benefits.	Depends on option selected at retirement.
<b>Disability Benefit</b>	None available	<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
<b>Redeposit</b>	None available, but service can be purchased at an actuarial determined amount.	After 2 years re-employed and before 7 years after re-employed - repay withdrawn funds with interest.
<b>Survivor</b>	Surviving spouse.	Surviving spouse or designated beneficiary.
<b>Other Provisions</b>	If a member before 2-5-93, can continue paying contributions if 60 months have been paid in; if a member on or after 2-5-93, a member must have paid into the system for 120 months.	Social security benefits in addition to above benefits.

## INTRODUCTORY SECTION

### WYOMING RETIREMENT SYSTEM COMPARISON OF RETIREMENT PLANS

PROVISION	PAID FIREMEN PLAN A	PAID FIREMEN PLAN B
<b>Statutory Reference</b>	W. S. 15-5-201 through 15-5-210	W. S. 15-5-401 through 15-5-422
<b>Administrative Responsibility</b>	Eleven-member Board (Same as Public Employees, Paid Firemen B, Game Warden, Highway Patrol Criminal Investigators, Judicial, Law Enforcement and Air Guard Firefighters)	Eleven-member Board (Same as Public Employees, Paid Firemen A, Game Warden, Highway Patrol Criminal Investigators, Judicial, Law Enforcement and Air Guard Firefighters)
<b>Membership</b>	Any employee devoting his entire time of employment to the care, operation and requirements of a regularly constituted fire department, hired before July 1, 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
<b>Funding</b>	Employee's contribution and employer's contribution were suspended April 1, 1997	Employee's Contribution = 8.5% Employer's Contribution = 12% Total = 20.5%
<b>Vesting</b>	10 years of service	4 years of service constituted by 48 months of service.
<b>Refund</b>	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
<b>Pre-Retirement Death Benefit</b>	100% of the service retirement 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.
<b>Service Retirement</b>	75% of monthly salary of fireman first class who has completed 20 years of service – 1 ½% per year after 20 years of service.	2.8% for first 25 years of service.
<b>Post-Retirement Death Benefits</b>	100% of the service retirement to the surviving spouse.	Depends on option selected at retirement.
<b>Disability Benefit</b>	75% of fireman first class salary.	Greater of 50% of final average salary or service benefit accrued at date of disability.
<b>Redeposit</b>	None available.	Must work 2 years and repay contributions with interest
<b>Survivor</b>	Surviving Spouse.	Surviving Spouse.
<b>Other Provisions</b>	3% compounded COLA with a 5% COLA max after 12 months of retirement. No social security coverage	No social security coverage

# INTRODUCTORY SECTION

## WYOMING RETIREMENT SYSTEM COMPARISON OF RETIREMENT PLANS

PROVISION	WYOMING LAW ENFORCEMENT PLAN	WYOMING JUDICIAL PLAN
<b>Statutory Reference</b>	W. S. 9-3-401 through 9-3-432	W. S. 9-3-701 through 9-3-713
<b>Administrative Responsibility</b>	Eleven-member Board (Same as Public Employees, Game Warden, Highway Patrol Criminal Investigators, Paid Firemen A & B, Judicial and Air Guard Firefighters)	Eleven-member Board (Same as Public Employees, Game Warden, Highway Patrol Criminal Investigators, Paid Firemen A & B, Law Enforcement and Air Guard Firefighters)
<b>Membership</b>	County Sheriffs; deputy county sheriffs, municipal police officers; duty 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.	Any justice of the Supreme Court, district judge or county court judge appointed on or after July 1, 1998 and any judge or justice electing membership prior to January 1, 2000.
<b>Funding</b>	Employee Contribution = 8.6% Employer Contribution = 8.6% Total = 17.2%	Employee Contribution = 9.22% Employer Contribution = 14.5% Total = 23.72%
<b>Vesting</b>	4 years of service constituted by 48 months of service.	4 years of service constituted by 48 months of service, or less than 4 years of service if continuous service to age 70.
<b>Refund</b>	Member's contribution with interest presently 5.5%	Member's contribution with interest presently 5.5%
<b>Pre-Retirement Death Benefit</b>	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.	Non-Vested: Lump Sum Double the member's account balance. Vested: Same as non-vested or can choose monthly allowance using the deceased's salary, years of service and age of beneficiary.
<b>Service Retirement</b>	Age 60 with 4 years of service or at least 20 years of service regardless of age Formula – 2.5% times the number of years of service times the highest average salary with a maximum to 75%	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. Full retirement age 60 with at least 20 years of service, age 65 with 4 years of service. Age 70 with continuous service.
<b>Post-Retirement Death Benefits</b>	Depends on option selected at retirement.	Employee's survivor receives 50% of the allowance the member was receiving.
<b>Disability Benefit</b>	<u>In scope of employment</u> – 62.5% of salary. <u>Out of scope of employment</u> – 50% of salary and have 10 years of service.	Must have at least 10 years of service – 100% of service retirement as if eligible for normal benefit. <u>Partial disability</u> is 50% of service disability.
<b>Redeposit</b>	After 2 years and before 7 years of reemployment, redeposit withdrawn funds and the actuarial equivalent of the difference in benefit provided under the old law plan and the new law enforcement plan.	After 2 years re-employed and before 7 years after re-employed – repay withdrawn funds with interest.
<b>Survivor</b>	Surviving Spouse or designated beneficiary if not married.	Designated in writing on registration document or retirement application.
<b>Other Provisions</b>	Social security benefits in addition to above benefits. Except for six first-class cities	Social security benefits in addition to above benefits

**INTRODUCTORY SECTION**  
**WYOMING RETIREMENT SYSTEM**  
**COMPARISON OF RETIREMENT PLANS**

<b>PROVISION</b>	<b>VOLUNTEER EMT PLAN</b>
<b>Statutory Reference</b>	W. S. 35-29-101 through 35-29-112
<b>Administrative Responsibility</b>	Six-member Board
<b>Membership</b>	Open to any volunteer EMT who performs EMT services as an attendant with a state licensed ambulance service.
<b>Funding</b>	\$12.50 per month by the employee.
<b>Vesting</b>	Upon retirement age based on table of benefits.
<b>Refund</b>	Total contributions with 2.0% interest if a participating member for 60 months.
<b>Pre-Retirement Death Benefit</b>	<u>Married Member</u> - Surviving spouse's benefit is 50% of calculated normal retirement benefit. <u>Non Married Member</u> - Children's benefit is 25% of calculated normal retirement benefit.
<b>Service Retirement</b>	\$15.00 per year of service for the first 10 years & \$18.00 per year of service over 10 years.
<b>Post-Retirement Death Benefits</b>	Same as Pre-Retirement Death Benefits.
<b>Disability Benefit</b>	None available
<b>Redeposit</b>	None available, but service can be purchased at an actuarial determined amount.
<b>Survivor</b>	Surviving Spouse
<b>Other Provisions</b>	No social security coverage

INTRODUCTORY SECTION

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, 2011

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.



*Christopher P. Morinell*

President

*Jeffrey R. Emery*

Executive Director

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# FINANCIAL SECTION





## **INDEPENDENT AUDITOR'S REPORT**

To the Wyoming Retirement Board  
Wyoming Retirement System  
Cheyenne, Wyoming

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Wyoming Retirement System (the "System"), a component unit of the State of Wyoming, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which comprise the System's financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the System as of December 31, 2012 and the results of its changes in net assets for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

Accounting principles generally accepted in the United States of America require that management's discussion and analysis (pages 25 through 40) and the required supplementary information schedule of funding progress and schedule of contributions from the employer and other contributing entities (pages 62 and 63) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming an opinion on the financial statements that comprise the System's basic financial statements. The schedule of administrative and investment advisory expenses, combining schedule of defined contribution plan information and other information such as introductory, investment, actuary and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of administrative expenses and investment advisory fees, and combining schedules of participant and administrative net assets and changes in net assets (defined contribution plan) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The introductory, investment, actuarial and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

The Introductory Section, Investment Section, Actuarial Section and Statistical Section as listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the System. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements by us or other auditors and, accordingly, we do not express an opinion or provide any assurance on it.

*Mc Gee, Hearne & Paiz, LLP*

Cheyenne, Wyoming  
June 11, 2013

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section presents management's discussion and analysis of the Wyoming Retirement System's (WRS) financial status and performance for the year ended December 31, 2012.

WRS is responsible for administering retirement benefits for nine defined benefit pension plans and one defined contribution plan (457 Plan). The nine defined benefit plans are the Public Employees Pension Plan, State Patrol, Game and Fish Warden and Criminal Investigator Pension Plan, Volunteer Firemen's Pension Plan, Paid Firemen's Pension Plan A, Paid Firemen's Pension Plan B, Judicial Pension Plan, Law Enforcement Pension Plan, Volunteer EMT Pension Plan and the Air Guard Firefighters Pension 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, including Notes to the Basic Financial Statements
- (2) Required Supplementary Information
- (3) Other Supplementary Information

Collectively, this information presents the combined net position held in trust for pension benefits for each of the funds administered by WRS and the defined contribution (457) plan sponsored by WRS as of December 31, 2012. This financial information also summarizes the combined changes in net position held in trust for pension and defined contribution 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, 2012, basic financial statements are presented for the retirement funds administered and sponsored by WRS. Fiduciary funds are used to account for resources held for the benefit of parties outside WRS. These fiduciary funds are comprised of nine defined benefit systems and one defined contribution plan.
  - The Statement of Fiduciary Net Position – Pension (and Other Employee Benefit) Trust Funds is presented for the pension and defined contribution funds at December 31, 2012. This financial statement reflects the resources available to pay benefits to members, including retirees and beneficiaries.
  - The Statement of Changes in Fiduciary Net Position – Pension (and Other Employee Benefit) Trust Funds is presented for the pension and defined contribution trust funds for the year ended December 31, 2012. This financial statement reflects the changes in the resources available to pay benefits to members, including retirees and beneficiaries for the calendar year 2012.
  - 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 reporting entity, basis of accounting, method used to value investments, compensated absences and administrative expenses.

Note 2 – provides a general description of WRS as well as a description of each of the plans administered or sponsored 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 and any contingencies which may exist.

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

Note 9 – provides information about funded status and actuarial assumptions.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

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

### Financial Analysis of 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 Position of each respective plan. Investment gains or losses are reported in the Statement of Changes in Fiduciary Net Position of each retirement plan. The rate of return on investment is therefore approximately the same for each of the plans.

### System's Total Investments

At December 31, 2012, WRS held total investments of \$6.8 billion. The combined investment portfolio experienced a return of 14.1% (gross) and 13.7 (net of fees) compared with the WRS Benchmark of 11.7%. The benchmark represents what would have occurred if WRS had invested passively in the following asset classes with the corresponding weights:

<u>Asset Class</u>	<u>% AUM</u>	<u>Benchmark</u>
Tactical Cash	0%	Barclays Short Treasury Unhedged
Equities	50%	MSCI ACWI
Fixed Income	30%	Barclays Multiverse Index
Global Tactical Asset Allocation	10%	60% MSCI ACWI/40% Barclays Multiverse Index
Alternative	10%	(50% (CPI + 5%) + 50% (Libor +4%))

Investment results over time compared with WRS benchmarks are presented in the Investment Section of the CAFR.

### Tactical Cash

At December 31, 2012, WRS held \$304 million in Tactical Cash down from \$352 million in Tactical Cash at the end of December 31, 2011. The change in cash is a function of decisions made by WRS Investment managers at year end and is monitored by the Cash Overlay Program.

### Equities

At December 31, 2012, WRS held \$3.6 billion in Domestic, International Developed, and Emerging Market equity securities, an increase from \$3.0 Billion held at year end 2011. Equity had a gain of 16.5% for the year 2012 compared to MSCI ACWI benchmark which had a gain of 16.1% due to market performance.

### Fixed Income Securities

At December 31, 2012, WRS held \$1.8 billion in fixed income securities up from \$1.6 Billion in fixed income securities held at year end 2011. Fixed income includes securities such as U.S. Treasury Bonds and Notes, Mortgage-Backed Securities and Corporate Bonds, which had a return of 9.2% for the year 2012 compared to the Barclays Multiverse Index benchmark return of 4.8% due to market performance.

### Global Tactical Asset Allocation (GTAA)

At December 31, 2012, WRS held \$718 million in managers considered to employ GTAA strategies, an increase from \$628 million from 2011. The increase in the current year is due to market performance.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### Alternatives

At December 31, 2012, WRS held \$583 million in managers considered to employ Alternative strategies, a decrease from \$629 million from December 31, 2011. This change is due to the diversification of the Alternative Investment Managers. Alternatives include such categories as real estate, infrastructure and natural resources.

### Temporary Investments

Temporary investments are overnight investments in short-term investment funds (STIF). At December 31, 2012, WRS held \$297.7 million in these overnight funds. At December 31, 2011, WRS held \$334.8 million in these overnight funds. These temporary investments are included in equities and fixed income portfolios for investment return purposes.

Investment allocation at Fair Value  
As of December 31, 2012

Asset Allocation by sector *	2012	2011
Tactical Cash	4.4%	5.6%
Equities **	52.0%	48.7%
Fixed Income	24.6%	25.5%
Global Tactical Asset Allocation	10.5%	10.1%
Alternative	8.5%	10.1%

\*Numbers may not total 100% due to rounding.

\*\*Excludes equity exposure held in transition account in 2011 and 2012.

### 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, 2012, the plans had \$894.3 million on loan secured by \$917.6 million in collateral. For the year 2012, net securities lending income for all plans totaled \$4,484,909 as compared to net securities lending income for all plans totaled \$2,189,265 for the year ending 2011.

### 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 126.8% to a low of 71.3%. This schedule shows the January 1, 2013 funding ratios compared with the ratios at January 1 of the prior 6 years. The table also shows the amount by which actuarial assets exceeded or fell short of actuarial liabilities. At January 1, 2013, the market value of assets exceeded the actuarial value of assets by \$1.7 billion.

Effective July 1, 2005, State statutes for all defined benefit plans except for the Paid Firemen's Pension Plan A, 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 all but Paid Firemen's Pension Plan A, beginning July 1, 2012 all future COLA's must be approved by the Board of Directors and the State Legislators. In addition, the COLA cannot be recommended unless the plan is considered actuarially sound and the unfunded liability must not drop below 100% after the award of the COLA.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

**The Public Employee Pension Plan:** Before 2006, the Actuarial Accrued Liability (AAL) was based on Maximum COLA liabilities. Between 2006 and 2009, the AAL was based on Break-Even COLA liabilities. Starting in 2010, the AAL is based on no COLA liabilities.

**The State Patrol, Game and Fish Warden and Criminal Investigator Pension Plan:** Before 2010, the AAL was based on Maximum COLA liabilities. Starting in 2010, the AAL is based on no COLA liabilities.

**The Volunteer Firemen's Pension Plan:** Before 2009, the liabilities were based assuming the maximum COLA will be paid. In 2009, the liabilities were calculated on a Break-Even basis. Starting in 2010, liabilities are based assuming no COLA will be paid.

**The Paid Firemen's Pension Plan A:** Before 2010, the AAL was based on Maximum COLA liabilities. Starting in 2010, the AAL is based on 3% COLA liabilities.

**The Paid Firemen's Pension Plan B:** Before 2010, the AAL was based on Maximum COLA liabilities. Starting in 2010, the AAL is based on no COLA liabilities.

**The Judicial Pension Plan:** Before 2010, the AAL was based on Maximum COLA liabilities. Starting in 2010, the AAL is based on no COLA liabilities.

**The Law Enforcement Pension Plan:** Before 2005, the AAL was based on Maximum COLA liabilities. Between 2005 and 2009, the AAL was based on Break-Even COLA liabilities. Starting in 2010, the AAL is based on no COLA liabilities.

**The Volunteer EMT's Pension Plan:** Before 2010, the liabilities were based assuming the maximum COLA will be paid. Starting in 2010, liabilities are based assuming no COLA will be paid.

**The Air Guard Firefighter Plan:** Before 2011, the plan was included in the Public Employees Pension Plan. Starting in 2011 the plan was separated and the liabilities were based on no COLA liabilities.

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*ANALYSIS OF INDIVIDUAL PLANS*

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### 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. Employee and employer contributions and earnings on investments fund benefits of the Plan. The Air Guard Firefighters Pension Plan was separated from the Public Employee Pension Plan as of January 1, 2011.

The Plan's net position held in trust for benefits at December 31, 2012 totaled \$5.9 billion, an increase of \$586.1 million from 2011. Additions to the Plan net position held in trust for benefits include employer and employee contributions and investment income/losses. For the calendar year 2012, employee and employer contributions totaled \$240.1 million, an increase of \$4.7 million or 2.0% from 2011. Contributions increased due to the small increase in active employees and the contribution rate increase, from 36,070 members in 2011 to 36,444 in 2012, along with an increase in average salary from \$48,707 to \$48,899. The Plan recognized a net investment gain of \$723.5 million for the year 2012 compared with a net investment loss of \$63.5 million a year earlier. This is due to the equity market.

Deductions from the Plan net position held in trust for benefits included mainly retirement and beneficiary benefits, administrative expenses and refunds to members terminating service. For 2012, benefits totaled \$357.4 million, an increase of \$28.7 million or 8.7% a year earlier. The increase in benefits is due to the number of members retiring was greater than the number of those who became deceased. For 2012, the costs of administering the Plan's benefits totaled \$6.5 million, compared to \$5.5 million a year earlier.

Refunds are the result of employees leaving public service and requesting the money they contributed plus interest into the system to be refunded. Refunds to members terminating service totaled \$17.3 million in 2012, an increase from \$15.2 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, 2013, the funded status of the Plan decreased from 81.9% at January 1, 2012 to 78.6% on January 1, 2013 due in part to assumptions used which were changed during the experience analysis and the decrease in past market values of investments. The active employee payroll increased 1.4% last year, compared with a 1.6% increase the prior year. The amount by which the Plan's actuarial liabilities exceeded actuarial assets was \$1.6 billion at January 1, 2013, compared to the amount by which the Plan's actuarial liabilities exceed actuarial assets by \$1.3 billion on January 1, 2012.

<b>Public Employees Pension Plan</b>			<b>Public Employees Pension Plan</b>		
<b>Net Position</b>			<b>Changes in Net Position</b>		
<b>December 31, 2012</b>	(Dollars in thousands)		<b>Year Ended December 31, 2012</b>	(Dollars in thousands)	
<b>Assets:</b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b>Additions:</b>	<b><u>2012</u></b>	<b><u>2011</u></b>
Cash & Receivables	\$ 456,857	\$ 642,360	Employee Contributions	\$ 119,052	\$ 116,692
Investments: Fair Value	5,696,659	5,121,440	Employer Contributions	121,027	118,652
Securities Lending Collateral	514,319	450,175	Investment Income(loss)	723,468	(63,533)
<b>Total Assets</b>	<b><u>6,667,835</u></b>	<b><u>6,213,975</u></b>	Other Income	3,621	3,905
			<b>Total Additions(Deductions)</b>	<b><u>967,168</u></b>	<b><u>175,716</u></b>
<b>Liabilities:</b>			<b>Deductions:</b>		
Securities Lending Payable	514,319	450,175	Benefits	357,367	328,737
Benefits & Refunds Payable	483	609	Refunds	17,263	15,242
Securities Purchased	101,312	172,996	Admin. Expenses	6,463	5,541
Other Payables	147,437	271,986	Transfers to Other Plan	-	3,324
<b>Total Liabilities</b>	<b><u>763,551</u></b>	<b><u>895,766</u></b>	<b>Total Deductions</b>	<b><u>381,093</u></b>	<b><u>352,844</u></b>
			Change in Net Position	586,075	(177,128)
<b>Total Net Position</b>	<b><u>\$ 5,904,284</u></b>	<b><u>\$ 5,318,209</u></b>	Total Beginning Net Position	5,318,209	5,495,337
			<b>Total Ending Net Assets</b>	<b><u>\$ 5,904,284</u></b>	<b><u>\$ 5,318,209</u></b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### State Patrol, Game and Fish Warden and Criminal Investigator Pension Plan

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

The Plan net position held in trust for benefits at December 31, 2012 totaled \$108.9 million, an increase of \$11.0 million from 2011. Additions to the Plan net position held in trust for benefits include employer and employee contributions and investment income/losses. For the calendar year 2012, employee and employer contributions totaled \$5.5 million, an increase from 2011 of \$218,910 or 4.1%. Contributions increased due to amid year increase in the required contributing percentage. Average salary per member decreased from \$76,698 in 2011 to \$75,854 in 2012. The Plan recognized a net investment gain of \$13.3 million for the year 2012 compared with net investment loss of \$1.2 million a year earlier. This is due to the equity market.

Deductions from the Plan net position held in trust for benefits included mainly retirement and beneficiary benefits, administrative expenses and refunds to members terminating service. For 2012, benefits totaled \$7.6 million, an increase from \$7.1 million or 6.4% a year earlier. For 2012, the costs of administering the Plan's benefits totaled \$84,760 compared to \$72,991 a year ago. Refunds to members terminating service and requesting a refund totaled \$286,976, a decrease from \$366,168 a year ago.

Refunds are the results of employees leaving public service and requesting the money they contributed plus interest into the system to be refunded. Refunds to members terminating service totaled \$287,000 in 2012, a decrease from \$366,000 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, 2013, the funded status of the Plan decreased from 79.5% at January 1, 2012 to 77.1% at January 1, 2013. The amount by which the Plan's actuarial liabilities exceeded actuarial assets was \$31.5 million at January 1, 2013, compared to the amount by which the Plan's actuarial liabilities exceeded actuarial assets by \$27.3 million at January 1, 2012.

<b>State Patrol, Game and Fish Warden, and Criminal Investigator Pension Plan Net Position</b>			<b>State Patrol, Game and Fish Warden, and Criminal Investigator Pension Plan Changes in Net Position</b>		
<b>December 31, 2012</b> (Dollars in thousands)			<b>Year Ended December 31, 2012</b> (Dollars in thousands)		
<b>Assets:</b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b>Additions:</b>	<b><u>2012</u></b>	<b><u>2011</u></b>
Cash & Receivables	\$ 8,694	\$ 11,934	Employee Contributions	\$ 2,726	\$ 2,685
Investments: Fair Value	104,816	94,150	Employer Contributions	2,799	2,621
Securities Lending Collateral	9,463	8,276	Investment Income(loss)	13,286	(1,153)
<b>Total Assets</b>	<b><u>122,973</u></b>	<b><u>114,360</u></b>	Other Income	177	178
<b>Liabilities:</b>			<b>Total Additions(Deductions)</b>	<b><u>18,988</u></b>	<b><u>4,331</u></b>
Securities Lending Payable	9,463	8,276	<b>Deductions:</b>		
Benefits & Refunds Payable	-	9	Benefits	7,579	7,126
Securities Purchased	1,864	3,180	Refunds	287	366
Other Payables	2,720	5,006	Admin. Expenses	85	73
<b>Total Liabilities</b>	<b><u>14,047</u></b>	<b><u>16,471</u></b>	<b>Total Deductions</b>	<b><u>7,951</u></b>	<b><u>7,565</u></b>
<b>Total Net Position</b>	<b><u>\$ 108,926</u></b>	<b><u>\$ 97,889</u></b>	Change in Net Position	11,037	(3,234)
			Total Beginning Net Position	97,889	101,123
			<b>Total Ending Net Position</b>	<b><u>\$ 108,926</u></b>	<b><u>\$ 97,889</u></b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### 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 employee contributions (\$12.50 per month), the fire insurance tax collected, and earnings on investments.

The Plan net position held in trust for benefits at December 31, 2012 totaled \$64.1 million, an increase of \$5.8 million from 2011. Additions to the Plan net position 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 2012, employee contributions totaled \$321,499, a decrease from 2011 of \$14,356 or 4.3%. The Plan recognized a net investment gain of \$7,856,005 for the year 2012 compared with net investment loss of \$652,979 a year earlier. This is due to the equity market.

The tax collected on fire insurance premiums totaled \$1,511,826 in 2012 compared to \$1,649,218 received in 2011. Deductions from the Plan net position held in trust for benefits included mainly retirement and beneficiary benefits, administrative expenses and refunds to employees terminating service. For 2012, benefits totaled \$3.6 million, an increase from \$3.3 million or 10.1% a year earlier. The increase in benefits is due to the fact that there were more retirees being paid than in 2011. For 2012, the costs of administering the Plan's benefits totaled \$215,552 compared to \$185,852 a year earlier. Refunds to members terminating service and requesting a refund totaled \$82,766, an increase from \$79,670 a year ago.

Refunds are the result of employees leaving public service and requesting the money they contributed plus interest into the system to be refunded. Refunds to members terminating service totaled \$83,000 in 2012, an increase from \$80,000 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, 2013, the funded status of the plan decreased to 93.5% at January 1, 2013 from 99.2% at January 1, 2012. The amount by which the Plan actuarial liabilities exceeded actuarial assets was \$4.3 million at January 1, 2013, compared to the amount by which the plan actuarial assets exceeded actuarial liabilities by \$496,972 at January 1, 2012.

<b>Volunteer Firemen's Pension Plan Net Position</b>			<b>Volunteer Firemen's Pension Plan Changes in Net Position</b>		
<b>December 31, 2012</b>	(Dollars in Thousands)		<b>Year Ended December 31, 2012</b>	(Dollars in Thousands)	
<b>Assets:</b>	<u><b>2012</b></u>	<u><b>2011</b></u>	<b>Additions:</b>	<u><b>2012</b></u>	<u><b>2011</b></u>
Cash & Receivables	\$ 5,555	\$ 7,359	Employee Contributions	\$ 321	\$ 336
Investments: Fair Value	61,294	55,873	Investment Income(loss)	7,856	(653)
Securities Lending Collateral	5,534	4,911	Other Income	1,512	1,649
<b>Total Assets</b>	<b>72,383</b>	<b>68,143</b>	<b>Total Additions(Deductions)</b>	<b>9,689</b>	<b>1,332</b>
<b>Liabilities:</b>			<b>Deductions:</b>		
Securities Lending Payable	5,534	4,911	Benefits	3,597	3,268
Benefits & Refunds Payable	2	5	Refunds	83	80
Securities Purchased	1,090	1,887	Admin. Expenses	215	186
Other Payables	1,611	2,988	<b>Total Deductions</b>	<b>3,895</b>	<b>3,534</b>
<b>Total Liabilities</b>	<b>8,237</b>	<b>9,791</b>	Change in Net Position	5,794	(2,202)
<b>Total Net Position</b>	<b>\$ 64,146</b>	<b>\$ 58,352</b>	Total Beginning Net Position	58,352	60,554
			<b>Total Ending Net Position</b>	<b>\$ 64,146</b>	<b>\$ 58,352</b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### 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. The plan is funded solely by earnings on investments.

The Plan net position held in trust for benefits at December 31, 2012 totaled \$143.7 million, an increase of \$4.3 million from 2011. Additions to the Plan net position held in trust for benefits include investment income. This Plan is a closed plan and the Board suspended contributions in April 1997. The Plan recognized a net investment gain of \$18.4 million for the year 2012 compared with a net investment loss of \$1.4 million a year earlier. This is due to the equity market.

Deductions from the Plan net position held in trust for benefits included mainly retirement and beneficiary benefits and administrative expenses. For 2012, benefits totaled \$14.2 million, an increase from \$13.9 million or 2.6% a year earlier. The benefits continue to increase due to a 3% COLA in the current year. For 2012, the costs of administering the Plan's benefits totaled \$102,094 compared to \$91,234 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.

Refunds are the result of employees leaving public service and requesting the money they contributed plus interest into the system to be refunded. There were no refunds paid to employees terminating service for 2012 or 2011.

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, 2013, the funded status of the Plan was 71.3% compared to 78.4% at January 1, 2012. The amount by which the Plan's actuarial liabilities exceeded actuarial assets was \$56.0 million compared with actuarial liabilities exceeding actuarial assets by \$42.3 million one year ago.

<b>Paid Firemen's Pension Plan A Net Position</b>			<b>Paid Firemen's Pension Plan A Changes in Net Position</b>		
<b>December 31, 2012</b> (Dollars in Thousands)	<b>2012</b>	<b>2011</b>	<b>Year Ended December 31, 2012</b> (Dollars in Thousands)	<b>2012</b>	<b>2011</b>
<b>Assets:</b>			<b>Additions:</b>		
Cash & Receivables	\$ 11,153	\$ 16,707	Other Income	\$ 243	\$ -
Investments: Fair Value	138,645	134,393	Investment Income(loss)	18,404	(1,434)
Securities Lending Collateral	12,518	11,813	<b>Total Additions(Deductions)</b>	<b>18,647</b>	<b>(1,434)</b>
<b>Total Assets</b>	<b>162,316</b>	<b>162,913</b>			
<b>Liabilities:</b>			<b>Deductions:</b>		
Securities Lending Payable	12,518	11,813	Benefits	14,227	13,873
Benefits & Refunds Payable	-	-	Refunds	-	-
Securities Purchased	2,465	4,540	Admin. Expenses	102	91
Other Payables	3,598	7,143	<b>Total Deductions</b>	<b>14,329</b>	<b>13,695</b>
<b>Total Liabilities</b>	<b>18,581</b>	<b>23,496</b>	Change in Net Assets	4,318	(15,398)
<b>Total Net Position</b>	<b>\$ 143,735</b>	<b>\$ 139,417</b>	Total Beginning Net Assets	139,417	154,815
			<b>Total Ending Net Position</b>	<b>\$ 143,735</b>	<b>\$ 139,417</b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### 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 July 1, 1981. Benefits of the Plan are funded by employee and employer contributions and investments income.

The Plan net position held in trust for benefits at December 31, 2012 totaled \$93.5 million, an increase of \$13.2 million from 2011. Additions to the Plan net position held in trust for benefits include employer and employee contributions and investment income. For the calendar year 2012, member and employer contributions totaled \$4.8 million, an increase from 2011 of \$4.6 million or 4.0%. The Plan recognized a net investment gain of \$11.1 million for the year 2012 compared with a net investment loss of \$961,543 a year earlier. This is due to the equity market.

Deductions from the Plan net position held in trust for benefits included mainly retirement and beneficiary benefits, administrative expenses and refunds to employees terminating service. For 2012, benefits totaled \$2,520,122, an increase from \$2,011,330 or 25.3% a year earlier. For 2012, the costs of administering the Plan's benefits totaled \$67,187 compared to \$52,758 a year ago. Refunds to members during 2012 totaled \$108,996 compared to \$38,274 a year earlier.

Refunds are the result of employees leaving public service and requesting the money they contributed plus interest into the system to be refunded. Refunds to members terminating service totaled \$109,000 in 2012, an increase from \$38,000 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, 2013, the funded status of the Plan decreased from 109.4% at January 1, 2012 to 106.8% at January 1, 2013. The amount by which the Plan actuarial assets exceeded actuarial liabilities was \$5.8 million at January 1, 2013, compared to the Plan actuarial assets exceeding actuarial liabilities by \$7.4 million at January 1, 2012.

<b>Paid Firemen's Pension Plan B Net Position</b>			<b>Paid Firemen's Pension Plan B Changes in Net Position</b>		
<b>December 31, 2012</b> (Dollars in Thousands)			<b>Year Ended December 31, 2012</b> (Dollars in Thousands)		
<b>Assets:</b>	<b>2012</b>	<b>2011</b>	<b>Additions:</b>	<b>2012</b>	<b>2011</b>
Cash & Receivables	\$ 7,411	\$ 9,824	Employee Contributions	\$ 1,998	\$ 1,922
Investments: Fair Value	89,982	77,103	Employer Contributions	2,825	2,713
Security Lending Collateral	8,124	6,777	Investment Income(loss)	11,110	(962)
<b>Total Assets</b>	<b>105,517</b>	<b>93,704</b>	Other Income	7	-
<b>Liabilities:</b>			<b>Total Additions(Deductions)</b>	<b>15,940</b>	<b>3,673</b>
Securities Lending Payable	8,124	6,777	<b>Deductions:</b>		
Benefits & Refunds Payable	1	12	Benefits	2,520	2,011
Securities Purchased	1,600	2,605	Refunds	109	38
Other Payables	2,336	4,098	Admin. Expenses	67	53
<b>Total Liabilities</b>	<b>12,061</b>	<b>13,492</b>	<b>Total Deductions</b>	<b>2,696</b>	<b>2,102</b>
<b>Total Net Position</b>	<b>\$ 93,456</b>	<b>\$ 80,212</b>	Change in Net Position	13,244	1,571
			Total Beginning Net Position	80,212	78,641
			<b>Total Ending Net Position</b>	<b>\$ 93,456</b>	<b>\$ 80,212</b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### Judicial Pension Plan

The Wyoming Judicial Pension 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, 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 position held in trust for benefits at December 31, 2012 totaled \$18.0 million, an increase of \$2.4 million from 2011. Additions to the Plan net position held in trust for benefits include employer and employee contributions and investment income. For the calendar year 2012, employee and employer contributions totaled \$954,932, a decrease from 2011 of \$148,618 or 13.5%. The plan recognized a net investment gain of \$2.1 million for the year ending 2012 compared to a net investment loss of \$174,821 a year earlier. This is due to the equity market.

Deductions from the plan net position held in trust for benefits included mainly retirement and beneficiary benefits, administrative expenses and refunds to employees terminating service. For 2012, benefits totaled \$610,572, the same as 2011. For 2012, the cost of administering the plans assets totaled \$13,779 compared to \$9,217 a year ago. The refunds for 2012 were \$98,184 compared to no refunds in 2011.

Refunds are the result of employees leaving public service and requesting the money they contributed plus interest into the system to be refunded. Refunds to members terminating service totaled \$98,000 in 2012. There were no refunds in 2011.

An actuarial valuation of the Plan's asset and benefit obligations performed annually. At the date of the most recent actuarial valuation, January 1, 2013, the funded status of the plan decreased from 107.0% at January 1, 2012 to 103.7% at January 1, 2013. The amount by which the plan actuarial assets exceeded actuarial liabilities was \$624,141 at January 1, 2013, compared to the Plan actuarial assets exceeding actuarial liabilities by \$1.1 million at January 1, 2012.

<b>Judicial Pension Plan Net Position</b>			<b>Judicial Pension Plan Changes in Net Position</b>		
<b>December 31, 2012</b>	(Dollars in Thousands)		<b>Year Ended December 31, 2012</b>	(Dollars in Thousands)	
<b>Assets:</b>	<b>2012</b>	<b>2011</b>	<b>Additions:</b>	<b>2012</b>	<b>2011</b>
Cash & Receivables	\$ 1,488	\$ 1,982	Employee Contributions	\$ 345	\$ 429
Investments: Fair Value	17,241	14,919	Employer Contributions	610	675
Security Lending Collateral	1,557	1,311	Investment Income(loss)	2,137	(175)
<b>Total Assets</b>	<b>20,286</b>	<b>18,212</b>	Other Income	-	-
<b>Liabilities:</b>			<b>Total Additions(Deductions)</b>	<b>3,092</b>	<b>929</b>
Securities Lending Payable	1,557	1,311	<b>Deductions:</b>		
Benefits & Refunds Payable	-	-	Benefits	611	611
Securities Purchased	307	504	Refunds	98	-
Other Payables	449	793	Admin. Expenses	14	9
<b>Total Liabilities</b>	<b>2,313</b>	<b>2,608</b>	<b>Total Deductions</b>	<b>723</b>	<b>620</b>
<b>Total Net Position</b>	<b>\$ 17,973</b>	<b>\$ 15,604</b>	Change in Net Position	2,369	309
			Total Beginning Net Position	15,604	15,295
			<b>Total Ending Net Position</b>	<b>\$ 17,973</b>	<b>\$ 15,604</b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### Law Enforcement Pension Plan

The Wyoming Law Enforcement Pension Plan became effective July 1, 2002 and provides retirement benefits to any member who is a county sheriff, deputy county sheriff, and 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 and investment income.

The Plan net position held in trust for benefits at December 31, 2012 totaled \$448.2 million, an increase of \$56.5 million from 2011. Additions to the Plan net position held in trust for benefits include employer and employee contributions and investment income. For the calendar year 2012, employee and employer contributions totaled \$25.9 million, an increase from 2011 of \$271,211 or 1.1%. The Plan recognized a net investment gain of \$53.8 million for the year 2012 compared to an investment loss of \$4.7 million in 2011. This is due to the equity market.

Deductions from the Plan net position held in trust for benefits included mainly retirement and beneficiary benefits, administrative expenses and refunds to employees terminating service. For 2012, benefits totaled \$19.6 million, an increase from \$17.9 million or 10.0%. For 2012, the costs of administering the Plan's benefits totaled \$416,632 compared to \$345,446 during 2011. There were \$3.6 million refunds in 2012 compared to \$2.8 million during 2011 or an increase of \$761,366.

Refunds are the result of employees leaving public service and requesting the money they contributed plus interest into the system to be refunded. Refunds to members terminating service totaled \$3,576,000 in 2012, an increase from \$2,815,000 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, 2013, the funded status of the Plan was 92.3% compared to 95.9% a year earlier. The amount by which the Plan actuarial liabilities exceeded actuarial assets was \$36.3 million compared to the plan actuarial liabilities exceeding actuarial assets by \$18.3 million a year earlier.

<b>Law Enforcement Pension Plan Net Position</b>			<b>Law Enforcement Pension Plan Changes in Net Position</b>		
<b>December 31, 2012</b> (Dollars in Thousands)			<b>Year Ended December 31, 2012</b> (Dollars in Thousands)		
<b>Assets:</b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b>Additions:</b>	<b><u>2012</u></b>	<b><u>2011</u></b>
Cash & Receivables	\$ 35,501	\$ 48,069	Employee Contributions	\$ 12,964	\$ 12,839
Investments: Fair Value	431,586	376,425	Employer Contributions	12,972	12,826
Security Lending Collateral	38,965	33,088	Investment Income(loss)	53,843	(4,747)
<b>Total Assets</b>	<b><u>506,052</u></b>	<b><u>457,582</u></b>	Other Income	392	671
<b>Liabilities:</b>			<b>Total Additions(Deductions)</b>	<b><u>80,171</u></b>	<b><u>21,589</u></b>
Securities Lending Payable	38,965	33,088	<b>Deductions:</b>		
Benefits & Refunds Payable	41	136	Benefits	19,638	17,853
Securities Purchased	7,676	12,715	Refunds	3,576	2,815
Other Payables	11,207	20,020	Admin. Expenses	417	345
<b>Total Liabilities</b>	<b><u>57,889</u></b>	<b><u>65,959</u></b>	<b>Total Deductions</b>	<b><u>23,631</u></b>	<b><u>21,013</u></b>
<b>Total Net Position</b>	<b><u>\$ 448,163</u></b>	<b><u>\$ 391,623</u></b>	Change in Net Position	56,540	576
			Total Beginning Net Position	391,623	391,047
			<b>Total Ending Net Position</b>	<b><u>\$ 448,163</u></b>	<b><u>\$ 391,623</u></b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### Volunteer Emergency Medical Technician Pension Plan

The Volunteer Emergency Medical Technician Pension Plan was created during the 2008 legislative session. The Plan provides retirement benefits to volunteer EMTs who elect to participate in the Plan. Benefits of the Plan are funded by employee contributions (\$12.50 per month) and earnings on investments.

The Plans net position held in trust for benefit at December 31, 2012 was \$930,560 an increase of \$282,654 from 2011. Additions to the Plan net position held in trust for benefits include employee contributions and investment income. For the calendar year 2012, employee contributions totaled \$24,859; a decrease from 2011 of \$2,632 or 9.6%. The Plan recognized a net investment gain of \$105,243 for the year 2012 compared to an investment loss of \$4,332 for the year earlier. This is due to the equity market.

Deductions from the Plan net position held in trust for benefits included administrative expenses and refunds. For 2012, the costs of administering the Plan's benefits totaled \$27,244 compared to \$8,897 a year earlier. There were no benefits paid for 2012. Refunds paid to members terminating service for 2012 was \$188 compared to \$375 for 2011.

Refunds are the result of employees leaving public service and requesting the money they contributed plus interest into the system to be refunded. There are no refunds paid to employees terminating service for 2012 or 2011.

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, 2013, the amount by which the Plan actuarial assets exceeded actuarial liabilities was \$190,724 compared to the plan actuarial assets exceeding actuarial liabilities by \$123,472 a year earlier. The funded status at January 1, 2013 for the plan was 126.8% compared to 123.2% at January 1, 2012.

<b>Volunteer EMT Pension Plan Net Position</b>			<b>Volunteer EMT Pension Plan Changes in Net Position</b>		
<b>December 31, 2012</b>	(Dollars in Thousands)		<b>Year Ended December 31, 2012</b>	(Dollars in Thousands)	
<b>Assets:</b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b>Additions:</b>	<b><u>2012</u></b>	<b><u>2011</u></b>
Cash & Receivables	\$ 74	\$ 83	Employee Contributions	\$ 25	\$ 27
Investments: Fair Value	929	648	Investment Income (loss)	105	(4)
Securities Lending Collateral	84	57	Other Income	180	151
<b>Total Assets</b>	<b>1,087</b>	<b>788</b>	<b>Total Additions</b>	<b>310</b>	<b>174</b>
<b>Liabilities:</b>			<b>Deductions:</b>		
Securities Lending Payable	84	57	Benefits	-	-
Benefits & Refunds Payable	-	-	Refunds	-	-
Securities Purchased	16	22	Admin. Expenses	27	9
Other Payables	56	61	<b>Total Deductions</b>	<b>27</b>	<b>9</b>
<b>Total Liabilities</b>	<b>156</b>	<b>140</b>	Change in Net Position	283	165
<b>Total Net Position</b>	<b>\$ 931</b>	<b>\$ 648</b>	Total Beginning Net Position	648	483
			<b>Total Ending Net Position</b>	<b>\$ 931</b>	<b>\$ 648</b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### Air Guard Firefighters Pension Plan

The Air Guard Firefighters Pension Plan provides retirement benefits to covered Air Guard Firefighters. Employee and employer contributions and earnings on investments fund benefits of the Plan. The Air Guard Firefighters Pension Plan was separated from the Public Employee Pension Plan on January 1, 2011.

The Plans net position held in trust for benefit at December 31, 2012 was \$4.3 million an increase of \$925,323 from 2011. Additions to the Plan net position held in trust for benefits include employer and employee contributions and investment income/losses. For the calendar year 2012, employee and employer contributions totaled \$365,307, an increase from 2011 of \$20,645 or 6.0%. The Plan recognized a net investment gain of \$484,847 for the year 2012 compared to an investment loss of \$223,392 in 2011. This is due to the equity market.

Deductions from the Plan net position held in trust for benefits included retirement, beneficiary benefits and administrative expenses. For 2012, benefits totaled \$43,474 an increase from \$36,785 or 18.2%. For 2012, the costs of administering the Plan's benefits totaled \$2,899 compared to 3,383 during 2011.

Refunds are the result of employees leaving public service and requesting the money they contributed plus interest into the system to be refunded. There were no refunds paid to employees terminating service for 2012.

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, 2013, the funded status of the Plan increased from 85.6% at January 1, 2012 to 91.7% on January 1, 2013. The amount by which the Plan's actuarial liabilities exceeded actuarial assets was \$402,673 at January 1, 2013, compared to the amount by which the Plan's actuarial liabilities exceed actuarial assets of \$630,148 on January 1, 2012.

<b>Air Guard Firefighter Pension Plan</b>			<b>Air Guard Firefighter Pension Plan</b>		
<b>Net Position</b>			<b>Changes in Net Position</b>		
<b>December 31, 2012</b> (Dollars in thousands)			<b>Year Ended December 31, 2012</b> (Dollars in thousands)		
<b>Assets:</b>	<u>2012</u>	<u>2011</u>	<b>Additions:</b>	<u>2012</u>	<u>2011</u>
Cash & Receivables	\$ 361	\$ 429	Employee Contributions	\$ 256	\$ 241
Investments: Fair Value	4,147	3,260	Employer Contributions	109	103
Securities Lending Collateral	374	287	Investment Income(loss)	485	(223)
<b>Total Assets</b>	<b>4,882</b>	<b>3,976</b>	Transfers & Other Income	121	3,324
			<b>Total Additions(Deductions)</b>	<b>971</b>	<b>3,445</b>
<b>Liabilities:</b>					
Securities Lending Payable	374	287	<b>Deductions:</b>		
Benefits & Refunds Payable	-	-	Benefits	43	37
Securities Purchased	74	110	Refunds	-	-
Other Payables	104	174	Admin. Expenses	3	3
<b>Total Liabilities</b>	<b>552</b>	<b>571</b>	<b>Total Deductions</b>	<b>46</b>	<b>40</b>
<b>Total Net Position</b>	<b>\$ 4,330</b>	<b>\$ 3,405</b>	Change in Net Position	925	3,405
			Total Beginning Net Position	3,405	-
			<b>Total Ending Net Position</b>	<b>\$ 4,330</b>	<b>\$ 3,405</b>

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### Total Defined Benefit Pension Plans

Below is the listing of the Total Defined Benefit Pension Plans reflecting the 2012 and 2011 Net Position and Changes in Net Position with the percentage of change.

<b>Total Defined Benefit Pension Plan Net Position December 31, 2012</b> (Dollars in Thousands)				<b>Total Defined Benefit Pension Plan Changes in Net Position Year Ended December 31, 2012</b> (Dollars in Thousands)			
	<u>2012</u>	<u>2011</u>	<u>% Change</u>		<u>2012</u>	<u>2011</u>	<u>% Change</u>
<b>Assets:</b>				<b>Additions:</b>			
Cash & Receivables	\$ 527,095	\$ 738,748	(28.7%)	Employee Contributions	\$ 137,688	\$ 135,171	1.9%
Investments: Fair Value	6,545,298	5,878,211	11.3%	Employer Contributions	140,342	137,591	2.0%
Security Lending Collateral	590,938	516,695	14.4%	Investment Income(loss)	830,694	(72,885)	1239.7%
<b>Total Assets</b>	<b>7,663,331</b>	<b>7,133,654</b>	<b>7.4%</b>	Other Income	6,254	6,555	(4.6%)
				Transfer in from Other Plan	-	3,324	(100%)
<b>Liabilities:</b>				<b>Total Additions(Deductions)</b>	<b>1,114,978</b>	<b>209,756</b>	<b>431.6%</b>
Securities Lending Payable	590,938	516,695	14.4%	<b>Deductions:</b>			
Benefits & Refunds Payable	527	772	(31.7%)	Benefits	405,583	373,514	8.6%
Securities Purchased	116,404	198,558	(41.4%)	Refunds	21,416	18,541	15.5%
Other Payables	169,517	312,269	(45.7%)	Admin. Expenses	7,394	6,311	17.2%
<b>Total Liabilities</b>	<b>877,386</b>	<b>1,028,294</b>	<b>(14.7%)</b>	Transfer from Other Plan	-	3,324	(100%)
<b>Total Net Position</b>	<b>\$6,785,945</b>	<b>\$6,105,360</b>	<b>11.1%</b>	<b>Total Deductions</b>	<b>434,393</b>	<b>401,690</b>	<b>8.1%</b>
				Change in Net Position	680,585	(191,934)	454.6%
				Total Beginning Net Position	6,105,360	6,297,294	(3.0%)
				<b>Total Ending Net Position</b>	<b>\$6,785,945</b>	<b>\$6,105,360</b>	<b>11.1%</b>

### Deferred Compensation Plan

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 participant 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's net position held in trust for Plan participants at December 31, 2012 amounted to \$437 million compared to \$387.4 million a year earlier. Additions to the Plan net position held in trust for Plan participants include contributions and investment income or loss. The Plan experienced a net increase in market value of \$32,623,702 for the year 2012 compared to a net increase of \$978,160 for 2011. For the year 2011, employee contributions and rollovers received totaled \$37.5 million compared to \$37.7 million for 2012. Deductions from the Plan net position are mainly distributions to participants, and administrative expenses. A participant may request a distribution upon severance of employment, retirement, or an unforeseeable emergency as defined by the IRS Code. For 2012, distributions totaled \$23.0 million compared to \$18.2 million in distributions paid out in 2011.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

The cost of the Plan is paid for primarily with administrative fees. Administrative Revenue received totaled approximately \$1.8 million in 2012, which includes participant fees and rebates from investment managers, compared to \$1.9 million in 2011. In years when there is a surplus of participant fees, it is held in trust by WRS for future Plan expenses in periods of down markets. WRS receives a minimal amount of rebates from investment companies, which are also used to fund the costs of plan administration.

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 record keeper maintains an individual account for each participant to which deferrals and other changes in value are credited.

Administrative expense includes contracted services with the Plan record keeper, investment consultants, as well as other management functions performed by internal employees. The cost of administering the Plan during 2012 totaled \$1,808,927 including \$954,853 in fees paid for contracted services for record keeping and consulting compared to \$1,584,711 in 2011, which included \$790,434 in fees paid for contracted services.

<b>Deferred Compensation Plan Net Position</b>				<b>Deferred Compensation Plan Changes in Net Position</b>			
<b>December 31, 2012</b> (Dollars in Thousands)				<b>Year Ended December 31, 2012</b> (Dollars in Thousands)			
<b>Assets:</b>	<u>2012</u>	<u>2011</u>	<u>% Change</u>	<b>Additions:</b>	<u>2012</u>	<u>2011</u>	<u>% Change</u>
Cash & Receivables	\$ 50,636	\$ 31,871	58.9%	Contributions	\$ 37,539	\$ 37,005	1.4%
Investments: Fair Value	386,368	355,556	8.7%	Administrative Revenue	210	195	7.7%
Security Lending Collateral	-	-	-	Investment Income(loss)	35,654	978	3545.6%
<b>Total Assets</b>	<b>437,004</b>	<b>387,427</b>	<b>12.8%</b>	<b>Total Additions(Deductions)</b>	<b>73,403</b>	<b>38,178</b>	<b>92.27%</b>
<b>Liabilities:</b>				<b>Deductions:</b>			
Securities Lending Payable	-	-	-	Benefits	22,972	18,237	26.0%
Benefits & Refunds Payable	-	-	-	Admin. Expenses	854	794	7.6%
Securities Purchased	-	-	-	<b>Total Deductions</b>	<b>23,826</b>	<b>19,031</b>	<b>25.2%</b>
Other Payables	-	-	-	Change in Net Position	49,577	19,147	158.9%
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	Total Beginning Net Position	387,427	368,280	5.2%
<b>Total Net Position</b>	<b>\$ 437,004</b>	<b>\$ 387,427</b>	<b>12.8%</b>	<b>Total Ending Net Position</b>	<b>\$ 437,004</b>	<b>\$ 387,427</b>	<b>12.8%</b>

### Disclosure of Subsequent Events on Legislative Changes

During the 2013 Legislative session, WRS had one bill approved by the State Legislature. This bill was HB 0250. This bill will increase employee and employer contributions to the following plans in the following ways.

Public Employee's Pension Plan – the employee contribution is to increase from 7% to 7.5% effective September 1, 2013. The State of Wyoming will pay the .5% increase for employees from September 1, 2013 through August 31, 2016 at which time the employee will be responsible for the .5% increase. The above will also hold true for full-time brand inspection contract employees authorized under W.S. 9-2-1022 (a)(xi)9(f)(iv) except the contribution will be paid by the livestock board. Effective September 1, 2014, the employer portion will increase from 7.12% to 7.62%.

Highway Patrol, Game and Fish Wardens and Criminal Investigation employee's contribution will increase from 12.64% to 13.54% effective September 1, 2013; of this increase .45% shall be paid by the employer on behalf of the member until August 31, 2016 at which time the employee will be responsible for the increase. Also effective September 1, 2014, the employer contribution will increase from 12.96% to 13.86% of all salaries paid to its employees.

Paid Firemen in Plan B, will see their employee contributions increase from 8.5% to 8.725% effective September 1, 2013.

# *BASIC FINANCIAL STATEMENTS*



**WYOMING RETIREMENT SYSTEM  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS  
Year Ended December 31, 2012**

	Additions										Total	Defined Contribution Plan 457 Plan	Total Pension Trust Plans
	Public Employees Pension Plan	State Patrol, Game & Fish Warden and Criminal Investigator Pension Plan	Volunteer Firemen's Pension Plan	Paid Firemen's Pension Plan A	Paid Firemen's Pension Plan B	Judicial Pension Plan	Law Enforcement Pension Plan	Volunteer E M T Pension Plan	Air Guard Firefighter Pension Plan	Total			
Contributions:													
Employee	\$ 119,052,404	\$ 2,726,295	\$ 321,499	\$ -	\$ 1,997,810	\$ 344,893	\$ 12,963,835	\$ 24,859	\$ 256,054	\$ 137,687,649	\$ 37,539,045	\$ 175,226,694	
Employer	121,026,954	2,798,865	-	-	2,824,563	610,039	12,972,688	-	109,253	140,342,362	-	140,342,362	
Other	3,621,134	177,033	1,511,826	242,988	7,501	-	391,967	179,984	121,542	6,253,975	-	6,253,975	
Administrative Revenue												210,191	
	243,700,492	5,702,193	1,833,325	242,988	4,829,874	954,932	26,328,490	204,843	486,849	284,283,986	37,749,236	322,033,222	
Investment Income:													
From Investing Activities:													
Net appreciation(depreciation) in fair value of investments	595,202,806	10,921,500	6,467,461	15,147,482	9,120,065	1,749,425	44,264,677	86,112	394,389	683,353,917	32,623,702	715,977,619	
Interest and dividends	149,314,224	2,751,383	1,616,371	3,782,547	2,315,421	450,070	11,153,645	22,283	104,770	171,510,714	3,984,725	175,495,439	
<b>Total investing activity:</b>	744,517,030	13,672,883	8,083,832	18,930,029	11,435,486	2,199,495	55,418,322	108,395	499,159	854,864,631	36,608,427	891,473,058	
<b>Investing activity expenses:</b>													
Investment advisor or contractor fees	(24,955,969)	(458,148)	(270,073)	(624,115)	(385,690)	(73,994)	(1,867,141)	(3,718)	(16,917)	(28,655,765)	(954,853)	(29,610,618)	
Net income/(loss) from investing activities:	719,561,061	13,214,735	7,813,759	18,305,914	11,049,796	2,125,501	53,551,181	104,677	482,242	826,208,866	35,653,574	861,862,440	
Securities lending activities:													
Securities lending gross income	4,595,582	84,321	49,698	115,390	70,695	13,574	343,008	666	3,065	5,275,999	-	5,275,999	
Securities lending expenses:													
Agent fees	(689,067)	(12,643)	(7,452)	(17,302)	(10,600)	(2,035)	(51,431)	(100)	(460)	(791,090)	-	(791,090)	
<b>Total securities lending expenses:</b>	(689,067)	(12,643)	(7,452)	(17,302)	(10,600)	(2,035)	(51,431)	(100)	(460)	(791,090)	-	(791,090)	
Net income from securities lending activities: (Note 10)	3,906,515	71,678	42,246	98,088	60,095	11,539	291,577	566	2,605	4,484,909	-	4,484,909	
<b>Total investment income/(loss)</b>	723,467,576	13,286,413	7,856,005	18,404,002	11,109,891	2,137,040	53,842,758	105,243	484,847	830,693,775	35,653,574	866,347,349	
<b>Total additions(deletions)</b>	967,168,068	18,988,606	9,689,330	18,646,990	15,939,765	3,091,972	80,171,248	310,086	971,696	1,114,977,761	73,402,810	1,188,380,571	
Deductions													
Benefits paid / Distributions	357,366,710	7,579,414	3,597,151	14,227,330	2,520,122	610,572	19,638,480	-	43,474	405,583,253	22,971,761	428,555,014	
Refunds	17,263,004	286,976	82,766	-	108,996	98,184	3,576,108	188	-	21,416,222	-	21,416,222	
Administrative expenses	6,463,506	84,760	215,552	102,094	67,187	13,779	416,632	27,244	2,899	7,393,653	854,074	8,247,727	
<b>Total deductions:</b>	381,093,220	7,951,150	3,895,469	14,329,424	2,696,305	722,535	23,631,220	27,432	46,373	434,393,128	23,825,835	458,218,963	
<b>Net increase/(decrease) in Net Position</b>	586,074,848	11,037,456	5,793,861	4,317,566	13,243,460	2,369,437	56,540,028	282,654	925,323	680,584,633	49,576,975	730,161,608	
<b>Net position held in trust for pension benefits:</b>													
Beginning of year	5,318,208,995	97,889,071	58,352,305	139,417,394	80,212,163	15,603,872	391,623,188	647,906	3,405,103	6,105,359,997	387,427,157	6,492,787,154	
<b>End of year</b>	\$ 5,904,283,843	\$ 108,926,527	\$ 64,146,166	\$ 143,734,960	\$ 93,455,623	\$ 17,973,309	\$ 448,163,216	\$ 930,560	\$ 4,330,426	\$ 6,785,944,630	\$ 437,004,132	\$ 7,222,948,762	

See Notes to Financial Statements.

## 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 members 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 nine defined benefit pension plans and one defined contribution plan, all of which are administered by the System:

- Public Employees Pension Plan
- State Patrol, Game and Fish Warden and Criminal Investigator Pension Plan
- Volunteer Firemen's Pension Plan
- Paid Firemen's Pension Plan A
- Paid Firemen's Pension Plan B
- Judicial Pension Plan
- Law Enforcement Pension Plan
- Volunteer Emergency Medical Technician Pension Plan
- Air Guard Firefighters Pension Plan
- Defined Contribution Plan (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.

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 consists 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. The market value of the investments, other than those described below, was determined by the latest bid price or by the closing exchange price at the balance sheet date. Real estate is valued using appraised values provided by the investment fund managers. Alternative investments are valued at the market value provided by the alternative investment managers.

**Compensated absences:** The staff of the System is entitled to paid vacation and sick leave depending upon length of service. A separated employee or the beneficiary of a deceased employee will be compensated for ½ of their accumulated sick leave up to a maximum of 480 hours. The amounts are reported at the time they are paid and are considered to be immaterial to the financial statements of the System. Total compensated absences are estimated at \$274,864 as of December 31, 2012.

**NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)**

**Administrative expenses:** Administrative expenses of the System are paid proportionately based on total net position and total participants 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. The authority for establishing and amending the benefits and contribution rates rests with the Legislature of the State of Wyoming. The obligation to collect and remit the contribution rests with the member agencies of each plan. Administrative costs are deducted from the plan assets of each plan. The system is also the plan sponsor of a deferred compensation (457(b)) plan.

At December 31, 2012, the System's Employer membership consisted of the following:

State Agencies	84
Public Schools	51
Universities and Community Colleges	8
Counties	22
Municipalities	84
Other Special Districts	233
Volunteer Firemen	105
Law Enforcement	83
Paid Firemen	20
Air Guard Firefighters	1
Volunteer EMT	<u>23</u>
<b>Totals:</b>	<b><u>714</u></b>

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

	Public Employees Pension Plan	State Patrol, Game & Fish Warden and Criminal Investigator Pension Plan	Volunteer Firemen's Pension Plan	Paid Firemen's Pension Plan A	Paid Firemen's Pension Plan B	Judicial Pension Plan	Law Enforcement Pension Plan	Volunteer E M T Pension Plan	Air Guard Firefighters Pension Plan
Retirees and beneficiaries of deceased retirees currently receiving benefits	21,600	284	1,106	295	74	11	852	-	2
Current employees:									
Vested	24,963	225	1,061	7	250	35	1,790	-	23
Non-vested	11,481	97	1,127	-	106	6	1,044	170	8
	36,444	322	2,188	7	356	41	2,834	170	31
Inactive employees entitled to benefits but not yet receiving them	5,368	13	-	-	32	-	210	-	1
<b>Total active or vested</b>	<b>41,812</b>	<b>335</b>	<b>2,188</b>	<b>7</b>	<b>388</b>	<b>41</b>	<b>3,044</b>	<b>170</b>	<b>32</b>
Inactive nonvested non retired/non vested members	18,793	24	1,184	1	19	-	673	8	-
<b>Total Active/Inactive Members</b>	<b>60,605</b>	<b>359</b>	<b>3,372</b>	<b>8</b>	<b>407</b>	<b>41</b>	<b>3,717</b>	<b>178</b>	<b>32</b>
<b>Total all members</b>	<b>82,205</b>	<b>643</b>	<b>4,478</b>	<b>303</b>	<b>481</b>	<b>52</b>	<b>4,569</b>	<b>178</b>	<b>34</b>

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

### **Public Employees Pension Plan:**

The Public Employees Pension Plan is a cost sharing multiple employer 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 14.12% of the participant's salary to be contributed to the Plan. Contributions consist of 7.12% of the participant's salary as employer contributions and 7.00% 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 through legislation passed during the 2012 legislative session, two tiers of benefits were established.

Tier 1, 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 or 25 years of service but will result in a reduction of benefits based on the length of time remaining to normal retirement age.

Tier 2, the Plan allows for normal retirement after four years of service and attainment of age 65. Early retirement is allowed provided the employee has completed four years of service and attained age 55, or 25 or more years of service but will result in a reduction of benefits based on the length of time remaining to normal retirement age. All employees may also retire upon normal retirement on the bases that the sum of the member's age and service is at least 85.

The Public Employees 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. State statutes provide for future annual percentage increases in benefit amounts beginning July 1, after two full years of retirement by the lesser of 3% or the cost of living adjustment determined to be actuarially sound not to exceed 3% per year. The cost of living adjustment provided to retirees is determined by the Board and must be approved by the State Legislature. In addition a cost of living adjustment will not be approved by the legislature unless the plan is 100% funded after the COLA is awarded.

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 (Tier 1 employees) and 60 (Tier 2 employees).

### **State Patrol, Game and Fish Warden and Criminal Investigator Pension Plan:**

The Wyoming State Patrol, Game and Fish Warden and Criminal Investigator Pension Plan is a cost sharing multiple employer 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 and sworn peace officers of the Division of Criminal Investigation.

The Plan statutorily requires participants to contribute 12.64% of their salary to the Plan and the State is required to contribute 12.96% of each participant's salary for a total contribution of 25.60%.

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. If they are vested, they may elect to remain in the Plan and be eligible for retirement benefits at age 50. State statutes provide for future annual percentage increases in benefit amounts beginning July 1, after two full years of retirement by the lesser of 2.25% or the cost of living adjustment determined to be actuarially sound not to exceed 2.25% per year. The cost of living adjustment provided to retirees is determined by the Board and must be approved by the State Legislature. In addition a cost of living adjustment will not be approved by the legislature unless the plan is 100% funded after the COLA is awarded.

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

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

### **Volunteer Firemen's Pension Plan:**

The Volunteer Firemen's Pension Plan is a cost sharing multiple employer 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.

### **Paid Firemen's Pension Plan A:**

The Paid Firemen's Pension Plan A is a cost sharing multiple employer 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 had been determined to be actuarially over-funded. In 2008, actuaries determined the funding level to be at less than 100%. This plan is being reviewed to determine the appropriate measures to take to ensure this plan is adequately funded, as it is a closed plan.

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 at least 3%. 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. The cost of living adjustment provided to retirees is determined by the Board and must be approved by the State Legislature. In addition a cost of living adjustment will not be approved by the legislature unless the plan is 100% funded after the COLA is awarded.

### **Paid Firemen's Pension Plan B:**

The Paid Firemen's Pension Plan B is a cost sharing multiple employer defined benefit, contributory retirement plan covering paid firemen who were employed after July 1, 1981.

The Plan statutorily requires participants to contribute 8.5% 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 to be actuarially sound not to exceed 3% per year. The cost of living adjustment provided to retirees is determined by the Board and must be approved by the State Legislature. In addition a cost of living adjustment will not be approved by the legislature unless the plan is 100% funded after the COLA is awarded. Participants may withdraw from the Plan at any time and receive refunds of participant contributions without interest.

### **Wyoming Judicial Pension Plan:**

The Wyoming Judicial Pension Plan is a single employer 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 14.5% of each participant's salary.

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

The Plan statutorily provides retirement and death benefits according to predetermined amounts primarily determined by age and years of service of the participant. State statutes provide for future annual percentage increases in benefit amounts beginning July 1, after one full year of retirement by the lesser of 3% or the cost of living adjustment determined to be actuarially sound not to exceed 3% per year. The cost of living adjustment provided to retirees is determined by the Board and must be approved by the State Legislature. In addition a cost of living adjustment will not be approved by the legislature unless the plan is 100% funded after the COLA is awarded. Participants may withdraw from the Plan at any time and receive refunds of participant contributions plus accumulated interest.

### **Law Enforcement Pension Plan:**

The Wyoming Law Enforcement Pension Plan is a cost sharing multiple employer 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. 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. The cost of living adjustment provided to retirees is determined by the Board and must be approved by the State Legislature. In addition a cost of living adjustment will not be approved by the legislature unless the plan is 100% funded after the COLA is awarded. Participants may withdraw from the Plan at any time and receive refunds of participant contributions plus accumulated interest.

### **Volunteer Emergency Medical Technician Pension Plan:**

The Volunteer EMT Pension Plan is a cost sharing multiple employer defined benefit, contributory retirement plan covering volunteer EMTs 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 the agency on behalf of participants, if approved by the governing board. 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.

### **Air Guard Firefighters Pension Plan:**

The Air Guard Pension Plan is a cost sharing single employer defined benefit, contributory retirement plan covering the Air Guard Firefighters.

The Air Guard Firefighters Pension Plan statutorily required 23.77% of the participant's salary to be contributed to the Plan. Contributions consist of 7.12% of the participant's salary as employer contributions and 16.65% 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. The cost of living adjustment provided to retirees is determined by the Board and must be approved by the State Legislature. In addition a cost of living adjustment will not be approved by the legislature unless the plan is 100% funded after the COLA is awarded. Employers can elect to cover all or a portion of the employee's contribution at their discretion.

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

### **Wyoming Deferred Compensation Plan:**

The Plan administered by the System is an IRS Section 457 Deferred Compensation 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 17,133 participants in the Plan from 264 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.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)**

**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 target asset classes to enhance returns or reduce risk in the total portfolio and has delegated to staff the responsibility to select strategic asset classes and investment managers.

The following table shows the System's defined benefit plan investments by type as of December 31, 2012:

<b>Target Asset Class</b>	<b>Tgt</b>	<b>Max</b>	<b>Min</b>	<b>2012</b>	<b>Strategic Asset Class</b>	
Tactical Cash	0%	5%	0%	4.44%	Tactical Cash	-
					Manager Cash	(\$17,396,537)
					International - Manager Cash	\$23,500,705
					STIF	\$297,696,260
					<b>Total Tactical Cash</b>	<b>\$303,800,428</b>
Equities	50%	60%	40%	52.00%	Domestic	\$1,750,796,428
					International	\$1,811,081,050
					<b>Total Equities</b>	<b>\$3,561,877,478</b>
Fixed Income	30%	40%	20%	24.55%	Interest Rates	\$364,681,462
					Credit	\$867,082,307
					Mortgages/ABS	\$449,703,833
					<b>Total Fixed Income</b>	<b>\$1,681,467,602</b>
Global Tactical Asset Allocation	10%	20%	0%	10.49%		\$718,478,163
Alternatives	10%	20%	5%	8.52%	Real Return	\$563,195,286
					International Real Return	\$20,279,731
					<b>Total Alternatives</b>	<b>\$583,475,017</b>
<b>Total Investments</b>						<b><u>\$6,849,098,688</u></b>

**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 \$5,973,057 of deposits held by the State Treasurer. These deposits totaling \$303,800,428 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.

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

Deposits are presented in the basic financial statements at cost plus accrued interest which is also the market or fair value. At December 31, 2012, the carrying amount of all deposits and the corresponding bank balance totaled approximately \$310 million.

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 \$230.1 million in real estate holdings.

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

### **Overlay Program:**

WRS employs Russell Investments to provide an overlay program to ensure the system's major asset classes remain within a certain percentage of their targeted weights. Market movements can lead to significant implicit tilts within the portfolio. For example, a sharp decline in equities will many times be accompanied by stability within fixed income. Consequently the equity position will decrease as a percentage of assets while fixed income will increase. This causes an "implicit" tilt towards fixed income. The overlay program brings these implicit tilts back within an acceptable band.

Wyoming Retirement System Investment Classification Allocation 12/31/2012	Financial Report	Overlay Program	Investments Consolidated	Percent AUM	Percent Category
<b>TACTICAL CASH</b>					
Cash & Cash Equivalents	\$ 303,800,428	\$ (137,300,000)	\$ 166,500,428	2.43%	100.00%
<b>TOTAL TACTICAL CASH</b>	<b>\$ 303,800,428</b>	<b>\$ (137,300,000)</b>	<b>\$ 169,500,428</b>	<b>2.43%</b>	<b>100.00%</b>
<b>FIXED INCOME</b>					
Treasury / Agencies / Governments	\$ 364,681,462	\$ 114,600,000	\$ 479,281,462	7.00%	26.69%
Credit / Corporate Bonds	\$ 867,082,307	\$ -	\$ 867,082,307	12.65%	48.28%
Mortgages / ABS	\$ 449,703,833	\$ -	\$ 449,703,833	6.57%	25.04%
<b>TOTAL FIXED INCOME</b>	<b>\$ 1,681,467,602</b>	<b>\$ 114,600,000</b>	<b>\$ 1,796,067,602</b>	<b>26.22%</b>	<b>100.00%</b>
<b>EQUITY</b>					
Domestic	\$ 1,750,796,428	\$ 111,300,000	\$ 1,862,096,428	27.19%	51.95%
International	\$ 1,811,081,050	\$ (88,600,000)	\$ 1,722,481,050	25.15%	48.05%
<b>TOTAL EQUITY</b>	<b>\$ 3,561,877,478</b>	<b>\$ 19,800,000</b>	<b>\$ 3,584,577,478</b>	<b>52.34%</b>	<b>100.00%</b>
<b>GLOBAL TACTICAL ASSET ALLOCATION</b>	<b>\$ 718,478,163</b>	<b>\$ -</b>	<b>\$ 718,478,163</b>	<b>10.49%</b>	<b>100.00%</b>
<b>ALTERNATIVES</b>					
Real Return	\$ 563,195,286	\$ -	\$ 563,195,286	8.22%	96.52%
International Real Return	\$ 20,279,731	\$ -	\$ 20,279,731	0.30%	3.48%
<b>TOTAL ALTERNATIVES</b>	<b>\$ 583,475,017</b>	<b>\$ -</b>	<b>\$ 583,475,017</b>	<b>8.52%</b>	<b>100.00%</b>
<b>TOTAL SECURITIES</b>	<b>\$ 6,849,098,688</b>	<b>\$ -</b>	<b>\$ 6,849,098,688</b>	<b>100.00%</b>	<b>100.00%</b>

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

**Concentration of Credit Risk:** The System expects 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.

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, 2012, 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 equitizing cash in a non-leveraged context are acceptable with specific Board authorization.

The purpose of real estate investments is to provide counter cyclical returns, current income and inflation protection. 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.

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## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

**Credit risk – Debt Securities:** Fixed income grade credits carry an 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.

High yield investments are defined by the System as those debt securities, which carry a Standard & Poor’s quality rating of BB or lower. 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, 2012 is as follows:

Rating	Amount
AAA	\$ 773,651,117
AA	69,193,842
AA	162,847,150
BBB	206,907,712
BB	93,473,315
B	164,429,709
Below B	210,964,757
<b>Total Quality Ratings</b>	<b>\$ 1,681,467,602</b>

**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 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, 2012 the following table shows investments by investment type, amount and the effective weighted duration:

Investment Type	Amount	Effective Weighted Duration
Government Securities	\$ 344,187,793	2.62
Asset Backed	55,333,245	0.70
CMO/REMIC	15,223,195	0.01
Commercial Mortgage Backed	92,326,967	0.58
Mortgage Backed Securities	336,540,731	0.46
Corporate Bonds	677,205,810	2.28
Other	160,649,861	0.51
<b>Total Debt Securities</b>	<b>\$ 1,681,467,602</b>	1.65

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

**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 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 is determined by that individual's risk tolerance. Additionally, the risks of the investment portfolios associated with each of the investment options are determined by the mutual fund manager and may vary depending on their risk tolerances and performance objectives

**Limited Partnerships:** The system has invested in limited partnerships. As of December 31, 2012 the market value of these investments was \$1,561,140,218. The limited partnerships invest in a variety of investments.

ALINDA INFRASTRUCTURE FUND II, LP	\$37,564,187
AQR GLOBAL RISK PREMIUM FUND III	148,944,973
BLUECREST CAPITAL GLOBAL MACRO FUND	34,877,926
BREXAN HOWARD GLOBAL MACRO FUND	34,201,871
BW – BRIDGEWATER ALL WEATHER FUND (GTAA)	169,998,524
CAXTON GLOBAL MACRO FUND	34,494,821
CONTRARIAN CAPITAL MANAGEMENT	114,313,296
GMO – GLOBAL ABSOLUTE ALLOCATION FUND (GAAR)	195,797,469
GRAHAM CAPITAL MANAGEMENT FUND	32,751,037
HIGHBRIDGE SENIOR LOAN II – CAYMAN FUND	26,025,495
HIGHBRIDGE SENIOR LOAN II – IRELAND FUND	11,757,279
KAYNE ANDERSON MEZZANINE PARTNERS FUND	19,922,158
KAYNE ANDERSON REAL ESTATE PARTNERS FUND II	4,563,891
MACQUARIE EUROPEAN INFRASTRUCTURE FUND III	20,282,623
MACQUARIE INFRASTRUCTURE PARTNERS II	53,083,497
MOORE MACRO MGR GLOBAL MACRO FUND	34,906,832
PIMCO – ALL ASSET FUND	196,281,250
PRUDENTIAL – PRISA FUND	101,396,828
RED KITE MINE – NATURAL RESOURCES FUND	13,501,105
SUMMIT – NATURAL RESOURCES FUND	35,000,000
TENNENBAUM – DEBTOR-IN-POSSESSION FUND	3,955,683
TENNENBAUM – DEBT OPPORTUNITY FUND VI	28,756,462
TORCHLIGHT – DEBT OPPORTUNITY FUND III, LP	47,511,404
TUDOR TENSOR GLOBAL MACRO FUND	32,504,743
UBS – PROPERTY FUND	128,746,864

**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, 2012 was \$4,484,909.

Securities lent as of December 31, 2012, with a market value of \$590,937,629 and a collateral value at a rate of 102% and/or 105%, as appropriate, for a total market value of \$606,241,350 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.

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

**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, 2012, the System's exposure to foreign currency risk for its short-term and equity securities is as follows:

	International Manager Cash	International Foreign Equities	International Index Equity	International Real Return
Australian Dollar	\$ 1,090,958	124,444,746	-	-
Brazilian Real	-	-	6,519,778	-
British Pound	6,680,857	288,680,436	-	-
Canadian Dollar	2,276,623	144,514,325	-	-
Chilean Peso	-	-	1,783,368	-
Chinese Yuan Renminbi	-	71,383	-	-
Czech Koruna	52,265	1,562,509	-	-
Danish Krone	65,475	20,810,027	-	-
Egyptian Pound	-	263,663	-	-
European Euro	7,326,527	408,059,212	-	20,279,731
Hong Kong Dollar	1,009,848	104,500,105	-	-
Hungarian Forint	219,977	1,160,353	-	-
Indonesian Rupiah	55,703	5,147,948	-	-
Israel Shekel	671,089	8,248,604	-	-
Japanese Yen	1,939,570	320,826,229	-	-
Malaysian Ringgit	550,754	24,288,890	-	-
Mexican Peso	131,203	13,465,488	-	-
New Zealand Dollar	170,836	3,292,072	-	-
Norwegian Krone	93,522	17,262,866	-	-
Philippine Peso	16,929	3,559,686	-	-
Polish Zloty	48,397	6,939,393	-	-
Singapore Dollar	193,923	35,087,143	-	-
South African Rand	134,325	23,823,115	-	-
South Korea Won	30,788	56,133,700	-	-
Swedish Krona	577,678	43,848,113	-	-
Swiss Franc	74,212	111,185,119	-	-
Taiwan Dollar	-	-	20,846,772	-
Thailand Baht	89,246	10,410,951	-	-
Turkish Lira	-	-	4,354,056	-
	<u>\$ 23,500,705</u>	<u>1,777,577,076</u>	<u>33,503,974</u>	<u>20,279,730</u>

At December 31, 2012 the System had no debt securities denominated in a foreign currency.

**Derivatives:** The System permits the use of derivatives by its international equity and external fixed income managers. Examples of derivative instruments permitted, but not limited to, are foreign exchange contracts, financial futures, forwards, options, swaps and swaptions. All derivative instruments utilized are considered "Investment derivative instruments" as defined in GASB 53 "Accounting and Financial Reporting for Derivative Instruments".

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

The fair value balances and notional amounts of derivative instruments outstanding at December 31, 2012, classified by instrument in fair value are as follows:

### The Wyoming Retirement System Derivative Instruments - - Summary Disclosure 01 January 2012 to 31 December 2012

Wyoming Retirement System Derivatives Instruments Disclosure as of December, 31, 2012						
Industry	Type	Currency	Pay Receive	Change in Unrealized G/L (Base)	End Fair Value Amount (Base)	End Notional (Net)
Futures	BOND INDEX FUTURES			\$980,128	\$20,446	\$517
	EQUITY INDEX FUTURES			(2,663,042)	(373,748)	6,513
	INTEREST RATE FUTURES			11,213	4,455	160
Options	FUTURE INTEREST RATE CALL OPTION			(29,157)	20,344	82
	FUTURE INTEREST RATE PUT OPTION			9,559	0	0
Swaps	INDEX SWAPS (IS)			(3,969)	(3,969)	1,300,000
	INTEREST RATE SWAPS (IRS)			1,588	1,588	4,730,000
	TOTAL RETURN SWAPS (TRS)			212,831	212,831	90,694,889
To-be-Announced Securities	FHLMC GOLD TBA			(23,918)	6,667,804	6,350,000
	FHLMC TBA			(2,623)	1,881,846	1,800,000
	FNMA TBA			(400,396)	56,913,701	53,945,000
	GNMA I TBA			(49,667)	6,591,336	6,100,000
	GNMA II TBA			(15,807)	8,701,438	8,100,000
Currency Contracts	CURRENCY	AUSTRALIAN DOLLAR	Pay	80,393	33,400	5,144,000
	CURRENCY	AUSTRALIAN DOLLAR	Receive	(71,330)	(8,079)	534,300
	CURRENCY	BRAZILIAN REAL	Pay	144	0	0
	CURRENCY	BRAZILIAN REAL	Receive	18,414	0	0
	CURRENCY	CANADIAN DOLLAR	Pay	62,101	40,130	5,137,670
	CURRENCY	CANADIAN DOLLAR	Receive	115,128	(10,027)	1,100,110
	CURRENCY	DANISH KRONE	Pay	6,635	6,635	8,843,000
	CURRENCY	DANISH KRONE	Receive	(23)	(23)	50,000
	CURRENCY	EURO	Pay	(32,720)	(71,422)	12,787,276
	CURRENCY	EURO	Receive	1,966,474	28,494	4,312,726
	CURRENCY	HONG KONG DOLLAR	Pay	1,969	540	229,700,000
	CURRENCY	HONG KONG DOLLAR	Receive	(4,757)	(54)	6,153,481
	CURRENCY	INDIAN RUPEE	Pay	57,856	57,856	543,870,000
	CURRENCY	ISRAELI SHEKEL	Pay	(20)	(20)	42,000
	CURRENCY	ISRAELI SHEKEL	Receive	4,214	4,214	2,958,000
	CURRENCY	JAPANESE YEN	Pay	876,085	795,541	2,416,859,022
	CURRENCY	JAPANESE YEN	Receive	(526,410)	(63,596)	152,111,640
	CURRENCY	MALAYSIAN RINGGIT	Receive	17,956	0	0
	CURRENCY	MEXICAN PESO	Pay	(16,580)	0	0
	CURRENCY	MEXICAN PESO	Receive	(2,449)	(2,449)	31,410,034
	CURRENCY	NEW ZEALAND DOLLAR	Pay	(26)	(26)	5,000
	CURRENCY	NEW ZEALAND DOLLAR	Receive	(49)	0	0
	CURRENCY	NORWEGIAN KRONE	Pay	(27)	(27)	33,000
	CURRENCY	NORWEGIAN KRONE	Receive	(8,040)	(8,040)	61,805,000
	CURRENCY	POUND STERLING	Pay	33,854	(43,640)	5,397,000
	CURRENCY	POUND STERLING	Receive	371,501	12,889	2,906,880
	CURRENCY	SINGAPORE DOLLAR	Receive	(620)	(620)	344,000
CURRENCY	SOUTH AFRICAN RAND	Pay	(395,201)	(395,201)	166,680,000	
CURRENCY	SWEDISH KRONA	Pay	7,427	(201)	2,660,000	
CURRENCY	SWEDISH KRONA	Receive	80,372	5,404	49,140,000	
CURRENCY	SWISS FRANC	Pay	27,713	0	0	
CURRENCY	SWISS FRANC	Receive	15,839	(371)	200,000	
CURRENCY	US DOLLAR	Pay	0	0	36,996,952	
CURRENCY	US DOLLAR	Receive	0	0	125,355,722	
<b>Total</b>				<b>\$712,607</b>	<b>\$81,019,379</b>	<b>\$4,045,558,116</b>

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

**Derivative Risks:** Credit, interest rate and foreign currency risks affecting derivatives and other applicable investments are addressed in previous sections of Note 3. These risks, applicable to other fixed income and foreign investments, are not substantially different from the same risks affecting applicable derivative instruments.

In addition to the principal risks noted above, Forward Foreign Currencies, Credit Default Swaps and Interest Rate Swaps are also subject to counterparty risk. In general, counterparty risk is the risk of loss of an amount expected to be delivered under an agreement in the event of the default or bankruptcy of the counterparty. Generally, counterparty risk is controlled through dealing with a number of different counterparties reasonably deemed to be creditworthy by the investment manager.

**Derivative - Contingency:** Derivative instruments often contain credit-risk-related contingent features that could result in an immediate payment to the counterparty. For example, a material adverse change clause could provide the counterparty with the right to early terminate the derivative agreement. Alternatively, it could provide a basis for renegotiating the agreement if specific events occur, such as a downgrade of the entity's credit rating below investment grade. These provisions may include an obligation to post additional collateral in instances where the credit-risk contingent feature is triggered or the counterparty is provided the right to terminate the agreement early.

Contingent features that could result in an immediate payment from the counterparty include the event of a downgrade of the counterparty below a specified rating, commonly A-/A3. Additionally, the counterparty can request immediate payment in the event assets under management of the portfolio falls by more than 30% in a year or 15% in a month. It is important to note that these contingent features are not compulsory, rather they are voluntary.

### **Note 4. Contributions Required and Contributions Made – Defined Benefit (Pension) Plans**

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. The Volunteer Firemen's Pension Plan and the Volunteer EMT Pension Plan are based upon a fixed monthly rate of \$12.50 per month.

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, Volunteer Fire Pension Board and/or Volunteer Emergency Medical Technician 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, 2012, contributions were made in accordance with statutorily determined contribution requirements.

### **Note 5. Commitments**

At December 31, 2012, the System was committed to the future purchase of investments at an aggregate cost of \$116,404,363. In addition, the System is an owner in private equities which has committed capital, draw capital and remaining capital of \$70,254,219.

The System leased a commercial office facility, under a non-cancelable lease agreement. Future minimum annual rental commitments are \$190,492 for 2012-2013 and 2013-2014. The lease agreement expires on June 30, 2014.

### **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.

## NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)

### **Note 7. Risk Management and Contingencies**

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.

At various times, claims and lawsuits are pending against the System. The System is of the opinion that the liability, if any, arising from such claims will not have a materially adverse effect on its financial statements.

### **Note 8. Pension and Retirement Plans**

All full-time and regular part-time employees of the System participate in the Public Employees Pension Plan as described in Note 2. The total contributions to the plan is 14.12% of which state employees are required to pay 1.43%. Contributions made by the System to the Public Employees Pension Plan for the years ended December 31, 2012, 2011, and 2010 were \$288,779; \$278,478; and \$232,281 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, 2012, 2011, and 2010 the system contributed \$8,020; \$8,200; and \$7,386 respectively.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)**

**Note 9. Funded Status and Actuarial Assumptions**

The Wyoming Retirement System has an actuarial evaluation annually that calculates the funded status of each of the nine defined benefit plans administered by the system. A Schedule of Funding Progress is included on page 62 of the Required Supplementary Information. This schedule shows the actuarially determined funding progress of the Plans for the last 6 years, which represents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time.

The funded status of each plan as of January 1, 2013, the most recent actuarial valuation date, is as follows (dollar amounts in thousands):

<b>SCHEDULE OF FUNDING PROGRESS</b>						
Actuarial Valuation	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
<b>Public Employees Pension Plan:</b>						
January 1, 2013	\$ 5,749,968	\$ 7,319,205	\$ 1,569,237	78.6%	\$ 1,782,069	88.1%
<b>State Patrol, Game and Fish Warden and Criminal Investigator Pension Plan:</b>						
January 1, 2013	106,068	137,581	31,513	77.1	24,425	129.0
<b>Volunteer Firemen's Pension Plan:</b>						
January 1, 2013	62,462	66,775	4,313	93.5	n/a	n/a
<b>Paid Firemen's Pension Plan A:</b>						
January 1, 2013	139,181	195,199	56,018	71.3	486	11,519.9
<b>Paid Firemen's Pension Plan B:</b>						
January 1, 2013	91,248	85,464	(5,784)	106.8	24,211	(23.9)
<b>Judicial Pension Plan:</b>						
January 1, 2013	17,549	16,925	(624)	103.7	5,411	(11.5)
<b>Law Enforcement Pension Plan:</b>						
January 1, 2013	437,235	473,545	36,310	92.3	157,764	23.0
<b>Volunteer Emergency Medical Technician Pension Plan:</b>						
January 1, 2013	902	712	(190)	126.8	n/a	n/a
<b>Air Guard Firefighters Pension Plan:</b>						
January 1, 2013	4,450	4,852	402	91.7	1,866	21.6
n/a - not applicable						

The table on the following page is presented to show the actuarial methods and assumptions that were used to determine the funding levels.

**NOTES TO THE BASIC FINANCIAL STATEMENTS (Continued)**

**Wyoming Retirement System  
Actuarial Methods and Assumptions  
January 1, 2013**

Assumptions and Methods	Public Employees Pension Plan		State Patrol Game and Fish Warden Criminal Investigators Pension Plan		Volunteer Firemen's Pension Plan		Paid Firemen's Pension Plan A		Paid Firemen's Pension Plan B		Judicial Enforcement Pension Plan		Law Enforcement Pension Plan		Volunteer E M T Pension Plan		Air Guard Firefighter Pension Plan		
	01/01/13	Individual Entry Age Normal Level percent open 30	01/01/13	Individual Entry Age Normal Level percent open 30	01/01/13	Individual Entry Age Normal Level Dollar open 30	01/01/13	Individual Entry Age Normal Level Dollar open 10	01/01/13	Individual Entry Age Normal Level percent open 30	01/01/13	Individual Entry Age Normal Level percent open 30	01/01/13	Individual Entry Age Normal Level percent open 30	01/01/13	Individual Entry Age Normal Level Dollar open 10	01/01/13	Individual Entry Age Normal Level percent open 30	
Valuation date	01/01/13		01/01/13		01/01/13		01/01/13		01/01/13		01/01/13		01/01/13		01/01/13		01/01/13		01/01/13
Actuarial cost method	Individual Entry Age Normal Level percent open 30		Individual Entry Age Normal Level percent open 30		Individual Entry Age Normal Level Dollar open 30		Individual Entry Age Normal Level Dollar open 10		Individual Entry Age Normal Level percent open 30		Individual Entry Age Normal Level percent open 30		Individual Entry Age Normal Level percent open 30		Individual Entry Age Normal Level Dollar open 10		Individual Entry Age Normal Level percent open 30		Individual Entry Age Normal Level percent open 30
Amortization 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
Remaining amortization period	30		30		30		10		30		30		30		10		30		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
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%
Projected salary increases	4.50%		4.50%		n/a		n/a		4.50%		4.50%		4.50%		n/a		4.50%		4.50%
Cost-of-living adjustments	0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%
Assumed inflation rate	3.50%		3.50%		3.50%		3.50%		3.50%		3.50%		3.50%		3.50%		3.50%		3.50%
Maximum COLA allowed *	0.00%		0.00%		0.00%		3.00%		0.00%		0.00%		0.00%		0.00%		0.00%		0.00%

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, 2013 as follows:

\*Represents maximum COLA allowed by statute or the break-even COLA.

*REQUIRED SUPPLEMENTARY INFORMATION*

**REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF FUNDING PROGRESS**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL)(b-a)	Funded Ratio (a/b)	Covered Payroll ( c )	UAAL as a Percentage of Covered Payroll ( (b-a) /c)
<b>Public Employees Pension Plan:</b>						
January 1, 2007	5,160,602,000	5,468,229,000	307,627,000	94.4	1,285,096,000	23.9
January 1, 2008	5,654,023,000	6,015,985,000	361,962,000	94.0	1,462,473,700	24.7
January 1, 2009	4,835,875,000	6,152,122,000	1,316,247,000	78.6	1,585,727,700	83.0
January 1, 2010	5,742,541,676	6,565,676,761	823,135,085	87.5	1,698,835,822	48.5
January 1, 2011	5,799,530,934	6,855,642,883	1,056,111,949	84.6	1,728,443,786	61.1
January 1, 2012	5,761,221,926	7,037,186,665	1,275,964,739	81.9	1,756,856,648	72.6
January 1, 2013	5,749,967,972	7,319,204,726	1,569,236,754	78.6	1,782,069,208	88.1
<b>State Patrol, Game and Fish Warden and Criminal Investigator Pension Plan:</b>						
January 1, 2007	95,795,200	106,902,900	11,107,700	89.6	17,273,900	64.3
January 1, 2008	105,311,100	118,057,000	12,745,900	89.2	20,053,800	63.6
January 1, 2009	90,924,400	113,732,300	22,807,900	79.9	22,865,300	99.7
January 1, 2010	105,617,400	120,899,200	15,281,800	87.4	23,393,277	65.3
January 1, 2011	106,999,500	127,287,900	20,288,400	84.1	23,744,551	85.4
January 1, 2012	106,117,900	133,440,800	27,322,900	79.5	24,389,987	112.0
January 1, 2013	106,067,552	137,580,636	31,513,084	77.1	24,424,919	129.0
<b>Volunteer Firemen's Pension Plan:</b>						
January 1, 2007	58,468,200	55,361,800	(3,106,400)	105.6	n/a	n/a
January 1, 2008	64,545,800	66,899,300	2,353,500	96.5	n/a	n/a
January 1, 2009	55,361,700	61,796,500	6,434,800	89.6	n/a	n/a
January 1, 2010	63,840,009	58,616,534	(5,223,475)	108.9	n/a	n/a
January 1, 2011	64,271,487	61,425,982	(2,845,505)	104.6	n/a	n/a
January 1, 2012	63,342,019	63,838,991	496,972	99.2	n/a	n/a
January 1, 2013	62,461,860	66,775,348	4,313,488	93.5	n/a	n/a
<b>Paid Firemen's Pension Plan A:</b>						
January 1, 2007	191,123,500	187,953,100	(3,170,400)	101.7	1,076,400	(294.5)
January 1, 2008	200,587,700	188,367,800	(12,219,900)	106.5	937,900	(1,302.9)
January 1, 2009	162,628,400	192,506,400	29,878,000	84.5	762,300	3,919.5
January 1, 2010	178,577,966	195,864,880	17,286,914	91.2	860,343	2,009.3
January 1, 2011	168,037,972	196,205,552	28,167,580	85.6	551,862	5,104.1
January 1, 2012	153,370,736	195,685,206	42,314,470	78.4	481,271	8,792.2
January 1, 2013	139,181,449	195,199,195	56,017,746	71.3	486,270	11,519.9
<b>Paid Firemen's Pension Plan B:</b>						
January 1, 2007	59,057,300	54,666,500	(4,390,800)	108.0	17,359,200	(25.3)
January 1, 2008	68,227,200	64,474,700	(3,752,500)	105.8	19,082,100	(19.7)
January 1, 2009	62,331,800	64,589,100	2,257,300	96.5	20,841,800	10.8
January 1, 2010	76,157,288	65,548,088	(10,609,200)	116.2	22,211,586	(47.8)
January 1, 2011	81,762,934	70,667,114	(11,095,820)	115.7	22,517,176	(49.3)
January 1, 2012	86,130,061	78,763,646	(7,366,415)	109.4	22,678,277	(32.5)
January 1, 2013	91,248,379	85,464,453	(5,783,926)	106.8	24,210,827	(23.9)
<b>Judicial Pension Plan:</b>						
January 1, 2007	11,355,500	10,943,000	(412,500)	103.8	3,591,300	(11.5)
January 1, 2008	12,827,200	12,521,200	(306,000)	102.4	4,122,100	(7.4)
January 1, 2009	12,344,400	14,071,900	1,727,500	87.7	4,401,600	39.2
January 1, 2010	14,891,904	13,767,028	(1,124,876)	108.2	4,664,111	(24.1)
January 1, 2011	15,907,700	14,656,651	(1,251,049)	108.5	4,866,692	(25.7)
January 1, 2012	16,747,907	15,657,847	(1,090,060)	107.0	4,861,758	(22.4)
January 1, 2013	17,549,360	16,925,219	(624,141)	103.7	5,410,651	(11.5)
<b>Law Enforcement Pension Plan:</b>						
January 1, 2007	322,969,500	331,483,200	8,513,700	97.4	108,350,000	7.9
January 1, 2008	364,723,100	380,413,100	15,690,000	95.9	119,165,000	13.2
January 1, 2009	325,945,900	390,945,700	64,999,800	83.4	132,701,500	49.0
January 1, 2010	389,358,007	381,030,788	(8,327,219)	102.2	149,481,383	(5.6)
January 1, 2011	409,567,029	410,159,806	592,777	99.9	154,652,284	0.4
January 1, 2012	422,202,959	440,504,864	18,301,905	95.9	155,481,933	11.8
January 1, 2013	437,235,498	473,544,657	36,309,158	92.3	157,764,488	23.0
<b>Volunteer Emergency Medical Technician Pension Plan:</b>						
January 1, 2009	-	69,100	69,100	-	n/a	n/a
January 1, 2010	175,620	209,992	34,372	83.6	n/a	n/a
January 1, 2011	439,219	372,922	(66,297)	117.8	n/a	n/a
January 1, 2012	656,411	532,939	(123,472)	123.2	n/a	n/a
January 1, 2013	902,336	711,612	(190,724)	126.8	n/a	n/a
<b>Air Guard Firefighters Pension Plan:</b>						
January 1, 2011	3,238,626	4,192,201	953,575	77.3	1,499,381	63.6
January 1, 2012	3,750,702	4,380,850	630,148	85.6	1,522,749	41.4
January 1, 2013	4,449,572	4,852,245	402,673	91.7	1,866,393	21.6

n/a - not applicable

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

Year Ended December 31,	Public Employees Pension Plan			State Patrol, Game & Fish Warden and Criminal Investigator Pension Plan			Volunteer Firemen's Pension Plan		
	Annual	Annual	Percentage	Annual	Annual	Percentage	Annual	Annual	Percentage
	Contribution	Required Contribution	Contributed	Contribution	Required Contribution	Contributed	Contribution	Required Contribution	Contributed
2007	83,149,236	73,035,000	114%	2,258,769	1,956,300	128%	1,688,766	532,000	317%
2008	88,451,655	83,036,000	107%	2,549,234	2,273,000	112%	1,515,607	1,007,700	150%
2009	244,088,705	145,015,000	168%	2,657,556	2,932,200	91%	1,494,517	1,225,000	122%
2010	104,757,666	136,689,664	77%	2,696,312	2,749,422	98%	1,598,736	203,078	787%
2011	122,557,906	131,260,466	93%	2,799,257	3,082,639	91%	1,649,218	453,174	364%
2012	124,648,088	141,299,725	88%	2,975,898	3,443,430	86%	1,511,826	742,745	204%
2013	-	158,013,754	0%	-	3,316,553	0%	-	1,146,605	0%

Year Ended December 31,	Paid Firemen's Pension Plan A			Paid Firemen's Pension Plan B			Wyoming Judicial Pension Plan		
	Annual	Annual	Percentage	Annual	Annual	Percentage	Annual	Annual	Percentage
	Contribution	Required Contribution	Contributed	Contribution	Required Contribution	Contributed	Contribution	Required Contribution	Contributed
2007	-	261,700	0%	2,217,964	2,289,900	97%	370,372	315,200	118%
2008	-	268,400	0%	2,330,110	2,501,600	93%	1,308,816	362,100	361%
2009	-	4,609,216	0%	2,490,830	3,756,684	66%	644,302	638,400	101%
2010	-	2,795,684	0%	2,638,781	1,663,392	159%	663,375	409,105	162%
2011	-	4,275,217	0%	2,713,265	1,688,788	161%	674,598	409,031	165%
2012	-	6,296,901	0%	2,832,064	1,937,521	146%	610,039	422,266	144%
2013	-	8,284,395	0%	-	2,227,008	0%	-	509,643	0%

Year Ended December 31,	Wyoming Law Enforcement Pension Plan			Volunteer Emergency Medical Technician's Pension Plan*			Air Guard Firefighters Pension Plan**		
	Annual	Annual	Percentage	Annual	Annual	Percentage	Annual	Annual	Percentage
	Contribution	Required Contribution	Contributed	Contribution	Required Contribution	Contributed	Contribution	Required Contribution	Contributed
2007	10,591,387	7,810,100	136%	-	-	n/a	-	-	n/a
2008	11,861,638	9,084,200	131%	-	-	n/a	-	-	n/a
2009	11,779,557	11,413,400	103%	144,000	121,700	118%	-	-	n/a
2010	13,166,633	8,029,651	164%	209,396	131,892	159%	-	-	n/a
2011	13,497,836	8,806,599	153%	151,064	117,234	129%	103,373	12,109	854%
2012	13,364,655	9,899,466	135%	179,984	107,553	167%	230,795	(7,270)	-3174%
2013	-	11,071,525	0%	-	105,777	0%	-	(23,938)	0%

\* E M T Pension Plan was enacted on July 1, 2008.

\*\* Air Guard Firefighter Pension Plan was separated from the Public Employee Pension Plan on January 1, 2011.

*OTHER SUPPLEMENTARY INFORMATION*

**OTHER SUPPLEMENTARY INFORMATION**

**SCHEDULE OF ADMINISTRATIVE EXPENSES AND INVESTMENT ADVISORY FEES**

**Year Ending December 31, 2012**

	Defined Benefit Plan	457 Plan	Total
<b>Personnel Services:</b>			
Staff Salaries	\$ 2,002,118	\$ 301,447	\$ 2,303,565
Board & Other Salaries	3,211	689	3,900
Social Security	143,430	22,769	166,199
Retirement	250,526	38,253	288,779
Insurance	370,540	55,814	426,354
Deferred Compensation	6,900	1,120	8,020
Post Employment Benefits	12,003	-	12,003
<b>Total Personnel Services</b>	<b>2,788,728</b>	<b>420,092</b>	<b>3,208,820</b>
<b>Communication:</b>			
Communications	79,926	-	79,926
Data Services	180,425	878	181,303
Telephone	41,786	6,510	48,296
<b>Total Communication</b>	<b>302,137</b>	<b>7,388</b>	<b>309,525</b>
<b>Miscellaneous:</b>			
Equipment Repair & Maintenance	1,271	-	1,271
Utilities	3,253	1,193	4,446
Postage	-	11,554	11,554
Dues and Licenses	154,875	37,717	192,592
Advertising-Promotionals	14,314	4,208	18,522
Travel	151,541	52,083	203,624
State Car	-	4,620	4,620
Office supplies	53,630	13,414	67,044
Other	22,969	2,940	25,909
Real Property Rental	3,961	709	4,670
Equipment Rental	2,863	4,329	7,192
<b>Total Miscellaneous</b>	<b>408,677</b>	<b>132,767</b>	<b>541,444</b>
<b>Professional Services:</b>			
Computer & Information Service	1,920,114	-	1,920,114
Financial Services	864,101	149,145	1,013,246
Investment Consulting Services	49,535	-	49,535
St of WY - State Lease/Space Rental	775,832	92,384	868,216
Management Services	115,398	-	115,398
Commercial Printing Services	-	13,499	13,499
Temporary Services	155,127	15,257	170,384
Miscellaneous Vendors - Disability, Medical, Legal	14,004	23,542	37,546
<b>Total Professional Services</b>	<b>3,894,111</b>	<b>293,827</b>	<b>4,187,938</b>
<b>Total Administration Expenses</b>	<b>7,393,653</b>	<b>854,074</b>	<b>8,247,727</b>
<b>Investment Fees:*</b>			
Investment Advisor Fees	28,655,765	954,853	29,610,618
Security Lending Broker Rebates	-	-	-
Securities Lending Agent Fees	791,090	-	791,090
<b>Total Investment Fees</b>	<b>29,446,855</b>	<b>954,853</b>	<b>30,401,708</b>
<b>Total Administrative expenses &amp; Investment Fees</b>	<b>\$ 36,840,508</b>	<b>\$ 1,808,927</b>	<b>\$ 38,649,435</b>

\* See schedule of fees by investment type on page 83

OTHER SUPPLEMENTARY INFORMATION (Continued)

**DEFINED CONTRIBUTION PLAN  
COMBINING SCHEDULE OF PARTICIPANT AND ADMINISTRATIVE NET POSITION  
December 31, 2012**

	Administrative Account	Plan Participant Balances	Eliminations	Total
<b>Assets</b>				
Cash and Short-Term Investments:				
Cash with State Treasurer	\$ 16,899	\$ -	\$ -	\$ 16,899
Domestic Liquidity - Outside Banks	1,683,274	47,376,355	-	49,059,629
	<u>1,700,173</u>	<u>47,376,355</u>	<u>-</u>	<u>49,076,528</u>
Receivables:				
Employee Contributions	-	472,854	-	472,854
Securities Sold	-	-	-	-
Accrued Interest and Dividends	1,234	-	-	1,234
Participant Fee Receivable	419,636	-	419,636	-
Rebate and Fee Income Receivable	1,053,327	-	-	1,053,327
Admin Receivable	32,228	-	-	32,228
	<u>1,506,425</u>	<u>472,854</u>	<u>419,636</u>	<u>1,559,643</u>
Investments, at Fair Value:				
Fixed Income	-	185,426,799	-	185,426,799
Equities	-	189,774,755	-	189,774,755
Alternatives	-	9,138,160	-	9,138,160
Investment Contracts	-	2,028,247	-	2,028,247
Other	-	-	-	-
	-	<u>386,367,961</u>	<u>-</u>	<u>386,367,961</u>
<b>Total Assets</b>	<u>3,206,598</u>	<u>434,217,170</u>	<u>419,636</u>	<u>437,004,132</u>
<b>Liabilities</b>				
Participant Fee Payable	-	419,636	419,636	-
Administrative & Consulting Fees Payable	-	-	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>419,636</u>	<u>419,636</u>	<u>-</u>
<b>Net Position Held in Trust for Pension Benefits</b>	<u>\$ 3,206,598</u>	<u>\$ 433,797,534</u>	<u>\$ -</u>	<u>\$ 437,004,132</u>

OTHER SUPPLEMENTARY INFORMATION (Continued)

**DEFINED CONTRIBUTION PLAN  
COMBINING SCHEDULE OF CHANGES IN  
PARTICIPANT AND ADMINISTRATIVE NET POSITION  
Year Ended December 31, 2012**

	Administrative Account	Plan Participant Balances	Eliminations	Total
<b>Additions</b>				
Member Contributions	\$ -	\$ 37,539,045	\$ -	\$ 37,539,045
Administrative Revenue	1,827,927	-	1,617,736	210,191
Investment Income:	-	-	-	-
Net Appreciation (Depreciation)	-	-	-	-
in Fair Value of Investments	-	32,623,702	-	32,623,702
Interest and Dividends	10,469	3,974,256	-	3,984,725
<b>Total Investment Income(loss)</b>	<b>1,838,396</b>	<b>74,137,003</b>	<b>1,617,736</b>	<b>74,357,663</b>
<b>Deductions</b>				
Benefits Paid/Distributions	-	22,971,761	-	22,971,761
Administrative Expenses	854,074	-	-	854,074
Investment Fees Expense	954,853	-	-	954,853
Participant Fees Assessed	-	1,617,736	1,617,736	-
<b>Total Expenditures</b>	<b>1,808,927</b>	<b>24,589,497</b>	<b>1,617,736</b>	<b>24,780,688</b>
<b>Net Increase(Decrease)</b>	<b>29,469</b>	<b>49,547,506</b>	<b>-</b>	<b>49,576,975</b>
<b>Net Position Held in Trust for Pension Benefits</b>				
Beginning of Year	3,177,129	384,250,028	-	387,427,157
End of Year	\$ 3,206,598	\$ 433,797,534	-	\$ 437,004,132

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# INVESTMENT SECTION





## Investment Section

The following section has been compiled by staff using reports supplied by JP Morgan Chase, New England Pension Consulting (NEPC), and internally generated documents for activities through December 31, 2012. The investment activity is a time-weighted rate of return methodology based upon market values.

### Investment Performance

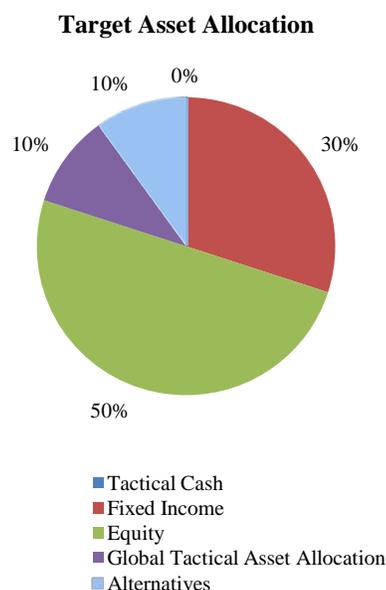
Net investment return for the year ended December 31, 2012 was 14.1% (gross) and 13.7 (net of fees). This compares favorably to a return of 11.7% for the benchmark (60% MSCI ACWI equity index/40% Barclays Multiverse index) and a +13% median return for our comparative peer group (Public plans over \$1billion). Alternatively described, the plan ranked in the 15<sup>th</sup> percentile for 2012 as measured against its peer group. The one year return was above WRS's assumed 8% actuarial rate of return.

For the three years ending 2012, the plan generated an annualized return of 8.7%, net of fees, versus the benchmark return of 7.2% and the peer group median return of 9.0%. These strong absolute and relative returns exceed the 8% actuarial rate of return.

### Allocation of Assets

Asset allocation represents an attempt to estimate the future returns and risks of a range of investments and the selection of a course of action based upon those alternatives.

WRS process starts with the Strategic Asset Allocation decisions made by the Board of Trustees. Asset allocation is not a simple process nor is it static. It exists in an evolving marketplace. But the decisions made dictate, to a very large degree, the amount of risk taken in the portfolio and the associated return over the long-term. WRS must understand the basis for the decisions made to invest in certain asset classes as well the basis for disinvesting from these assets. Systematic approaches to asset allocation help, but in the final analysis the choices in asset classes also reflect the institutional beliefs of WRS. WRS must understand that the asset allocation decisions are long-term in nature and this long-term focus gives WRS the ability to hold a higher level of risk bearing assets. By holding these long-term risk bearing assets it is expected that the long term return would be considerably higher than what could be expected if WRS focus was strictly short term capital perseverance. Generating a higher long term return enables WRS to reduce the amount of money needed from participants to properly fund the system. The pie chart to the right illustrates the Target Asset Allocation diversification of our portfolio at this time.



The next steps in the investment process are Tactical Asset Allocation decisions. Tactical decisions determine the most efficient way to implement our investments in different asset classes. Tactical decisions also involve adjustments to the Strategic Asset Allocation. The Board has given staff the latitude to make adjustments to the portfolio to take advantage of opportunities as they emerge. These decisions involve two distinct steps:

1. Tactical Decisions – those actions taken to alter the asset allocation away from the Target Asset Allocation class passive benchmark adopted by the board within pre-approved ranges.

For example, if staff had a favorable view on Fixed Income WRS could choose to overweight the targeted 30% of assets and by default be underweight in one of the other asset classes.

## Investment Section

2. Implementation Decisions – those decisions involving active vs. passive management and, if active management is chosen, the selection of specific managers whose performance is then measured relative to appropriate benchmarks.

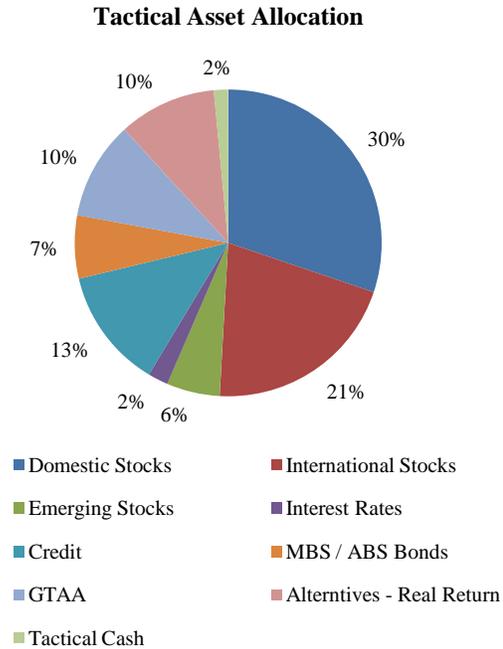
For example, staff can elect to implement our Fixed Income investments through active management instead of passive management. Staff would then select the appropriate active manager(s).

### Tactical Asset Allocation

For the calendar year 2012, WRS tactical decisions contributed to the overall return of the fund. The following are some significant strategic decisions that added value.

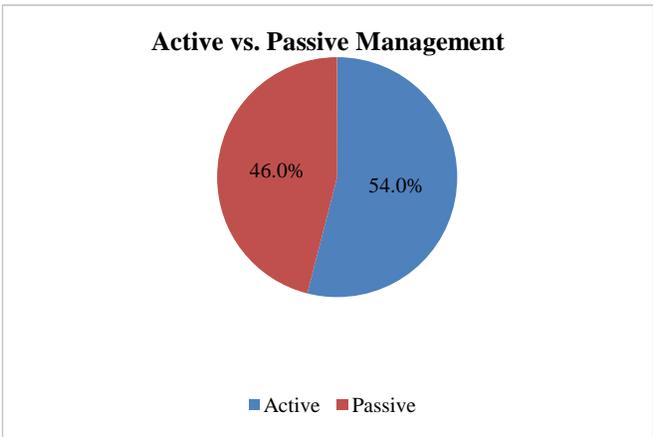
WRS continued to be under weighted in fixed income and over weighted in equities.

Lastly, WRS alternative asset class – primarily real estate – continued to deliver strong performance in 2012, outperforming the alternative investment benchmark index.



### Implementation Decisions / Manager Selection

WRS has traditionally relied heavily on active management. While the debate over the value added through active management vs. passive management certainly has merit, 2012 was a year in which WRS realigned its active managers and continued to hold sizable positions in its passive managers in the equity asset class. Most of WRS’s fixed income managers tended to hold an overweight exposure to the credit portion of fixed income. The pie chart to the right highlights WRS’s current exposure to active management within the fund.



### Investment Policy Summary

The Wyoming Retirement System Board adopted a revised Investment Policy Statement on December 4, 2009. This policy defines the desired outcome of the investment of funds for WRS. Under this policy it is the board’s responsibility to:

- Develop a Return Objective that will:
  - a) Keep contribution rates reasonably level over long periods of time subject to and recognizing that changes made in the law, actuarial assumptions and benefit levels will impact contribution rates.
  - b) Adequately fund aggregate liabilities.
- Establish a Strategic Asset Allocation that is expected to meet the Return Objective while minimizing the impact of the fund’s volatility on the contribution rate.

## *Investment Section*

The Board analyzes, selects, and reviews on an annual basis the Strategic Asset Allocation. The Strategic Asset Allocation, or SAA, reflects the Wyoming Retirement System's view of the asset classes most appropriate to allow the plan to meet its required rate of return within a reasonable degree of risk.

Although establishing the Strategic Asset Allocation is a continuous process, at least once per year – normally early in the calendar – the Board reviews asset class return and volatility assumptions with the goal of adjusting expectations on a forward 12 month basis and on a longer term 5 – 7 year view.

The Board then delegates to the Chief Investment Officer (CIO), with approval of the Executive Director, Tactical Asset Allocation (TAA) and Implementation decisions (including manager hiring and termination).

*Tactical Decisions* are sub-asset class allocation choices made by the CIO with the approval of the Executive Director to deviate from the Strategic Asset Allocation weight. The value added through these decisions to overweight or underweight these sub-asset classes is measured by the difference between the SAA benchmark return and the TAA benchmark return. This difference captures the value added by the investment team through sub-asset class strategic decisions relative to the Board's broad asset allocation decisions. Tactical Asset Allocation returns greater than the Strategic Asset Allocation returns reflects value added through the sub-asset class allocation decisions. Tactical Asset Allocation returns less than the Strategic Asset Allocation returns reflect losses to the fund's performance based upon strategy decisions. Strategy decisions should be measured over all periods of time, with majority weight placed on outcomes that have occurred over a market cycle (5-7 years).

*Implementation Decisions* are money manager selection choices made by the CIO with the approval of the Executive Director. The value added through these manager selection decisions is measured by the difference between the actual manager portfolio return and the Strategic Asset Allocation return. This difference captures the value added through these manager hiring decisions. Portfolios return greater than the SAA benchmark return reflects value added through these manager selection decisions. An actual portfolio return is less than the SAA benchmark return reflects losses to the fund's performance based upon implementation decisions. Implementation decisions should be measured over all periods of time, with a majority weight placed on outcomes that have occurred over a market cycle (5-7 years).

The Board receives performance information on a quarterly basis to help ensure adequate monitoring of the fund's overall performance objectives.

### **Total Fund Review**

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

*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's investment policies are outlined in detail of Note 3 to the Basic Financial Statements.

NEPC provides the Wyoming Retirement Board with a quarterly analysis of the investment performance of the fund. This analysis is broken down by Strategic Asset Class, Tactical Asset Class, and by Investment Manager.

WRS' success in achieving the 8% Return Objective (RO) will be evaluated over reasonably long terms (5-7 years). The reason for the long-term focus on this objective is to preclude the temptation to overreact to events in the marketplace that have no relevance in long-term asset/liability management. The resulting dilemma is the conflicting need to evaluate investment policy implementation decisions over shorter time frames while maintaining the longer-term focus necessary to manage and measure the fund's performance relative to the RO.

To address this problem, the Board evaluates performance relative to Strategic Asset Allocation and Tactical Asset Allocation benchmarks which help to evaluate the Board's broad asset allocation decisions and the staff and external investment consultant's strategic and implementation decisions.

## Investment Section

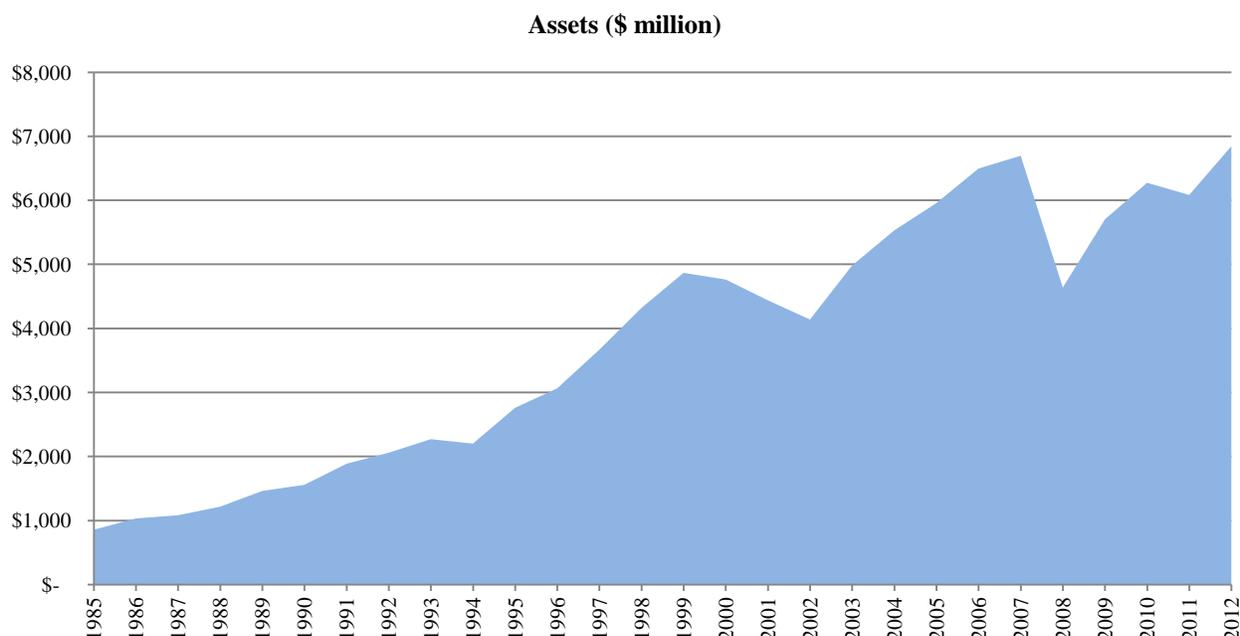
The Strategic Asset Allocation measures the broad investment opportunities of each asset class in which WRS has chosen to invest.

The Tactical Asset Allocation represents decisions made by the CIO to strategically deviate from the midpoint of the Strategic Asset Allocation within each sub-asset class. The returns of the strategic benchmarks are determined based upon the actual weight of the asset class multiplied by the appropriate benchmark.

Implementation Decisions represent the value added or subtracted through such decisions as active vs. passive investment management, fund structures, fees, and manager attribution.

### Total Plan Investments

Total Plan investments as of December 31, 2012 were \$6,849,098,688, up more than \$619 million for the calendar year.



### Asset Allocation

WRS' asset allocation decisions are considered to be one of the primary drivers – perhaps the single most important driver - of investment performance. There is a preponderance of evidence suggesting that a portfolio's investment policy or long-term asset allocation is the primary determinant of return variability over time. The following asset allocation is designed to provide the plan with a broadly diversified mix of assets that strives to create return streams and risk patterns consistent with our unique risk tolerance and investment objectives. In determining the optimum mix of assets, the board considers several variables, including:

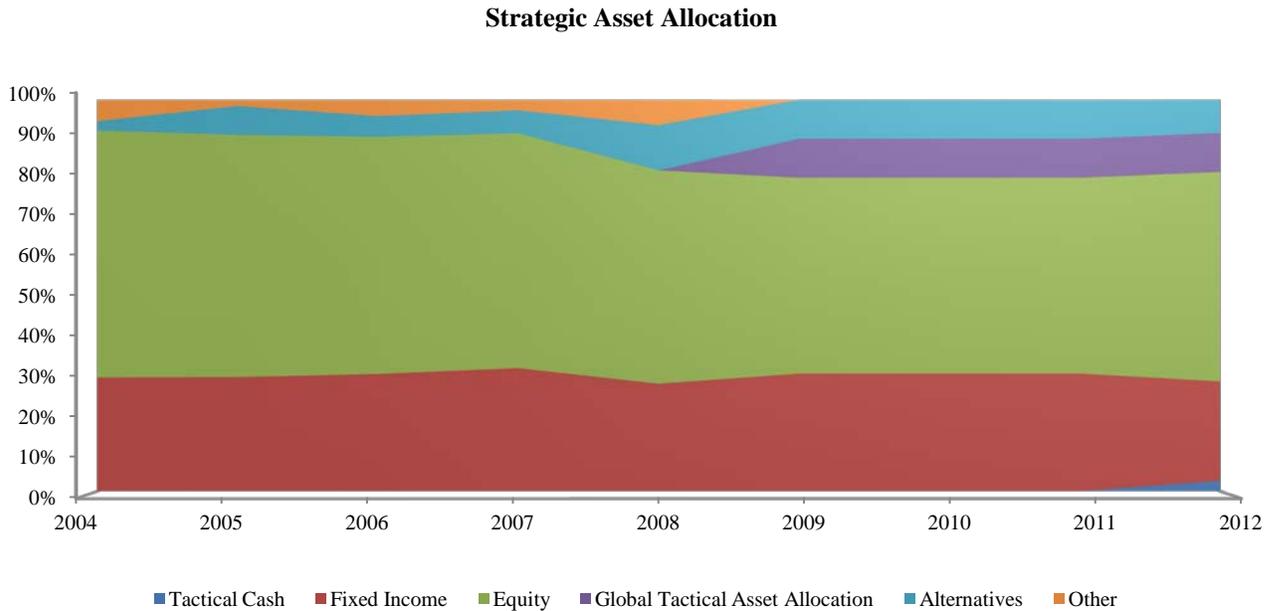
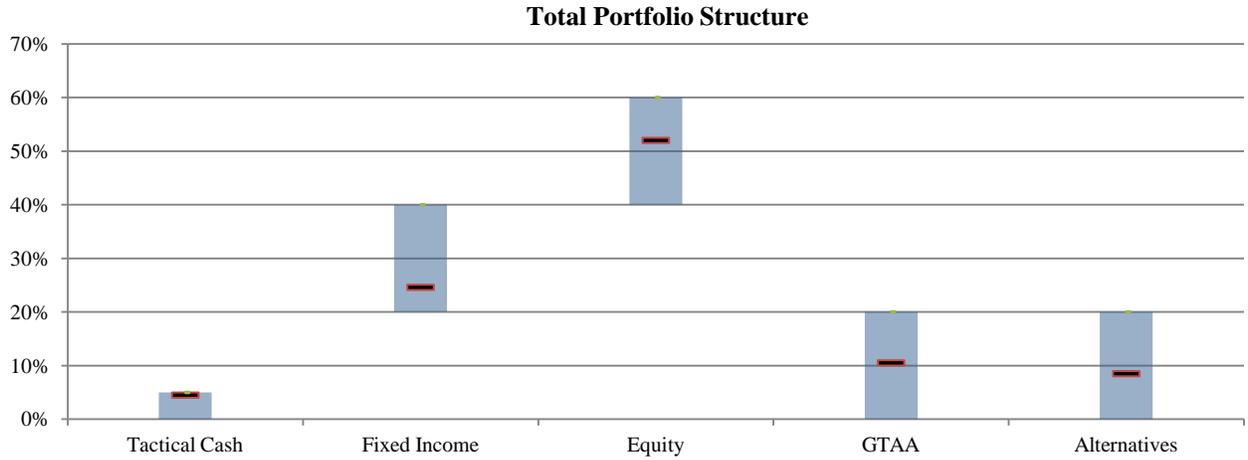
- The expected rate of return for each asset class.
- The expected risk (standard deviation) of each asset class.
- The correlation between the rates of return of the asset classes.
- The underlying factors considered to be the primary drivers of asset class performance.
- The investment objectives and risk constraints of the fund.

In addition the board takes into consideration the ability to actually implement meaningful investment dollars in an asset class in a cost-effective manner. Finally the board believes it to be important to assign relevant benchmarks for each

## Investment Section

asset class, ideally creating a situation where the investment team can legitimately choose between active and passive implementation.

The Strategic Asset Allocation categories, their asset allocation ranges, and the actual investment levels (Tactical allocations) as of December 31, 2012 are illustrated in the chart below



Strategic Asset Class	2004	2005	2006	2007	2008	2009	2010	2011	2012
Tactical Cash	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Fixed Income	31.0%	31.0%	31.0%	31.0%	31.0%	30.0%	30.0%	30.0%	30.0%
Equity	61.0%	61.0%	61.0%	61.0%	61.0%	50.0%	50.0%	50.0%	50.0%
Global Tactical Asset Allocation	0.0%	0.0%	0.0%	0.0%	0.0%	10.0%	10.0%	10.0%	10.0%
Alternatives	8.0%	8.0%	8.0%	8.0%	8.0%	10.0%	10.0%	10.0%	10.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

## Investment Section

Note: Numbers may not total 100.00% due to rounding

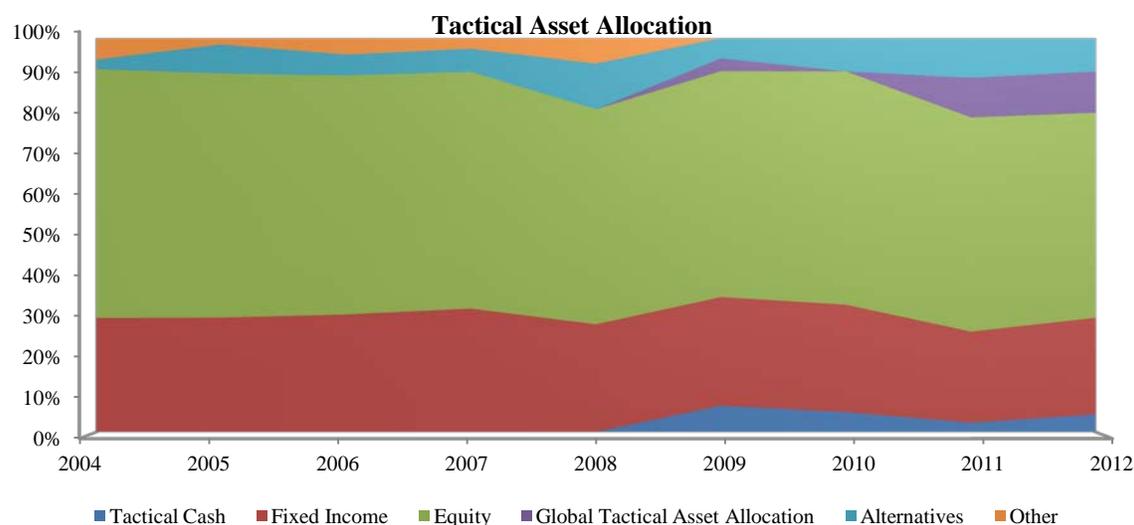
### Strategic Asset Allocation benchmark

The custom benchmark for WRS' Target Asset Allocation decisions is as follows:

$$\begin{aligned}
 & 30\% * \text{Total Return of Barclays Multiverse Index} \\
 + & 50\% * \text{Total Return of MSCI ACWI Index} \\
 + & 10\% * ((60\% * \text{Total Return of MSCI ACWI Index}) + (40\% * \text{Barclays Multiverse Index})) \\
 + & 10\% * ((50\% * (\text{CPI} + 5\%)) + (50\% * (\text{LIBOR} + 4.0\%))) \\
 = & \text{Target Asset Allocation Return}
 \end{aligned}$$

### Strategic Asset Allocation benchmark return for 2012

While the board maintains a set Strategic Asset Allocation mix, they have granted the Chief Investment Officer, subject to approval by the Executive Director, the authority for establishing the Tactical Asset Allocation of the portfolio within broad ranges approved by the board. The board has established these ranges in an effort to maintain appropriate risk controls. These ranges are included in the table below. The CIO will make Tactical Asset Allocation decisions away from the Strategic Asset Allocation in consultation with the external investment consultant and Executive Director that comply with the board's policy. It is expected this flexibility will allow the system to take advantage of changing market conditions.

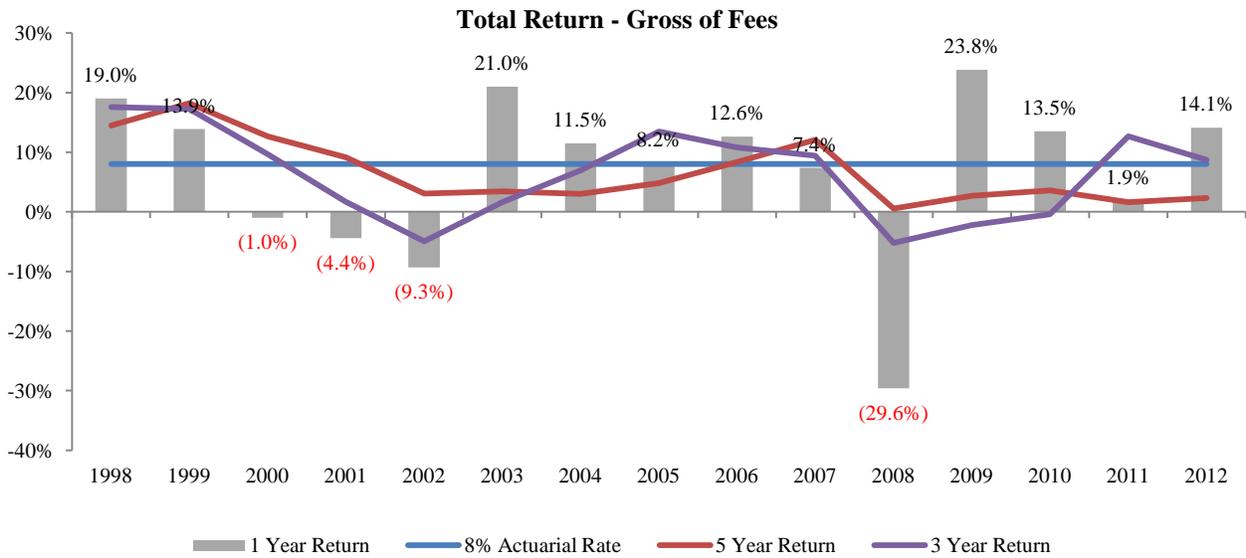


Target Asset Class	2004	2005	2006	2007	2008	2009	2010	2011	2012
Tactical Cash	0.0%	0.0%	0.0%	0.0%	0.0%	6.7%	3.0%	2.4%	2.5%
Fixed Income	29.0%	29.1%	29.9%	31.4%	27.4%	27.6%	29.4%	23.2%	26.2%
Equity	63.1%	61.9%	60.6%	60.0%	54.5%	57.3%	59.2%	54.3%	52.3%
Global Tactical Asset Allocation	0.0%	0.0%	0.0%	0.0%	0.0%	3.3%	0.0%	10.1%	10.5%
Alternatives	2.4%	7.4%	5.3%	5.9%	11.6%	5.2%	5.1%	10.1%	8.5%
Other	5.5%	1.6%	4.2%	2.7%	6.5%	0.0%	0.0%	0.0%	0.0%

Note: Numbers may not total 100.00% due to rounding

**Tactical Asset Allocation return for 2012**

For the calendar year 2012, WRS tactical decisions contributed to the overall return of the fund. WRS maintained underweight with minimal exposure to interest rates. While our continued overweight to credit was a value add versus the benchmark index, and strategic allocation. WRS maintained its overweight to equities. This too served as an additional factor in driving value to the plan. Lastly, both our alternative asset class and GTAA allocation provided benefit to the plan returns. The Board has also delegated Implementation Decisions to the CIO, with the approval of the Executive Director. Implementation Decisions include manager hiring and termination decisions. Value added or subtracted through manager selection is measured by comparing a portfolio total investment return to a predetermined benchmark agreed to be appropriate by the investment manager, the consultant, and the CIO. Implementation decisions through our active manager’s contributed mixed performance to the portfolio where fixed income managers added value versus their respective benchmarks and Equity managers struggled to add incremental value over their benchmarks.



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## Investment Section

Asset Class	Target Asset Allocation Weight	Strategic Asset Allocation Range	Asset Class Benchmark Index
<b>Tactical Cash</b>	<b>0.0%</b>	<b>0.0% - 5.0%</b>	<b>Barclays Short Treasury – Unhedged</b>
<b>Fixed Income</b>	<b>30.0%</b>	<b>20.0% - 40.0%</b>	<b>Barclays Multiverse</b>
Interest Rates	Benchmark Weight	+ / - 7.0%	Barclays Global Treasury
Credit	Benchmark Weight	+ / - 7.0%	Barclays Global Credit
1. Investment Grade bonds			Barclays Global Corporate
2. High Yield bonds			Barclays Global High Yield
Distressed / Private Debt	5.0%	0.0% - 7.0%	
Mortgages / Opportunistic	Benchmark Weight	+ / - 7.0%	
Emerging Market debt	<b>3.0%</b>	0.0% - 7.0%	Barclays Global EM
Hedge Funds – Fixed Income		0.0% - 10.0%	
TIPS		0.0% - 7.0%	Barclays Global Inflation linked
<b>Equity</b>	<b>50.0%</b>	<b>40.0% - 60.0%</b>	<b>MSCI ACWI</b>
Domestic Equity	Benchmark Weight	+ / - 10.0%	MSCI USA
International Developed Equity	Benchmark Weight	+ / - 10.0%	MSCI World x YS
Emerging Markets Equity	Benchmark Weight	+ / - 10.0%	MSCI EM
Hedge Funds – Equity		0.0% - 10.0%	
Private Equity	3.0%	0.0% - 7.0%	
<b>Global Tactical Asset Allocation</b>	<b>10.0%</b>	<b>0.0% - 20.0%</b>	<b>60.0% MSCI ACWI + 40.0% Barclays Multiverse</b>
<b>Alternative</b>	<b>10.0%</b>	<b>0.0% - 20.0%</b>	<b>50% CPI+5%/50% Libor+4%</b>
Real Return	5.0%	0.0% - 10.0%	CPI+5%
1. Infrastructure		0.0% - 5.0%	
2. Natural Resources / Commodities		0.0% - 7.0%	GSC Index
3. Real Estate		0.0% - 7.0%	NCREIF ODCE Index
Absolute Return		0.0% - 10.0%	Libor +4%

Benchmark Weight = Target allocations are not static weights. Weights float based upon capitalization of the relevant benchmark. The Target Asset Allocation weights, a percentage of portfolio value, should be viewed as long-term strategic objectives. Target Asset Allocation weights of 0.0% are sub-asset classes not yet approved by the WRS board for investment. Normal market fluctuations may require a periodic rebalancing to the target objective.

## Investment Section

### TACTICAL CASH Asset Class Summary

The board has provided a target of 0% for this asset class but a strategic range of 0% - 5%, recognizing a cash allocation for liquidity purposes can provide needed flexibility during times of market stress. In addition, WRS typically holds between 3 – 6 months of estimated benefit payments in cash and cash equivalents. Investments in this category will be focused primarily on preservation of capital with a secondary focus on yield.

#### Market Value

The Tactical Cash allocation was \$169,500,428 or 2.47% of the total fund after accounting for the overlay program as of December 31, 2012. Tactical Cash includes Short Term Investment Funds (STIF).

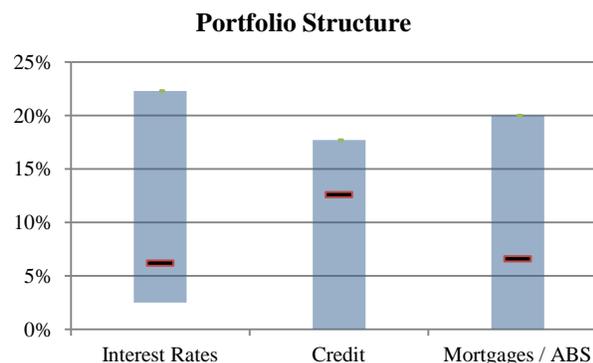
#### Investment Managers

As of December 31, 2012, WRS had contracts with three external investment managers who manage three portfolios related to tactical cash. During calendar 2012 there were no new managers hired or new portfolios. The tactical cash managers are listed below.

Organization	Style
PIMCO	Enhanced Cash
J.P. Morgan	Money Market
Russell	Overlay

### FIXED INCOME Asset Class Summary

The board has provided a target of 30% for this asset class but a strategic range of 20% - 40%. The WRS Fixed Income asset class is, in aggregate, benchmarked against the Barclays Multiverse Index. The Barclays Multiverse Index is composed of three primary sectors, interest rates, credit, and mortgages. The Board has given staff the flexibility to invest in these sectors within the ranges indicated in the chart to the right. As of December 31, 2012 the portfolio was underweight interest rates, overweight credit, and underweight mortgages. The Board has given staff the ability to invest outside of the benchmark sectors in the following areas: emerging market debt, hedge funds, TIPS, and market neutral strategies.



#### Market Value

The Fixed Income allocation was \$1,796,067,602 or 26.22% net of the overlay of the total fund as of December 31, 2012.

## Investment Section

### Top 10 Holdings

The top 10 holdings within the Fixed Income portfolio as of December 31, 2012, are illustrated in the table below:

Holdings	Market Value	Percent of WRS Fixed Income Portfolio
TBA FNMA SINGLE FAMILY MORTGAGE 3.00% MAT 30 YRS	18,755,799	1.04%
UNITED STATES TREAS NTS 1% 31/AUG/2016	12,074,129	0.67%
UNITED STATES TREAS NTS 1.25% 31/OCT/2019	10,970,086	0.61%
UNITED STATES TREAS NTS 1.125% 31/DEC/2019	9,194,092	0.51%
UNITED STATES TREAS NTS 0.25% 15/DEC/2015	7,751,908	0.43%
UNITED STATES TREAS NTS 0.125% 31/DEC/2013	7,140,570	0.40%
UNITED STATES TREAS BDS 4.625% 15/FEB/2040	6,473,072	0.36%
FEDERAL FARM CR BKS CONS BD FLT 13 26/JUN/2013	6,102,867	0.34%
UNITED STATES TREAS NTS 2.375% 28/FEB/2015	6,013,975	0.33%
FEDERAL NATIONAL MORTGAGE ASSOC 4% MTG BDS	6,005,522	0.33%

### Investment Managers

As of December 31, 2012, WRS had contracts with 12 external investment managers who manage 14 portfolios. In addition WRS employs Russell Investments as an overlay manager. During calendar 2012 there were no new fixed income managers hired and no new portfolios initiated.

Organization	Style	Percent of WRS Fixed Income Portfolio
Alliance Bernstein Core Plus	Core Plus	12.7%
Contrarian Capital, LLC	Distressed	6.4%
Highbridge Senior Loan II - Cayman	Credit	1.4%
Highbridge Senior Loan II - Ireland	Credit	0.7%
Kayne Anderson Mezzanine	Credit	1.1%
PIMCO Investment Management Company	Opportunistic	7.7%
Prudential Core	Core	14.7%
Russell Overlay	Overlay	6.4%
SEIX	High Yield	12.1%
State Street Global Advisors	Core	16.5%
Tennenbaum Debtor-in-Possessions	Credit / Distressed	0.2%
Tennenbaum Debt Opportunity VI	Credit / Distressed	1.6%
Torchlight Debt Opportunity III	Credit / Distressed	2.6%
Western Asset Management	Core Plus	15.9%

## Investment Section

### EQUITY Asset Class Summary

The Board has provided a target of 50% for this asset class but a strategic range of 40% - 60%. The WRS Equity asset class is, in aggregate, benchmarked against the MSCI ACWI Index. The MSCI ACWI Index is composed of three primary geographies, United States, EAFE, and Emerging Markets. The Board has given staff the flexibility to invest in this sector. As of December 31, 2012 the portfolio was overweight U.S. equities, market weight EAFE, and underweight Emerging. The Board has given staff the ability to invest outside of the benchmark sectors in the following areas: hedge funds. The portfolio does not currently hold investments in this area.

### Market Value

The Equity allocation was \$3,581,577,478 or 52.34% of the total fund after accounting for the overlay as of December 31, 2012.

### Top 10 Holdings

The top 10 holdings within the Equity portfolio as of December 31, 2012, are illustrated in the table below:

Holdings	\$ Market Value	Percent of WRS Equity Portfolio
GMO TR BENCHMARK FD	156,405,864	4.37%
APPLE INC COM STK NPV	16,889,589	0.47%
EXXON MOBIL CORP COM STK NPV	13,501,540	0.38%
APPLE INC COM STK NPV	12,259,690	0.34%
EXXON MOBIL CORP COM STK NPV	9,814,770	0.27%
AVIS BUDGET GROUP INC COM STK USD0.01	8,013,226	0.21%
BROOKDALE SENIOR LIVING INC COM STK USD0.01	7,689,684	0.22%
GENERAL ELECTRIC CO. COM STK USD0.06	7,497,460	0.21%
CHEVRON CORP COM STK USD0.75	7,170,872	0.20%
INTERNATIONAL BUS MACH CORP COM STK USD0.20	7,027,778	0.20%

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## Investment Section

### EQUITY Asset Class Summary (continued)

#### Investment Managers

As of December 31, 2012, WRS had contracts with nine external investment managers who manage 14 portfolios. In addition, WRS employs Russell Investments as an overlay manager. During calendar 2012, four managers were terminated and six new managers were hired.

Organization	Style	Percent of WRS Equity Portfolio
Alliance Bernstein	Passive Emerging Markets	4.4%
Alliance Bernstein	Passive Domestic	10.7%
Alliance Bernstein	Passive International	8.5%
AQR	Active Non-U.S.	4.0%
Blackrock	Passive Domestic	14.8%
Blackrock	Passive Non-U.S.	12.9%
Blackrock	Passive Emerging Markets	5.3%
Copper Rock	Active International	4.2%
GW	Active Domestic	4.7%
Pyrford	Active International	4.2%
RS	Active Domestic	4.6%
Russell Overlay	Overlay	0.0%
SSgA	Passive Global	10.6%
SSgA	Passive Global	11.1%

#### GLOBAL TACTICAL ASSET ALLOCATION Asset Class Summary

The Board has provided a target of 10% for this asset class but a strategic range of 0% - 20%. The WRS GTAA asset class is, in aggregate, benchmarked against a blend of 60% MSCI ACWI Index + 40% Barclays Multiverse Index. WRS' Global Tactical Asset Allocation, or GTAA, strategy initiated funding in 2012 and represents 10.49% of the portfolio.

#### Market Value

The GTAA allocation was \$718,478,163, or 10.49% of the total fund as of December 31, 2012.

## Investment Section

### Investment Managers

As of December 31, 2012, WRS had contracts with nine external investment managers who manage nine portfolios. There were no portfolios discontinued.

Organization	Style	Percent of WRS GTAA Portfolio
AQR	Risk Parity	20.6%
Blue Crest	Global Macro	4.9%
Brevan Howard	Global Macro	4.8%
Bridgewater	Risk Parity	23.7%
Caxton	Global Macro	4.8%
GMO	GTAA	27.2%
Graham	Global Macro	4.6%
Moore	Global Macro	4.9%
Tudor	Global Macro	4.5%

### ALTERNATIVE Asset Class Summary

The board has provided a target of 10% for this asset class but a strategic range of 0% - 20%. The Alternative asset class within the WRS portfolio is broken into two categories:

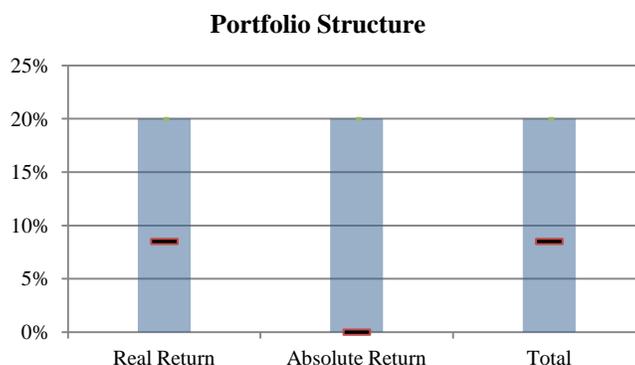
1. Real Return: Real return assets are expected to provide a total return above the rate of inflation as measured by the CPI.
2. Absolute Return: Absolute return investments are expected to provide positive performance above a cash rate of return regardless of the overall direction of the markets or the economy.

The WRS Alternative asset class is, in aggregate, benchmarked against a blend of 50% CPI + 5% and 50% LIBOR + 4%. The Board has given staff the flexibility to invest in these strategies within the ranges indicated in the chart to the right. As of December 31, 2012 the portfolio contained real return strategies but has not yet allocated to absolute return strategies.

### Market Value

The Alternative allocation was \$583,475,017 or 8.52% of the total fund as of December 31, 2012.

The Alternative asset class allocation is benchmarked against a blend of 50% CPI + 5% and 50% LIBOR + 4%. This is the only benchmark that is not truly investable.



## Investment Section

### Investment Managers

As of December 31, 2012, WRS had contracts with eight external investment managers who manage nine portfolios. During calendar 2012 there were two new managers hired and one terminated.

Organization	Style	Percent of WRS Alternative Portfolio
Alinda Infrastructure II	Infrastructure	6.4%
Kayne Anderson Real Estate (KAREP II)	Opportunistic Real Estate	0.8%
Macquarie European (MEIF III)	Infrastructure	3.5%
Macquarie Infrastructure (MEIF II)	Infrastructure	9.1%
PIMCO All Asset	Real Return	33.6%
Prudential (PRISA)	Core Real Estate	16.5
Red Kite Mine	Real Return	2.3%
Summit	Real Return	6.0%
UBS TPF	Core Real Estate	21.8%

### Overlay

WRS employs Russell Investments to provide an overlay program to ensure the system's major asset classes remain within a certain percentage of their targeted weights. Market movements can lead to significant implicit tilts within the portfolio. For example, a sharp decline in equities will many times be accompanied by stability within fixed income. Consequently the equity position will decrease as a percentage of assets while fixed income will increase. This causes an "implicit" tilt towards fixed income. The overlay program brings these implicit tilts back within an acceptable band.

### Schedule of Investment Portfolios by Asset Class

As of December 31, 2012

	Fair Value	Percentage of Investments at Fair Value
<b>Tactical Cash</b>		
Cash & Cash Equivalents	\$303,800,428	4.44%
Russell Overlay Program	<u>(147,200,000)</u>	<u>-1.97</u>
Total Tactical Cash	166,600,428	2.47
<b>Fixed Income</b>		
Treasury / Agencies / Governments	364,681,462	5.32
Credit / Corporate Bonds	867,082,307	12.66
Mortgages / ABS	449,703,833	6.57
Russell Overlay (Interest Rates)	<u>114,600,000</u>	<u>1.67</u>
Total Fixed Income	1,796,067,602	26.22
<b>Equity</b>		
Domestic Equity	1,750,796,428	25.56
International	1,811,081,050	26.44
Russell Overlay (MSCI ACWI)	<u>19,700,000</u>	<u>0.30</u>
Total Equity	3,581,577,478	52.30
<b>Global Tactical Asset Allocation</b>		
<b>Total GTAA</b>	718,478,163	10.49
<b>Alternatives</b>		
Real Return	563,195,287	8.22
International Real Return	<u>20,279,730</u>	<u>0.30</u>
Total Alternative	583,475,017	8.52
Total Investments	6,849,098,688	100.0

## Investment Section

### Schedule of Fees and Commissions

#### Total Defined Benefit Pension Plans

	<u>Assets Under Management</u>	<u>Fees</u>	<u>Basis Points</u>
Investment manager fees:			
Tactical Cash Managers	303,800,428	506,382	0.17 bp
Equity Managers	3,561,877,478	4,826,538	0.14 bp
Fixed Income Managers	1,681,467,602	7,525,818	0.45 bp
Global Tactical Asset Managers	718,478,163	7,670,615	1.07 bp
Alternatives managers	583,475,017	7,616,957	1.31 bp
Total investment manager fees	6,849,098,688	28,146,310	
Other investment service fees:			
Security lending fees		791,090	N/A
Investment consultant fees*		509,455	N/A
Total other investment service fees		1,311,370	N/A

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

### Schedule of Investment Results

The following tables compare the actual, based on market value return, for investment categories to the corresponding benchmark time weighted return.

#### CASH and FIXED INCOME Returns

	2012	3 Year	5 Year	10 Year
Total Fixed Income Portfolio	9.2%	9.0%	8.0%	6.6%
Barclays Multiverse	4.8%	5.4%	5.6%	6.2%

#### EQUITY Returns

	2012	3 Year	5 Year	10 Year
Total Equity Portfolio	16.5%	6.7%	(0.6%)	7.2%
MSCI ACWI	15.3%	10.3%	1.1%	6.6%

#### GTAA and ALTERNATIVE Returns

	2012	3 Year	5 Year	10 Year
Total Alternative Portfolio	12.7%	12.8%	n/a	n/a
50% CPI+5%/50% LIBOR+4%	5.6%	5.8%	5.9%	6.9%

#### TOTAL PORTFOLIO Returns

	2012	3 Year	5 Year	10 Year
Total Portfolio (Net of fees)	13.7%	8.4%	1.9%	6.6%
60% ACWI/40% BC Multiverse	11.7%	6.4%	1.9%	7.6%

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# ACTUARIAL SECTION





May 30, 2013

Wyoming Retirement Board  
6101 Yellowstone Road  
Suite 500  
Cheyenne, WY 82002

**Subject: Wyoming Retirement System – Actuarial Valuation Certificate**

Dear Board of Trustees:

The basic financing objective in determining the funding requirements of the Wyoming Retirement System is to establish contribution requirements which will remain approximately level and be paid off over a finite number of years. For plans whose benefits are based on each employee’s compensation, these contribution requirements are expressed as a level percent of covered payroll. Otherwise, these contribution requirements are expressed as a level dollar amount.

Progress toward this financing 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 actuarial valuations are as follows:

<u>Plan</u>	<u>Latest Actuarial Valuation</u>
State of Wyoming Retirement System	January 1, 2013
Wyoming Law Enforcement Retirement Fund	January 1, 2013
Wyoming Paid Firemen’s Retirement Fund Plan A	January 1, 2013
Wyoming Paid Firemen’s Retirement Fund Plan B	January 1, 2013
Wyoming State Highway Patrol, Game & Fish Warden and Criminal Investigator Retirement Fund	January 1, 2013
Wyoming Volunteer Firemen’s Pension Fund	January 1, 2013
Wyoming Judicial Retirement System	January 1, 2013
Wyoming Volunteer Emergency Medical Technician Pension Fund	January 1, 2013
Wyoming Air Guard Firefighters Retirement System	January 1, 2013

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. Actuarial assumptions and methods for each plan

are set by the Board, based upon recommendations made by the plan's actuary. The current assumptions, in general, were adopted by the Board based on the recommendations from an experience study performed by the prior actuary as of December 31, 2007. The actuarial assumptions and methods used in this report comply with the parameters for disclosure that appear in Governmental Accounting Standards Board (GASB) Statement Number 25.

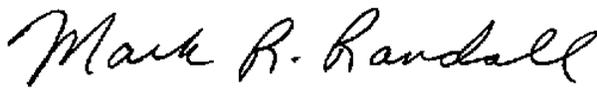
Differences between assumptions and actual experience since the prior valuation are identified as actuarial gains and losses. These gains and losses impact the unfunded actuarial accrued liability and future funding requirements determined in subsequent valuations.

Member data for retired, active and inactive members was supplied as of January 1, 2013 by the Fund's staff. We did not audit this data, but we did apply a number of tests to the data, and we concluded that it was reasonable and consistent with the prior year's data. Asset and financial information as of January 1, 2013 was supplied to us by McGee, Hearne & Paiz, LLP. The staff of the Wyoming Retirement System prepared the other supporting schedules in this section and the trend tables in the financial section based on information supplied in our reports.

We certify that the information presented herein is accurate and fairly portrays the actuarial position of the Fund as of January 1, 2013.

All of our work conforms with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board. In our opinion, our calculations also comply with the requirements of state law and, where applicable, the Internal Revenue Code, ERISA, and the Statements of the Governmental Accounting Standards Board. The undersigned are independent actuaries and consultants. Mark Randall and Leslie Thompson are Enrolled Actuaries and all are Members of the American Academy of Actuaries and meet their Qualification Standards. Finally, all of the undersigned are experienced in performing valuations for large public retirement systems.

Respectfully submitted,  
**Gabriel, Roeder, Smith & Company**



Mark R. Randall, FCA, EA, MAAA  
Executive Vice President



Leslie Thompson, FSA, FCA, EA, MAAA  
Senior Consultant



Todd D. Kanaster, ASA, MAAA  
Actuary

**Exhibit I**  
**State of Wyoming Retirement System**  
**Actuarial Assumptions and Methods**

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The following methods and assumptions were used in preparing the January 1, 2013 actuarial valuation report.

1. Valuation Date

The valuation date for any given year is January 1<sup>st</sup>, the first day of each plan year. This is the date as of which the actuarial present value of future benefits and the actuarial value of assets are determined.

2. Actuarial Cost Method

The actuarial valuation uses the Entry Age Normal (EAN) actuarial cost method, amortized as a level percentage of payroll. Under this method, the employer contribution rate is the sum of (i) the employer normal cost rate, and (ii) the rate that will amortize the unfunded actuarial accrued liability (UAAL).

- a. The valuation is prepared on the projected benefit basis, under which the present value, at the investment return rate assumed to be earned in the future (currently 8.00%), of each participant's expected benefit payable at retirement or death is determined, based on his/her age, service, sex and compensation. The calculations take into account the probability of a participant's death or termination of employment prior to becoming eligible for a benefit, as well as the possibility of his/her terminating with a service, disability, or survivor's benefit. Future salary increases are also anticipated. The present value of the expected benefits payable for the active participants is added to the present value of the expected future payments to retired participants and beneficiaries to obtain the present value of all expected benefits payable from the Fund on account of the present group of participants and beneficiaries.
- b. The employer contributions required to support the benefits of the Fund are determined using a level funding approach, and consist of a normal cost contribution and an accrued liability contribution.
- c. The normal cost contribution is determined using the "entry age normal" actuarial cost method. Under this method, a calculation is made to determine the average uniform and constant percentage rate of employer contribution which, if applied to the compensation of each new participant during the entire period of his/her anticipated covered service, would be required to meet the cost of all benefits payable on his/her behalf based on the benefits provisions applicable for the individual member.

**Exhibit I**  
**State of Wyoming Retirement System**  
**Actuarial Assumptions and Methods**

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- d. The unfunded actuarial accrued liability contributions are determined by subtracting the actuarial value of assets from the actuarial accrued liability and amortizing the result over 30 years from the valuation date.

3. Actuarial Value of Assets

The actuarial value of assets is based on the market value of assets with a five-year phase-in of actual investment return in excess of (less than) expected investment income, with interest, dividends, and other income recognized immediately. Expected investment income is determined using the assumed investment return rate and the market value of assets (adjusted for receipts and disbursements during the year). The returns are computed net of administrative and investment expenses. An adjustment is made if the actuarial value is not within 20% of the Market Value. For any year following a year in which the 20% of market value adjustment was applied, the actuarial value is determined as if the adjustment was not applied in the previous year.

4. Economic Assumptions

a. Investment return

8.00% per year, compounded annually, composed of an assumed 3.50% inflation rate and a 4.50% net real rate of return. This rate represents the assumed return, net of investment expenses.

b. Salary increase rate

Age	Rate
20	9.50%
25	8.30%
30	6.90%
35	6.05%
40	5.60%
45	5.35%
50	5.00%
55	5.00%
60	5.00%

- c. Payroll growth rate: In the amortization of the unfunded actuarial accrued liability, payroll is assumed to increase 4.50% per year. This increase rate is solely due to the effect of inflation on salaries, with no allowance for future membership growth.

**Exhibit I**  
**State of Wyoming Retirement System**  
**Actuarial Assumptions and Methods**

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5. Demographic Assumptions

a. Rates Before Retirement

Healthy Mortality: 1994 Group Annuity Mortality with margins projected (scale AA) to 2008  
 Disabled Mortality: 1979 PBGC Disabled Lives Receiving Social Security

Age	Death		Disability	Withdrawal		Withdrawal		
	Male	Female		Ultimate		Service	First five years	
				Male	Female		Male	Female
20	0.04%	0.02%	0.01%	10.00%	11.00%	1	25%	28%
25	0.06%	0.02%	0.01%	10.00%	11.00%	2	18%	22%
30	0.07%	0.03%	0.01%	10.00%	11.00%	3	12%	15%
35	0.08%	0.04%	0.01%	4.83%	5.83%	4	10%	13%
40	0.10%	0.06%	0.01%	4.44%	5.44%	5	10%	12%
45	0.13%	0.08%	0.03%	4.22%	5.22%			
50	0.20%	0.11%	0.08%	4.10%	5.10%			
55	0.34%	0.21%	0.20%	4.03%	5.03%			
60	0.64%	0.41%	0.20%	4.00%	5.00%			

b. Retirement Rates

Age	Service										
	<=25	26	27	28	29	30	31	32	33	34	>=35
<=50	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	10%
51	3%	3%	3%	3%	3%	3%	3%	3%	3%	10%	10%
52	3%	3%	3%	3%	3%	3%	3%	3%	10%	10%	10%
53	3%	3%	3%	3%	3%	3%	3%	10%	10%	10%	10%
54	4%	4%	4%	4%	4%	4%	10%	10%	10%	10%	10%
55	6%	6%	6%	6%	6%	10%	10%	10%	10%	10%	10%
56	6%	6%	6%	6%	10%	10%	10%	10%	10%	10%	10%
57	7%	7%	7%	10%	10%	10%	10%	10%	10%	10%	10%
58	7%	7%	10%	10%	10%	10%	10%	10%	10%	10%	10%
59	10%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
60	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
61	17%	17%	17%	17%	17%	17%	17%	17%	17%	17%	17%
62	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
63	17%	17%	17%	17%	17%	17%	17%	17%	17%	17%	17%
64	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
65	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%
66	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
67	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
68	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
69	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
70	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

**Exhibit I**  
**State of Wyoming Retirement System**  
**Actuarial Assumptions and Methods**

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6. Other Assumptions

- a. Percent married: 85.00% of employees are assumed to be married. (No beneficiaries other than the spouse assumed.)
- b. Age difference: Male members are assumed to be three years older than their spouses, and female members are assumed to be three years younger than their spouses.
- c. Percent electing annuity on death (when eligible): All of the spouses of vested, married participants are assumed to elect an annuity.
- d. Percent electing deferred termination benefit: Vested terminating members are assumed to elect a refund or a deferred benefit. It is assumed that 25% of active members who terminate with a deferred vested benefit will elect to have their contributions refunded.
- e. Assumed age for commencement of deferred benefits: Members electing to receive a deferred benefit are assumed to commence receipt at the first age at which unreduced benefits are available, which for this plan is age 60.
- f. 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 using the data provided.
- g. There will be no recoveries once disabled. We assume all members are totally disabled.
- h. No surviving spouse will remarry.
- i. Administrative expenses: Assumed to be the average of the prior two years, with each year projected at 6.5% to the valuation date.
- j. Pay increase timing: Beginning of (fiscal) year. This is equivalent to assuming that reported pay represents amount paid to members during the year ended on the valuation date.
- k. Decrement timing: Decrements of all types are assumed to occur mid-year.

**Exhibit I**  
**State of Wyoming Retirement System**  
**Actuarial Assumptions and Methods**

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- l. Eligibility testing: Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
- m. Decrement relativity: Decrement rates are converted to probabilities in order to account for multiple decrements.
- n. Incidence of Contributions: Contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in the report, and the actual payroll payable at the time contributions are made.
- o. Benefit Service: All members are assumed to accrue one year of service each year. Exact fractional service is used to determine the amount of benefit payable.

**Exhibit I**  
**State of Wyoming Retirement System**  
**Changes in Plan Provisions, Actuarial Assumptions and Methods**

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**Changes in Plan Provisions**

There have been no changes in the benefit provisions since the prior valuation.

**Changes in Actuarial Assumptions and Methods**

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

**Exhibit II**  
**Wyoming Law Enforcement Retirement Fund**  
**Actuarial Assumptions and Methods**

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The following methods and assumptions were used in preparing the January 1, 2013 actuarial valuation report.

1. Valuation Date

The valuation date for any given year is January 1<sup>st</sup>, the first day of each plan year. This is the date as of which the actuarial present value of future benefits and the actuarial value of assets are determined.

2. Actuarial Cost Method

The actuarial valuation uses the Entry Age Normal (EAN) actuarial cost method, amortized as a level percentage of payroll. Under this method, the employer contribution rate is the sum of (i) the employer normal cost rate, and (ii) the rate that will amortize the unfunded actuarial accrued liability (UAAL).

- a. The valuation is prepared on the projected benefit basis, under which the present value, at the investment return rate assumed to be earned in the future (currently 8.00%), of each participant's expected benefit payable at retirement or death is determined, based on his/her age, service, sex and compensation. The calculations take into account the probability of a participant's death or termination of employment prior to becoming eligible for a benefit, as well as the possibility of his/her terminating with a service, disability, or survivor's benefit. Future salary increases are also anticipated. The present value of the expected benefits payable for the active participants is added to the present value of the expected future payments to retired participants and beneficiaries to obtain the present value of all expected benefits payable from the Fund on account of the present group of participants and beneficiaries.
- b. The employer contributions required to support the benefits of the Fund are determined using a level funding approach, and consist of a normal cost contribution and an accrued liability contribution.
- c. The normal cost contribution is determined using the "entry age normal" actuarial cost method. Under this method, a calculation is made to determine the average uniform and constant percentage rate of employer contribution which, if applied to the compensation of each new participant during the entire period of his/her anticipated covered service, would be required to meet the cost of all benefits payable on his/her behalf based on the benefits provisions applicable for the individual member.

**Exhibit II**  
**Wyoming Law Enforcement Retirement Fund**  
**Actuarial Assumptions and Methods**

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- d. The unfunded actuarial accrued liability contributions are determined by subtracting the actuarial value of assets from the actuarial accrued liability and amortizing the result over 30 years from the valuation date.

3. Actuarial Value of Assets

The actuarial value of assets is based on the market value of assets with a five-year phase-in of actual investment return in excess of (less than) expected investment income, with interest, dividends, and other income recognized immediately. Expected investment income is determined using the assumed investment return rate and the market value of assets (adjusted for receipts and disbursements during the year). The returns are computed net of administrative and investment expenses. An adjustment is made if the actuarial value is not within 20% of the Market Value. For any year following a year in which the 20% of market value adjustment was applied, the actuarial value is determined as if the adjustment was not applied in the previous year.

4. Economic Assumptions

a. Investment return

8.00% per year, compounded annually, composed of an assumed 3.50% inflation rate and a 4.50% net real rate of return. This rate represents the assumed return, net of investment expenses.

b. Salary increase rate

Age	Rate
20	9.50%
25	8.30%
30	6.90%
35	6.05%
40	5.60%
45	5.35%
50	5.00%
55	5.00%
60	5.00%

- c. Payroll growth rate: In the amortization of the unfunded actuarial accrued liability, payroll is assumed to increase 4.50% per year. This increase rate is solely due to the effect of inflation on salaries, with no allowance for future membership growth.

**Exhibit II**  
**Wyoming Law Enforcement Retirement Fund**  
**Actuarial Assumptions and Methods**

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5. Demographic Assumptions

a. Rates Before Retirement

Healthy Mortality: 1994 Group Annuity Mortality with margins

Disabled Mortality: 170% of the 1993 PBGC Disabled Lives Not Receiving Social Security

Age	Death		Disability
	Male	Female	
20	0.05%	0.03%	0.07%
25	0.07%	0.03%	0.07%
30	0.08%	0.04%	0.07%
35	0.09%	0.05%	0.08%
40	0.11%	0.07%	0.18%
45	0.16%	0.10%	0.38%
50	0.26%	0.14%	0.67%
55	0.44%	0.23%	1.14%
60	0.80%	0.44%	2.22%

80% of active deaths and disabilities are assumed to be duty-related

WITHDRAWAL					
Select Withdrawal Rates During the First 5 Years of Employment			Ultimate Withdrawal Rates After the First 5 Years of Employment		
Years of Employment	Male	Female	Age	Male	Female
1	24.00%	33.00%	25	17.45%	17.45%
2	20.00%	24.00%	30	10.36%	10.36%
3	13.00%	20.00%	35	6.89%	6.89%
4	11.00%	15.00%	40	5.39%	5.39%
5	11.00%	12.00%	45	4.07%	4.07%
			50	3.04%	3.04%

b. Retirement Rates

Age	Reduced Rate	Unreduced Rate	Age	Reduced Rate	Unreduced Rate
50	9%	13%	58	9%	17%
51	9%	13%	59	9%	17%
52	9%	13%	60	NA	22%
53	9%	13%	61	NA	22%
54	9%	13%	62	NA	22%
55	9%	17%	63	NA	22%
56	9%	17%	64	NA	22%
57	9%	17%	65	NA	100%

10% is assumed for members with at least 20 years of service before age 50

**Exhibit II**  
**Wyoming Law Enforcement Retirement Fund**  
**Actuarial Assumptions and Methods**

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6. Other Assumptions

- a. Percent married: 85.00% of employees are assumed to be married. (No beneficiaries other than the spouse assumed.)
- b. Age difference: Male members are assumed to be three years older than their spouses, and female members are assumed to be three years younger than their spouses.
- c. Percent electing annuity on death (when eligible): All of the spouses of vested, married participants are assumed to elect an annuity.
- d. Percent electing deferred termination benefit: It is assumed that 55% of active members who terminate with a vested deferred benefit will elect to have their contributions refunded.
- e. Assumed age for commencement of deferred benefits: Members electing to receive a deferred benefit are assumed to commence receipt at the first age at which unreduced benefits are available, which for this plan is age 60.
- f. 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 using the data provided.
- g. There will be no recoveries once disabled.
- h. No children are assumed for purposes of valuing the ordinary death benefit.
- i. Administrative expenses: Assumed to be the average of the prior two years, with each year projected at 6.5% to the valuation date.
- j. Pay increase timing: Beginning of (fiscal) year. This is equivalent to assuming that reported pay represents amount paid to members during the year ended on the valuation date.
- k. Decrement timing: Decrements of all types are assumed to occur mid-year.
- l. Eligibility testing: Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.

**Exhibit II**  
**Wyoming Law Enforcement Retirement Fund**  
**Actuarial Assumptions and Methods**

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- m. Incidence of Contributions: Contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in the report, and the actual payroll payable at the time contributions are made.
- n. Benefit Service: All members are assumed to accrue one year of service each year.

**Exhibit II**  
**Wyoming Law Enforcement Retirement Fund**  
**Changes in Plan Provisions, Actuarial Assumptions and Methods**

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**Changes in Plan Provisions**

There have been no changes to plan provisions since the prior valuation.

**Changes in Actuarial Assumptions and Methods**

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

**Exhibit III**  
**Wyoming Paid Firemen's Retirement Fund Plan A**  
**Actuarial Assumptions and Methods**

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The following methods and assumptions were used in preparing the January 1, 2013 actuarial valuation report.

1. Valuation Date

The valuation date for any given year is January 1<sup>st</sup>, the first day of each plan year. This is the date as of which the actuarial present value of future benefits and the actuarial value of assets are determined.

2. Actuarial Cost Method

The actuarial valuation uses the Entry Age Normal (EAN) actuarial cost method, amortized as a level dollar amount. Under this method, the employer contribution amount is the sum of (i) the employer normal cost amount, and (ii) the amount that will amortize the unfunded actuarial accrued liability (UAAL).

- a. The valuation is prepared on the projected benefit basis, under which the present value, at the investment return rate assumed to be earned in the future (currently 8.00%), of each participant's expected benefit payable at retirement or death is determined, based on his/her age, service, sex and compensation. The calculations take into account the probability of a participant's death or termination of employment prior to becoming eligible for a benefit, as well as the possibility of his/her terminating with a service, disability, or survivor's benefit. The present value of the expected benefits payable for the active participants is added to the present value of the expected future payments to retired participants and beneficiaries to obtain the present value of all expected benefits payable from the Fund on account of the present group of participants and beneficiaries.
- b. The employer contributions required to support the benefits of the Fund are determined using a level funding approach, and consist of a normal cost contribution and an accrued liability contribution.
- c. The normal cost contribution is determined using the "entry age normal" actuarial cost method. Under this method, a calculation is made to determine the average uniform and constant percentage amount of employer contribution which, if applied to each new participant during the entire period of his/her anticipated covered service, would be required to meet the cost of all benefits payable on his/her behalf based on the benefits provisions applicable for the individual member.

**Exhibit III**  
**Wyoming Paid Firemen's Retirement Fund Plan A**  
**Actuarial Assumptions and Methods**

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- d. The unfunded actuarial accrued liability contributions are determined by subtracting the actuarial value of assets from the actuarial accrued liability and amortizing the result over 10 years from the valuation date.

3. Actuarial Value of Assets

The actuarial value of assets is based on the market value of assets with a five-year phase-in of actual investment return in excess of (less than) expected investment income, with interest, dividends, and other income recognized immediately. Expected investment income is determined using the assumed investment return rate and the market value of assets (adjusted for receipts and disbursements during the year). The returns are computed net of administrative and investment expenses. An adjustment is made if the actuarial value is not within 20% of the Market Value. For any year following a year in which the 20% of market value adjustment was applied, the actuarial value is determined as if the adjustment was not applied in the previous year.

4. Economic Assumptions

a. Investment return:

8.00% per year, compounded annually, composed of an assumed 3.50% inflation rate and a 4.50% net real rate of return. This rate represents the assumed return, net of investment expenses.

b. Salary increase rate:

5% per year

c. Payroll growth rate:

In the amortization of the unfunded actuarial accrued liability, payroll is not assumed to increase. The assumed payroll growth in a closed plan is 0%.

**Exhibit III**  
**Wyoming Paid Firemen's Retirement Fund Plan A**  
**Actuarial Assumptions and Methods**

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5. Demographic Assumptions

a. Rates Before Retirement

Healthy Mortality: 1994 Group Annuity Mortality

Disabled Mortality: 1993 PBGC Disabled Lives Not Receiving Social Security

Age	Death		Disability	Withdrawal
	Male	Female		
20	0.05%	0.03%	0.03%	10.00%
25	0.07%	0.03%	0.03%	6.12%
30	0.08%	0.04%	0.03%	3.19%
35	0.09%	0.05%	0.19%	2.47%
40	0.11%	0.07%	0.42%	1.91%
45	0.16%	0.10%	0.65%	1.16%
50	0.26%	0.14%	0.82%	0.70%
55	0.44%	0.23%	1.81%	0.50%
60	0.80%	0.44%	2.00%	0.50%

b. Retirement Rates

Age	Rate
50	20%
51	25%
52	25%
53	25%
54	25%
55	25%
56	25%
57	25%
58	25%
59	25%
60	100%
61	100%
62	100%

**Exhibit III**  
**Wyoming Paid Firemen's Retirement Fund Plan A**  
**Actuarial Assumptions and Methods**

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6. Other Assumptions

- a. Percent married: 100.00% of employees are assumed to be married. (No beneficiaries other than the spouse assumed).
- b. Age difference: Male members are assumed to be three years older than their spouses, and female members are assumed to be three years younger than their spouses.
- c. Percent electing annuity on death (when eligible): All of the spouses of vested, married participants are assumed to elect an annuity.
- d. Percent electing deferred termination benefit: Vested terminating members are assumed to elect a refund or a deferred benefit, whichever is more valuable at the time of termination.
- e. Assumed age for commencement of deferred benefits: Members electing to receive a deferred benefit are assumed to commence receipt at the first age at which unreduced benefits are available, which for this plan is 20 years after hire date.
- f. 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 using the data provided.
- g. There will be no recoveries once disabled.
- h. Administrative expenses: Assumed to be the average of the prior two years, with each year projected at 6.5% to the valuation date.
- i. Pay increase timing: Beginning of (fiscal) year. This is equivalent to assuming that reported pay represents amount paid to members during the year ended on the valuation date.
- j. Decrement timing: Decrements of all types are assumed to occur mid-year.
- k. Eligibility testing: Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
- l. Benefit Service: All members are assumed to accrue one year of service each year.

**Exhibit III**  
**Wyoming Paid Firemen's Retirement Fund Plan A**  
**Changes in Plan Provisions, Actuarial Assumptions and Methods**

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**Changes in Plan Provisions**

There have been no changes to plan provisions since the prior valuation.

**Changes in Actuarial Assumptions and Methods**

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

**Exhibit IV**  
**Wyoming Paid Firemen's Retirement Fund Plan B**  
**Actuarial Assumptions and Methods**

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The following methods and assumptions were used in preparing the January 1, 2013 actuarial valuation report.

1. Valuation Date

The valuation date for any given year is January 1<sup>st</sup>, the first day of each plan year. This is the date as of which the actuarial present value of future benefits and the actuarial value of assets are determined.

2. Actuarial Cost Method

The actuarial valuation uses the Entry Age Normal (EAN) actuarial cost method, amortized as a level percentage of payroll. Under this method, the employer contribution rate is the sum of (i) the employer normal cost rate, and (ii) the rate that will amortize the unfunded actuarial accrued liability (UAAL) or the surplus amount.

- a. The valuation is prepared on the projected benefit basis, under which the present value, at the investment return rate assumed to be earned in the future (currently 8.00%), of each participant's expected benefit payable at retirement or death is determined, based on his/her age, service, sex and compensation. The calculations take into account the probability of a participant's death or termination of employment prior to becoming eligible for a benefit, as well as the possibility of his/her terminating with a service, disability, or survivor's benefit. Future salary increases are also anticipated. The present value of the expected benefits payable for the active participants is added to the present value of the expected future payments to retired participants and beneficiaries to obtain the present value of all expected benefits payable from the Fund on account of the present group of participants and beneficiaries.
- b. The employer contributions required to support the benefits of the Fund are determined using a level funding approach, and consist of a normal cost contribution and an accrued liability contribution.
- c. The normal cost contribution is determined using the "entry age normal" actuarial cost method. Under this method, a calculation is made to determine the average uniform and constant percentage rate of employer contribution which, if applied to the compensation of each new participant during the entire period of his/her anticipated covered service, would be required to meet the cost of all benefits payable on his/her behalf based on the benefits provisions applicable for the individual member.

**Exhibit IV**  
**Wyoming Paid Firemen’s Retirement Fund Plan B**  
**Actuarial Assumptions and Methods**

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- d. The unfunded or “overfunded” actuarial accrued liability contributions are determined by subtracting the actuarial value of assets from the actuarial accrued liability and amortizing the result over 30 years from the valuation date.

3. Actuarial Value of Assets

The actuarial value of assets is based on the market value of assets with a five-year phase-in of actual investment return in excess of (less than) expected investment income. Expected investment income is determined using the assumed investment return rate and the market value of assets (adjusted for receipts and disbursements during the year). The returns are computed net of administrative and investment expenses. An adjustment is made if the actuarial value is not within 20% of the Market Value. For any year following a year in which the 20% of market value adjustment was applied, the actuarial value is determined as if the adjustment was not applied in the previous year.

4. Economic Assumptions

a. Investment return

8.00% per year, compounded annually, composed of an assumed 3.50% inflation rate and a 4.50% net real rate of return. This rate represents the assumed return, net of investment expenses.

b. Salary increase rate

Age	Rate
20	9.00%
25	8.40%
30	7.40%
35	6.70%
40	6.20%
45	5.90%
50	5.35%
55	5.10%
60	5.00%

Payroll growth rate: In the amortization of the unfunded actuarial accrued liability, payroll is assumed to increase 4.50% per year. This increase rate is solely due to the effect of inflation on salaries, with no allowance for future membership growth.

**Exhibit IV**  
**Wyoming Paid Firemen's Retirement Fund Plan B**  
**Actuarial Assumptions and Methods**

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5. Demographic Assumptions

a. Rates Before Retirement

Healthy Mortality: 1994 Group Annuity Mortality

Disabled Mortality: 1979 PBGC Disabled Lives Not Receiving Social Security

Age	Death		Disability	Withdrawal
	Male	Female		
20	0.05%	0.03%	0.03%	10.00%
25	0.07%	0.03%	0.03%	6.12%
30	0.08%	0.04%	0.03%	3.19%
35	0.09%	0.05%	0.19%	2.47%
40	0.11%	0.07%	0.42%	1.91%
45	0.16%	0.10%	0.65%	1.16%
50	0.26%	0.14%	0.82%	0.70%
55	0.44%	0.23%	1.81%	0.50%
60	0.80%	0.44%	2.00%	0.50%

100% of active deaths and disabilities are assumed to be duty-related

b. Retirement Rates

Age	Rate
50	8.5%
51	8.5%
52	8.5%
53	8.5%
54	10.0%
55	20.0%
56	20.0%
57	20.0%
58	20.0%
59	20.0%
60	50.0%
61	50.0%
62	100.0%

**Exhibit IV**  
**Wyoming Paid Firemen's Retirement Fund Plan B**  
**Actuarial Assumptions and Methods**

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6. Other Assumptions

- a. Percent married: 100.00% of employees are assumed to be married. (No beneficiaries other than the spouse assumed.)
- b. Age difference: Male members are assumed to be three years older than their spouses, and female members are assumed to be three years younger than their spouses.
- c. Percent electing annuity on death (when eligible): All of the spouses of vested, married participants are assumed to elect an annuity.
- d. Percent electing deferred termination benefit: Vested terminating members are assumed to elect a refund or a deferred benefit, whichever is more valuable at the time of termination.
- e. Assumed age for commencement of deferred benefits: Members electing to receive a deferred benefit are assumed to commence receipt at the first age at which unreduced benefits are available, which for this plan is age 50.
- f. 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 using the data provided.
- g. There will be no recoveries once disabled.
- h. Administrative expenses: Average of prior two years, with each year projected at 6.5% to the valuation date.
- i. Pay increase timing: Beginning of (fiscal) year. This is equivalent to assuming that reported pay represents amount paid to members during the year ended on the valuation date.
- j. Decrement timing: Decrements of all types are assumed to occur mid-year.
- k. Eligibility testing: Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
- l. Incidence of Contributions: Contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in the report, and the actual payroll payable at the time contributions are made.

**Exhibit IV**  
**Wyoming Paid Firemen's Retirement Fund Plan B**  
**Actuarial Assumptions and Methods**

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- m. Benefit Service: All members are assumed to accrue one year of service each year

**Exhibit IV**  
**Wyoming Paid Firemen's Retirement Fund Plan B**  
**Changes in Plan Provisions, Actuarial Assumptions and Methods**

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**Changes in Plan Provisions**

There have been no changes to plan provisions since the prior valuation.

**Changes in Actuarial Assumptions and Methods**

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

**Exhibit V**  
**Wyoming State Highway Patrol, Game & Fish Warden and Criminal**  
**Investigator Retirement Fund**  
**Actuarial Assumptions and Methods**

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The following methods and assumptions were used in preparing the January 1, 2013 actuarial valuation report.

1. Valuation Date

The valuation date for any given year is January 1<sup>st</sup>, the first day of each plan year. This is the date as of which the actuarial present value of future benefits and the actuarial value of assets are determined.

2. Actuarial Cost Method

The actuarial valuation uses the Entry Age Normal (EAN) actuarial cost method, amortized as a level percentage of payroll. Under this method, the employer contribution rate is the sum of (i) the employer normal cost rate, and (ii) the rate that will amortize the unfunded actuarial accrued liability (UAAL).

- a. The valuation is prepared on the projected benefit basis, under which the present value, at the investment return rate assumed to be earned in the future (currently 8.00%), of each participant's expected benefit payable at retirement or death is determined, based on his/her age, service, sex and compensation. The calculations take into account the probability of a participant's death or termination of employment prior to becoming eligible for a benefit, as well as the possibility of his/her terminating with a service, disability, or survivor's benefit. Future salary increases are also anticipated. The present value of the expected benefits payable for the active participants is added to the present value of the expected future payments to retired participants and beneficiaries to obtain the present value of all expected benefits payable from the Fund on account of the present group of participants and beneficiaries.
- b. The employer contributions required to support the benefits of the Fund are determined using a level funding approach, and consist of a normal cost contribution and an accrued liability contribution.
- c. The normal cost contribution is determined using the "entry age normal" actuarial cost method. Under this method, a calculation is made to determine the average uniform and constant percentage rate of employer contribution which, if applied to the compensation of each new participant during the entire period of his/her anticipated covered service, would be required to meet the cost of all benefits payable on his/her behalf based on the benefits provisions applicable for the individual member.

**Exhibit V**  
**Wyoming State Highway Patrol, Game & Fish Warden and Criminal**  
**Investigator Retirement Fund**  
**Actuarial Assumptions and Methods**

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- d. The unfunded actuarial accrued liability contributions are determined by subtracting the actuarial value of assets from the actuarial accrued liability and amortizing the result over 30 years from the valuation date.

3. Actuarial Value of Assets

The actuarial value of assets is based on the market value of assets with a five-year phase-in of actual investment return in excess of (less than) expected investment income, with interest, dividends, and other income recognized immediately. Expected investment income is determined using the assumed investment return rate and the market value of assets (adjusted for receipts and disbursements during the year). The returns are computed net of administrative and investment expenses. An adjustment is made if the actuarial value is not within 20% of the Market Value. For any year following a year in which the 20% of market value adjustment was applied, the actuarial value is determined as if the adjustment was not applied in the previous year.

4. Economic Assumptions

a. Investment return

8.00% per year, compounded annually, composed of an assumed 3.50% inflation rate and a 4.50% net real rate of return. This rate represents the assumed return, net of investment expenses.

b. Salary increase rate

Age	Rate
20	12.00%
25	10.50%
30	8.30%
35	7.05%
40	6.45%
45	5.95%
50	5.60%
55	5.20%
60	5.00%

- c. Payroll growth rate: In the amortization of the unfunded actuarial accrued liability, payroll is assumed to increase 4.50% per year. This increase rate is solely due to the effect of inflation on salaries, with no allowance for future membership growth.

**Exhibit V**  
**Wyoming State Highway Patrol, Game & Fish Warden and Criminal**  
**Investigator Retirement Fund**  
**Actuarial Assumptions and Methods**

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5. Demographic Assumptions

a. Rates Before Retirement

Healthy Mortality: 1994 Group Annuity Mortality with margins projected (scale AA) to 2008

Disabled Mortality: 1979 PBGC Disabled Lives Receiving Social Security

Age	Death		Disability	Withdrawal
	Male	Female		
20	0.04%	0.02%	0.08%	11.07%
25	0.06%	0.02%	0.08%	11.07%
30	0.07%	0.03%	0.18%	6.37%
35	0.08%	0.04%	0.30%	4.90%
40	0.10%	0.06%	0.44%	3.43%
45	0.13%	0.08%	0.56%	2.59%
50	0.20%	0.11%	0.58%	1.93%
55	0.34%	0.21%	0.58%	1.28%
60	0.64%	0.41%	0.58%	0.63%

100% of active deaths and disabilities are assumed to be duty-related

b. Retirement Rates

Age	Rate
50	13%
51	10%
52	10%
53	13%
54	13%
55	15%
56	15%
57	15%
58	15%
59	25%
60	25%
61	50%
62	100%

**Exhibit V**  
**Wyoming State Highway Patrol, Game & Fish Warden and Criminal**  
**Investigator Retirement Fund**  
**Actuarial Assumptions and Methods**

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6. Other Assumptions

- a. Percent married: 85.00% of employees are assumed to be married. (No beneficiaries other than the spouse assumed.)
- b. Age difference: Male members are assumed to be three years older than their spouses, and female members are assumed to be three years younger than their spouses.
- c. Percent electing annuity on death (when eligible): All of the spouses of vested, married participants are assumed to elect an annuity.
- d. Percent electing deferred termination benefit: Vested terminating members are assumed to elect a refund or a deferred benefit, whichever is more valuable at the time of termination.
- e. Assumed age for commencement of deferred benefits: Members electing to receive a deferred benefit are assumed to commence receipt at the first age at which unreduced benefits are available, which for this plan is age 50.
- f. 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 using the data provided.
- g. There will be no recoveries once disabled.
- h. Administrative expenses: Average of actual expenses for the prior two years, with each year projected at 6.50% to the valuation date.
- i. Pay increase timing: Beginning of (fiscal) year. This is equivalent to assuming that reported pay represents amount paid to members during the year ended on the valuation date.
- j. Decrement timing: Decrements of all types are assumed to occur mid-year.
- k. Eligibility testing: Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.

**Exhibit V**  
**Wyoming State Highway Patrol, Game & Fish Warden and Criminal**  
**Investigator Retirement Fund**  
**Actuarial Assumptions and Methods**

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- l. Incidence of contributions: Contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in the report, and the actual payroll payable at the time contributions are made.
  
- m. Benefit service: All members are assumed to accrue one year of service each year.

**Exhibit V**  
**Wyoming State Highway Patrol, Game & Fish Warden and Criminal**  
**Investigator Retirement Fund**  
**Changes in Plan Provisions, Actuarial Assumptions and Methods**

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**Changes in Plan Provisions**

There have been no changes to plan provisions since the prior valuation.

**Changes in Actuarial Assumptions and Methods**

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

**Exhibit VI**  
**Wyoming Volunteer Firemen's Pension Fund**  
**Actuarial Assumptions and Methods**

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The following methods and assumptions were used in preparing the January 1, 2013 actuarial valuation report.

1. Valuation Date

The valuation date for any given year is January 1<sup>st</sup>, the first day of each plan year. This is the date as of which the actuarial present value of future benefits and the actuarial value of assets are determined.

2. Actuarial Cost Method

The actuarial valuation uses the Entry Age Normal (EAN) actuarial cost method, amortized as a level dollar amount. Under this method, the employer contribution amount is the sum of (i) the employer normal cost amount, and (ii) the amount that will amortize the unfunded actuarial accrued liability (UAAL).

- a. The valuation is prepared on the projected benefit basis, under which the present value, at the investment return rate assumed to be earned in the future (currently 8.00%), of each participant's expected benefit payable at retirement or death is determined, based on his/her age, service, and sex. The calculations take into account the probability of a participant's death or termination of employment prior to becoming eligible for a benefit, as well as the possibility of his/her terminating with a service, or survivor's benefit. The present value of the expected benefits payable for the active participants is added to the present value of the expected future payments to retired participants and beneficiaries to obtain the present value of all expected benefits payable from the Fund on account of the present group of participants and beneficiaries.
- b. The employer contributions required to support the benefits of the Fund are determined using a level funding approach, and consist of a normal cost contribution and an accrued liability contribution.
- c. The normal cost contribution is determined using the "entry age normal" actuarial cost method. Under this method, a calculation is made to determine the average uniform and constant employer contribution amount which, if applied to each new participant during the entire period of his/her anticipated covered service, would be required to meet the cost of all benefits payable on his/her behalf based on the benefits provisions applicable for the individual member.

**Exhibit VI**  
**Wyoming Volunteer Firemen’s Pension Fund**  
**Actuarial Assumptions and Methods**

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d. The unfunded actuarial accrued liability contributions are determined by subtracting the actuarial value of assets from the actuarial accrued liability and amortizing the result over 30 years from the valuation date.

3. Actuarial Value of Assets

The actuarial value of assets is based on the market value of assets with a five-year phase-in of actual investment return in excess of (less than) expected investment income, with interest, dividends, and other income recognized immediately. Expected investment income is determined using the assumed investment return rate and the market value of assets (adjusted for receipts and disbursements during the year). The returns are computed net of administrative and investment expenses. An adjustment is made if the actuarial value is not within 20% of the Market Value. For any year following a year in which the 20% of market value adjustment was applied, the actuarial value is determined as if the adjustment was not applied in the previous year.

4. Economic Assumptions

Investment return: 8.00% per year, compounded annually, composed of an assumed 3.50% inflation rate and a 4.50% net real rate of return. This rate represents the assumed return, net of investment expenses.

5. Demographic Assumptions

a. Rates Before Retirement

Healthy Mortality: 1994 Group Annuity Mortality with margins projected (scale AA) to 2008

Age	Death		Withdrawal	
	Male	Female	Entry age < 46	Entry age > 45
20	0.04%	0.02%	18.00%	N/A
25	0.06%	0.02%	14.00%	N/A
30	0.07%	0.03%	13.00%	N/A
35	0.08%	0.04%	6.00%	N/A
40	0.10%	0.06%	5.00%	N/A
45	0.13%	0.08%	5.00%	10.00%
50	0.20%	0.11%	4.00%	10.00%
55	0.34%	0.21%	1.00%	6.00%
60	0.64%	0.41%	1.00%	6.00%

b. Retirement Rates: Members are assumed to retire at first eligibility.

**Exhibit VI**  
**Wyoming Volunteer Firemen's Pension Fund**  
**Actuarial Assumptions and Methods**

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6. Other Assumptions

- a. Percent married: 85.00% of employees are assumed to be married. (No beneficiaries other than the spouse assumed.)
- b. Age difference: Male members are assumed to be three years older than their spouses, and female members are assumed to be three years younger than their spouses.
- c. Percent electing annuity on death (when eligible): All of the spouses of vested, married participants are assumed to elect an annuity.
- d. Administrative expenses: Average of actual expenses for the prior two years, with each year projected at 6.50% to the valuation date.
- e. Decrement timing: Decrements of all types are assumed to occur mid-year.
- f. Eligibility testing: Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
- g. Incidence of contributions: Contributions are assumed to be received continuously throughout the year.
- h. Benefit service: All members are assumed to accrue one year of service each year. All members are assumed to have contributed at the \$10.00 per month for the period before July 1, 1989.
- i. Premium tax allocation: Provided by staff and based on the 12/31/2012 booked total premium tax amount of \$1,511,826.

**Exhibit VI**  
**Wyoming Volunteer Firemen's Pension Fund**  
**Changes in Plan Provisions, Actuarial Assumptions and Methods**

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**Changes in Plan Provisions**

There have been no changes to plan provisions since the prior valuation.

**Changes in Actuarial Assumptions and Methods**

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

**Exhibit VII**  
**Wyoming Judicial Retirement System**  
**Actuarial Assumptions and Methods**

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The following methods and assumptions were used in preparing the January 1, 2013 actuarial valuation report.

1. Valuation Date

The valuation date for any given year is January 1<sup>st</sup>, the first day of each plan year. This is the date as of which the actuarial present value of future benefits and the actuarial value of assets are determined.

2. Actuarial Cost Method

The actuarial valuation uses the Entry Age Normal (EAN) actuarial cost method, amortized as a level percentage of payroll. Under this method, the employer contribution rate is the sum of (i) the employer normal cost rate, and (ii) the rate that will amortize the unfunded actuarial accrued liability (UAAL).

- a. The valuation is prepared on the projected benefit basis, under which the present value, at the investment return rate assumed to be earned in the future (currently 8.00%), of each participant's expected benefit payable at retirement or death is determined, based on his/her age, service, sex and compensation. The calculations take into account the probability of a participant's death or termination of employment prior to becoming eligible for a benefit, as well as the possibility of his/her terminating with a service, disability, or survivor's benefit. Future salary increases are also anticipated. The present value of the expected benefits payable for the active participants is added to the present value of the expected future payments to retired participants and beneficiaries to obtain the present value of all expected benefits payable from the Fund on account of the present group of participants and beneficiaries.
- b. The employer contributions required to support the benefits of the Fund are determined using a level funding approach, and consist of a normal cost contribution and an accrued liability contribution.
- c. The normal cost contribution is determined using the "entry age normal" actuarial cost method. Under this method, a calculation is made to determine the average uniform and constant percentage rate of employer contribution which, if applied to the compensation of each new participant during the entire period of his/her anticipated covered service, would be required to meet the cost of all benefits payable on his/her behalf based on the benefits provisions applicable for the individual member.

**Exhibit VII**  
**Wyoming Judicial Retirement System**  
**Actuarial Assumptions and Methods**

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- d. The unfunded actuarial accrued liability contributions are determined by subtracting the actuarial value of assets from the actuarial accrued liability and amortizing the result over 30 years from the valuation date.

3. Actuarial Value of Assets

The actuarial value of assets is based on the market value of assets with a five-year phase-in of actual investment return in excess of (less than) expected investment income, with interest, dividends, and other income recognized immediately. Expected investment income is determined using the assumed investment return rate and the market value of assets (adjusted for receipts and disbursements during the year). The returns are computed net of administrative and investment expenses. An adjustment is made if the actuarial value is not within 20% of the Market Value. For any year following a year in which the 20% of market value adjustment was applied, the actuarial value is determined as if the adjustment was not applied in the previous year.

4. Economic Assumptions

a. Investment return

8.00% per year, compounded annually, composed of an assumed 3.50% inflation rate and a 4.50% net real rate of return. This rate represents the assumed return, net of investment expenses.

b. Salary increase rate

4.50% per annum

c. Payroll growth rate

In the amortization of the unfunded actuarial accrued liability, payroll is assumed to increase 4.50% per year. This increase rate is solely due to the effect of inflation on salaries, with no allowance for future membership growth.

**Exhibit VII**  
**Wyoming Judicial Retirement System**  
**Actuarial Assumptions and Methods**

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5. Demographic Assumptions

a. Rates Before Retirement

Healthy Mortality: 1994 Group Annuity Mortality with margins projected (scale AA) to 2008  
 Disabled Mortality: 1979 PBGC Disabled Lives Receiving Social Security

Age	Death		Disability	Withdrawal
	Male	Female		
20	0.04%	0.02%	0.01%	5.57%
25	0.06%	0.02%	0.01%	4.25%
30	0.07%	0.03%	0.01%	2.94%
35	0.08%	0.04%	0.01%	2.01%
40	0.10%	0.06%	0.01%	1.45%
45	0.13%	0.08%	0.01%	1.12%
50	0.20%	0.11%	0.03%	0.84%
55	0.34%	0.21%	0.05%	0.62%
60	0.64%	0.41%	0.07%	0.39%

b. Retirement Rates

Age	Rate
55	2%
56	2%
57	2%
58	2%
59	2%
60	5%
61	5%
62	10%
63	10%
64	10%
65	15%
66	10%
67	10%
68	10%
69	10%
70	15%
71	15%
72	100%

**Exhibit VII**  
**Wyoming Judicial Retirement System**  
**Actuarial Assumptions and Methods**

---

6. Other Assumptions

- a. Percent married: 85.00% of employees are assumed to be married. (No beneficiaries other than the spouse assumed.)
- b. Age difference: Male members are assumed to be three years older than their spouses, and female members are assumed to be three years younger than their spouses.
- c. Percent electing annuity on death (when eligible): All of the spouses of vested, married participants are assumed to elect an annuity.
- d. Percent electing deferred termination benefit: Vested terminating members are assumed to elect a refund or a deferred benefit. It is assumed that 25% of active members who terminate with a deferred vested benefit will elect to have their contributions refunded.
- e. Assumed age for commencement of deferred benefits: Members electing to receive a deferred benefit are assumed to commence receipt at the first age at which unreduced benefits are available, which for this plan is age 70.
- f. 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 using the data provided.
- g. There will be no recoveries once disabled.
- h. Administrative expenses: Average of actual expenses for the prior two years, with each year projected at 6.50% to the valuation date.
- i. Pay increase timing: Beginning of (fiscal) year. This is equivalent to assuming that reported pay represents amount paid to members during the year ended on the valuation date.
- j. Decrement timing: Decrements of all types are assumed to occur mid-year.
- k. Eligibility testing: Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.

**Exhibit VII**  
**Wyoming Judicial Retirement System**  
**Actuarial Assumptions and Methods**

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- l. Incidence of Contributions: Contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in the report, and the actual payroll payable at the time contributions are made.
  
- m. Benefit Service: All members are assumed to accrue one year of service each year.

**Exhibit VII**  
**Wyoming Judicial Retirement System**  
**Changes in Plan Provisions, Actuarial Assumptions and Methods**

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**Changes in Plan Provisions**

There have been no changes to plan provisions since the prior valuation.

**Changes in Actuarial Assumptions and Methods**

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

**Exhibit VIII**  
**Wyoming Volunteer Emergency Medical Technician Pension Fund**  
**Actuarial Assumptions and Methods**

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The following methods and assumptions were used in preparing the January 1, 2013 actuarial valuation report.

1. Valuation Date

The valuation date for any given year is January 1<sup>st</sup>, the first day of each plan year. This is the date as of which the actuarial present value of future benefits and the actuarial value of assets are determined.

2. Actuarial Cost Method

The actuarial valuation uses the Entry Age Normal (EAN) actuarial cost method, amortized as a level dollar amount. Under this method, the employer contribution amount is the sum of (i) the employer normal cost amount, and (ii) the amount that will amortize the unfunded actuarial accrued liability (UAAL).

- a. The valuation is prepared on the projected benefit basis, under which the present value, at the investment return rate assumed to be earned in the future (currently 8.00%), of each participant's expected benefit payable at retirement or death is determined, based on his/her age, service, and sex. The calculations take into account the probability of a participant's death or termination of employment prior to becoming eligible for a benefit, as well as the possibility of his/her terminating with a service or survivor's benefit. The present value of the expected benefits payable for the active participants is added to the present value of the expected future payments to retired participants and beneficiaries to obtain the present value of all expected benefits payable from the Fund on account of the present group of participants and beneficiaries.
- b. The employer contributions required to support the benefits of the Fund are determined using a level dollar funding approach, and consist of a normal cost contribution and an accrued liability contribution.
- c. The normal cost contribution is determined using the "entry age normal" actuarial cost method. Under this method, a calculation is made to determine the average uniform and constant amount of employer contributions which, if contributed on behalf of each new participant during the entire period of his/her anticipated covered service, would be required to meet the cost of all benefits payable on his/her behalf based on the benefits provisions applicable for the individual member.

**Exhibit VIII**  
**Wyoming Volunteer Emergency Medical Technician Pension Fund**  
**Actuarial Assumptions and Methods**

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- d. The unfunded actuarial accrued liability contributions are determined by subtracting the actuarial value of assets from the actuarial accrued liability and amortizing the result over 10 years from the valuation date.

3. Actuarial Value of Assets

The actuarial value of assets is based on the market value of assets with a five-year phase-in of actual investment return in excess of (less than) expected investment income. Expected investment income is determined using the assumed investment return rate and the market value of assets (adjusted for receipts and disbursements during the year). The returns are computed net of administrative and investment expenses. An adjustment is made if the actuarial value is not within 20% of the Market Value. For any year following a year in which the 20% of market value adjustment was applied, the actuarial value is determined as if the adjustment was not applied in the previous year.

4. Economic Assumptions

Investment return: 8.00% per year, compounded annually, composed of an assumed 3.50% inflation rate and a 4.50% net real rate of return. This rate represents the assumed return, net of investment expenses.

**Exhibit VIII**  
**Wyoming Volunteer Emergency Medical Technician Pension Fund**  
**Actuarial Assumptions and Methods**

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5. Demographic Assumptions

a. Rates Before Retirement

Healthy Mortality: 1994 Group Annuity Mortality with margins projected (scale AA) to 2008

Age	Death		Withdrawal	
	Male	Female	Entry age < 46	Entry age > 45
20	0.04%	0.02%	18.00%	N/A
25	0.06%	0.02%	14.00%	N/A
30	0.07%	0.03%	13.00%	N/A
35	0.08%	0.04%	6.00%	N/A
40	0.10%	0.06%	5.00%	N/A
45	0.13%	0.08%	5.00%	10.00%
50	0.20%	0.11%	4.00%	10.00%
55	0.34%	0.21%	1.00%	6.00%
60	0.64%	0.41%	1.00%	6.00%

b. Retirement Rates: Members are assumed to retire at first eligibility.

**Exhibit VIII**  
**Wyoming Volunteer Emergency Medical Technician Pension Fund**  
**Actuarial Assumptions and Methods**

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6. Other Assumptions

- a. Percent married: 85.00% of employees are assumed to be married. (No beneficiaries other than the spouse assumed.)
- b. Age difference: Male members are assumed to be three years older than their spouses, and female members are assumed to be three years younger than their spouses.
- c. Percent electing annuity on death (when eligible): All of the spouses of vested, married participants are assumed to elect an annuity.
- d. Percent electing deferred termination benefit: Vested terminating members are assumed to elect a refund or a deferred benefit, whichever is more valuable at the time of termination.
- e. Assumed age for commencement of deferred benefits: Members electing to receive a deferred benefit are assumed to commence receipt at the first age at which unreduced benefits are available.
- f. Administrative expenses: Average of actual expenses for the prior two years, with each year projected at 6.50% to the valuation date.
- g. Decrement timing: Decrements of all types are assumed to occur mid-year.
- h. Eligibility testing: Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
- i. Incidence of contributions: Contributions are assumed to be received continuously throughout the year.
- j. Benefit service: All members are assumed to accrue one year of service each year.

**Exhibit VIII**  
**Wyoming Volunteer Emergency Medical Technician Pension Fund**  
**Changes in Plan Provisions, Actuarial Assumptions and Methods**

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**Changes in Plan Provisions**

There have been no changes to plan provisions since the prior valuation.

**Changes in Actuarial Assumptions and Methods**

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

**Exhibit IX**  
**Wyoming Air Guard Firefighters Retirement System**  
**Actuarial Assumptions and Methods**

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The following methods and assumptions were used in preparing the January 1, 2013 actuarial valuation report.

1. Valuation Date

The valuation date for any given year is January 1<sup>st</sup>, the first day of each plan year. This is the date as of which the actuarial present value of future benefits and the actuarial value of assets are determined.

2. Actuarial Cost Method

The actuarial valuation uses the Entry Age Normal (EAN) actuarial cost method, amortized as a level percentage of payroll. Under this method, the employer contribution rate is the sum of (i) the employer normal cost rate, and (ii) the rate that will amortize the unfunded actuarial accrued liability (UAAL).

- a. The valuation is prepared on the projected benefit basis, under which the present value, at the investment return rate assumed to be earned in the future (currently 8.00%), of each participant's expected benefit payable at retirement or death is determined, based on his/her age, service, sex and compensation. The calculations take into account the probability of a participant's death or termination of employment prior to becoming eligible for a benefit, as well as the possibility of his/her terminating with a service, disability, or survivor's benefit. Future salary increases are also anticipated. The present value of the expected benefits payable for the active participants is added to the present value of the expected future payments to retired participants and beneficiaries to obtain the present value of all expected benefits payable from the Fund on account of the present group of participants and beneficiaries.
- b. The employer contributions required to support the benefits of the Fund are determined using a level funding approach, and consist of a normal cost contribution and an accrued liability contribution.
- c. The normal cost contribution is determined using the "entry age normal" actuarial cost method. Under this method, a calculation is made to determine the average uniform and constant percentage rate of employer contribution which, if applied to the compensation of each new participant during the entire period of his/her anticipated covered service, would be required to meet the cost of all benefits payable on his/her behalf based on the benefits provisions applicable for the individual member.

**Exhibit IX**  
**Wyoming Air Guard Firefighters Retirement System**  
**Actuarial Assumptions and Methods**

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- d. The unfunded actuarial accrued liability contributions are determined by subtracting the actuarial value of assets from the actuarial accrued liability and amortizing the result over 30 years from the valuation date.

3. Actuarial Value of Assets

The actuarial value of assets is based on the market value of assets with a five-year phase-in of actual investment return in excess of (less than) expected investment income, with interest, dividends, and other income recognized immediately. Expected investment income is determined using the assumed investment return rate and the market value of assets (adjusted for receipts and disbursements during the year). The returns are computed net of administrative and investment expenses. An adjustment is made if the actuarial value is not within 20% of the Market Value. For any year following a year in which the 20% of market value adjustment was applied, the actuarial value is determined as if the adjustment was not applied in the previous year.

4. Economic Assumptions

a. Investment return

8.00% per year, compounded annually, composed of an assumed 3.50% inflation rate and a 4.50% net real rate of return. This rate represents the assumed return, net of investment expenses.

b. Salary increase rate

Age	Rate
20	9.50%
25	8.30%
30	6.90%
35	6.05%
40	5.60%
45	5.35%
50	5.00%
55	5.00%
60	5.00%

- c. Payroll growth rate: In the amortization of the unfunded actuarial accrued liability, payroll is assumed to increase 4.50% per year. This increase rate is solely due to the effect of inflation on salaries, with no allowance for future membership growth.

**Exhibit IX**  
**Wyoming Air Guard Firefighters Retirement System**  
**Actuarial Assumptions and Methods**

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5. Demographic Assumptions

a. Rates Before Retirement

Healthy Mortality: 1994 Group Annuity Mortality with margins projected (scale AA) to 2008  
 Disabled Mortality: 1979 PBGC Disabled Lives Receiving Social Security

Age	Death		Disability	Withdrawal		Withdrawal		
	Male	Female		Ultimate		Service	First five years	
				Male	Female		Male	Female
20	0.04%	0.02%	0.01%	10.00%	11.00%	1	25%	28%
25	0.06%	0.02%	0.01%	10.00%	11.00%	2	18%	22%
30	0.07%	0.03%	0.01%	10.00%	11.00%	3	12%	15%
35	0.08%	0.04%	0.01%	4.83%	5.83%	4	10%	13%
40	0.10%	0.06%	0.01%	4.44%	5.44%	5	10%	12%
45	0.13%	0.08%	0.03%	4.22%	5.22%			
50	0.20%	0.11%	0.08%	4.10%	5.10%			
55	0.34%	0.21%	0.20%	4.03%	5.03%			
60	0.64%	0.41%	0.20%	4.00%	5.00%			

b. Retirement Rates

Age	Service										
	<=25	26	27	28	29	30	31	32	33	34	>=35
<=50	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	10%
51	3%	3%	3%	3%	3%	3%	3%	3%	3%	10%	10%
52	3%	3%	3%	3%	3%	3%	3%	3%	10%	10%	10%
53	3%	3%	3%	3%	3%	3%	3%	10%	10%	10%	10%
54	4%	4%	4%	4%	4%	4%	10%	10%	10%	10%	10%
55	6%	6%	6%	6%	6%	10%	10%	10%	10%	10%	10%
56	6%	6%	6%	6%	10%	10%	10%	10%	10%	10%	10%
57	7%	7%	7%	10%	10%	10%	10%	10%	10%	10%	10%
58	7%	7%	10%	10%	10%	10%	10%	10%	10%	10%	10%
59	10%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
60	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
61	17%	17%	17%	17%	17%	17%	17%	17%	17%	17%	17%
62	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
63	17%	17%	17%	17%	17%	17%	17%	17%	17%	17%	17%
64	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
65	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%
66	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
67	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
68	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
69	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
70	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

**Exhibit IX**  
**Wyoming Air Guard Firefighters Retirement System**  
**Actuarial Assumptions and Methods**

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6. Other Assumptions

- a. Percent married: 85.00% of employees are assumed to be married. (No beneficiaries other than the spouse assumed.)
- b. Age difference: Male members are assumed to be three years older than their spouses, and female members are assumed to be three years younger than their spouses.
- c. Percent electing annuity on death (when eligible): All of the spouses of vested, married participants are assumed to elect an annuity.
- d. Percent electing deferred termination benefit: Vested terminating members are assumed to elect a refund or a deferred benefit. It is assumed that 25% of active members who terminate with a deferred vested benefit will elect to have their contributions refunded.
- e. Assumed age for commencement of deferred benefits: Members electing to receive a deferred benefit are assumed to commence receipt at the first age at which unreduced benefits are available, which for this plan is age 60.
- f. 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 using the data provided.
- g. There will be no recoveries once disabled.
- h. Administrative expenses: Assumed to be the average of the actual expenses for the prior two years, with each year projected at 6.50% to the valuation date.
- i. Pay increase timing: Beginning of (fiscal) year. This is equivalent to assuming that reported pay represents amount paid to members during the year ended on the valuation date.
- j. Decrement timing: Decrements of all types are assumed to occur mid-year.
- k. Eligibility testing: Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
- l. Incidence of Contributions: Contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in the report, and the actual payroll payable at the time contributions are made.

**Exhibit IX**  
**Wyoming Air Guard Firefighters Retirement System**  
**Actuarial Assumptions and Methods**

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- m. Benefit Service: All members are assumed to accrue one year of service each year. Exact fractional service is used to determine the amount of benefit payable.

**Exhibit IX**  
**Wyoming Air Guard Firefighters Retirement System**  
**Changes in Plan Provisions, Actuarial Assumptions and Methods**

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**Changes in Plan Provisions**

There have been no changes in the benefit provisions since the prior valuation.

**Changes in Actuarial Assumptions and Methods**

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

## *Actuarial Section*

### 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 payrolls, 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, 2012, net position totaled \$6,785,944,630 at market value. This represents an increase of 11.1% from 2011.

For the Public Employee System, there is a difference of approximately \$154.3 million between market and actuarial value of assets. The actuarial value of assets on this basis is \$5,749,967,972 which is 0.2% lower than last year's value of \$5,761,221,926.

For the Wyoming State Highway Patrol, Game & Fish Warden and Criminal Investigator Pension Plan, there is an approximate difference of \$2.9 million between market and actuarial value of assets. The actuarial value of assets on this basis is \$106,067,552 which is 0.05% lower than last year's value of \$106,117,900.

For the Volunteer Firemen's Pension Plan, there is an approximate difference of \$1.7 million between market and actuarial value of assets. The actuarial value of assets on this basis is \$62,461,860 which is 1.4% lower than last year's value of \$63,342,019.

For the Paid Firemen's Pension Plan A, there is an approximate difference of \$4.6 million between market and actuarial value of assets. The actuarial value of assets on this basis is \$139,181,449 which is 9.3% lower than last year's value of \$153,370,736.

For the Paid Firemen's Pension Plan B, there is an approximate difference of \$2.2 million between market and actuarial value of assets. The actuarial value of assets on this basis is \$91,248,379 which is 5.9% higher than last year's value of \$86,130,061.

For the Wyoming Judicial Pension Plan, there is an approximate difference of \$423,949 between market and actuarial value of assets. The actuarial value of assets on this basis is \$17,549,360 which is 4.8% higher than last year's value of \$16,747,907.

For the Wyoming Law Enforcement Pension Plan, there is an approximate difference of \$10.9 million between market and actuarial value of assets. The actuarial value of assets on this basis is \$437,235,498 which is 3.6% higher than last year's value of \$422,202,959.

For the Volunteer Emergency Medical Technician Pension Plan, there is an approximate difference of \$28,224 between market and actuarial value of assets. The actuarial value of assets on this basis is \$902,336 which is 37.5% higher than last year's value of \$656,411.

For the Air Guard Firefighters Pension Plan, there is an approximate difference of \$119,146 between market and actuarial value of assets. The actuarial value of assets on this basis is \$4,449,572 which is 18.6% higher than last year's value of \$3,750,702.

## *Actuarial Section*

### ACTUARIAL SUMMARY (Continued)

#### 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 payrolls.

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 4.5% 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 funding ratios. The funding 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 payrolls 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.

*Actuarial Section*

**Schedule of Active Member Valuation Data**

<u>Public Employee Pension Plan</u>						
Valuation Date	Reporting Agencies	Number	Annual Payroll*	Annual Average Salary	% Increase In Average Salary	Average Monthly Salary
1/1/2007	343	34,189	1,285,096	37,588	7	3,132
1/1/2008	362	34,482	1,462,474	42,413	13	3,534
1/1/2009	363	35,021	1,585,727	45,279	7	3,773
1/1/2010	442	35,593	1,698,836	47,729	6	3,977
1/1/2011	444	35,828	1,728,434	48,243	1	4,020
1/1/2012	475	36,070	1,756,856	48,707	1	4,059
1/1/2013	481	36,444	1,782,069	48,899	0	4,075

\*Annual Payroll in Thousands

<u>Wyoming State Highway Patrol, Game &amp; Fish, and Criminal Investigator Pension Plan</u>						
Valuation Date	Reporting Agencies	Number	Annual Payroll*	Annual Average Salary	% Increase/Decrease In Average Salary	Average Monthly Salary
1/1/2007	3	312	17,274	55,365	8	4,614
1/1/2008	3	321	20,054	62,473	13	5,206
1/1/2009	3	329	22,865	69,499	11	5,792
1/1/2010	3	320	23,393	73,104	5	6,092
1/1/2011	3	322	23,745	73,741	1	6,145
1/1/2012	3	318	24,390	76,698	4	6,392
1/1/2013	3	322	24,425	75,854	-1	6,321

\*Annual Payroll in Thousands

<u>Paid Firemen's Pension Plan A</u>						
Valuation Date	Reporting Agencies	Number	Annual Payroll*	Annual Average Salary	% Increase/Decrease In Average Salary	Average Monthly Salary
1/1/2007	6	19	1,076	56,654	3	4,721
1/1/2008	6	16	938	58,620	3	4,885
1/1/2009	6	15	762	50,816	-13	4,235
1/1/2010	6	12	860	71,695	41	5,975
1/1/2011	5	8	552	68,983	4	5,749
1/1/2012	5	7	481	68,753	0	5,729
1/1/2013	4	7	486	69,467	1	5,789

\*Annual Payroll in Thousands

*Actuarial Section*

**Schedule of Active Member Valuation Data**

Paid Firemen's Pension Plan B

Valuation Date	Reporting Agencies	Number	Annual Payroll*	Annual Average Salary	% Increase/Decrease In Average Salary	Average Monthly Salary
1/1/2007	11	295	17,359	58,845	6	4,904
1/1/2008	10	298	19,082	64,034	9	5,336
1/1/2009	12	315	20,842	66,165	3	5,514
1/1/2010	12	331	22,211	67,104	1	5,592
1/1/2011	14	327	22,517	68,860	3	5,738
1/1/2012	15	328	22,678	69,141	0	5,762
1/1/2013	16	356	24,211	68,008	-2	5,667

\*Annual Payroll in Thousands

Judicial Pension Plan

Valuation Date	Reporting Agencies	Number	Annual Payroll*	Annual Average Salary	% Increase In Average Salary	Average Monthly Salary
1/1/2007	1	35	3,591	102,609	3	8,551
1/1/2008	1	38	4,122	108,477	6	9,040
1/1/2009	1	39	4,402	112,863	4	9,405
1/1/2010	1	39	4,664	119,593	6	9,966
1/1/2011	1	40	4,867	121,667	2	10,139
1/1/2012	1	40	4,862	121,544	0	10,129
1/1/2013	1	41	5,411	131,967	9	10,997

\*Annual Payroll in Thousands

Law Enforcement Pension Plan

Valuation Date	Reporting Agencies	Number	Annual Payroll*	Annual Average Salary	% Increase In Average Salary	Average Monthly Salary
1/1/2007	77	2,498	108,350	43,375	6	3,615
1/1/2008	80	2,493	119,165	47,800	10	3,983
1/1/2009	80	2,566	132,702	51,715	8	4,310
1/1/2010	81	2,801	149,481	53,367	3	4,447
1/1/2011	78	2,879	154,652	53,717	1	4,476
1/1/2012	78	2,847	155,482	54,613	2	4,551
1/1/2013	80	2,834	157,764	55,668	2	4,639

\*Annual Payroll in Thousands

*Actuarial Section*

**Schedule of Active Member Valuation Data**

Air Guard Firefighters Pension Plan

Valuation Date	Reporting Agencies	Number	Annual Payroll*	Annual Average Salary	% Increase/Decrease In Average Salary	Average Monthly Salary
1/1/2011	1	24	1,499	62,474	0	5,206
1/1/2012	1	24	1,523	63,448	2	5,287
1/1/2013	1	31	1,866	60,206	-5	5,017

Note: The Air Guard Firefighters Pension Plan was separated from the Public Employee Pension Plan on 01/01/2011.

\*Annual Payroll in Thousands

Volunteer Firemen's Pension Plan

Valuation Date	Reporting Agencies	Number	Average Contribution	Average Age	Average Years Of Service
1/1/2007	100	2,271	2,114	44	11
1/1/2008	102	2,224	2,199	45	12
1/1/2009	112	2,249	2,223	45	12
1/1/2010	103	2,230	2,328	45	12
1/1/2011	103	2,232	2,345	45	12
1/1/2012	103	2,185	2,402	45	12
1/1/2013	105	2,188	2,367	45	12

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

Volunteer Emergency Medical Technician Pension Plan

Valuation Date	Reporting Agencies	Number	Average Contribution	Average Age	Average Years Of Service
1/1/2009	19	153	75	44	0.1
1/1/2010	23	169	213	45	1.4
1/1/2011	25	173	343	46	2.2
1/1/2012	26	172	456	47	2.9
1/1/2013	23	170	575	47	3.6

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

*Actuarial Section*

**Schedule of Retirees and Beneficiaries Added to and Removed from Rolls**

Public Employee Pension Plan

Year	<u>Added to Rolls</u>		<u>Removed from Rolls</u>		Rolls-End of Year Number	\$ Annual * Allowances	% in Annual Allowances	\$ Average Annual Allowances
	Number	Annual * Pension Benefits	Number	Annual * Pension Benefits				
2006	1,053	n/a	504	n/a	17,010	228.0	6.9	13,692
2007	1,084	n/a	499	n/a	17,595	249.8	3.4	14,244
2008	1,290	26,985	552	3,651	18,333	268.9	9.5	14,668
2009	1,160	24,062	577	6,292	18,916	286.7	6.6	15,155
2010	1,388	31,055	562	6,314	19,742	331.4	8.6	15,774
2011	1,538	34,517	592	7,020	20,688	338.9	8.8	16,382
2012	1,497	35,647	585	6,920	21,600	367.6	8.5	17,020

\* Amounts in Millions

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

Year	<u>Added to Rolls</u>		<u>Removed from Rolls</u>		Rolls-End of Year Number	\$ Annual Allowances	% in Annual Allowances	\$ Average Annual Allowances
	Number	Annual Pension Benefits	Number	Annual Pension Benefits				
2006	16	n/a	6	n/a	238	5,488,005	17.0	24,696
2007	8	n/a	3	n/a	243	5,615,684	2.3	25,104
2008	14	354,334	7	66,261	250	5,875,488	5.2	23,502
2009	13	505,243	5	117,846	258	6,262,885	6.6	24,275
2010	15	705,497	5	82,482	268	6,885,900	10.0	25,694
2011	15	576,180	3	48,554	280	7,413,526	7.7	26,477
2012	14	442,263	10	164,287	284	7,691,502	3.8	27,083

Paid Firemen's Pension Plan A

Year	<u>Added to Rolls</u>		<u>Removed from Rolls</u>		Rolls-End of Year Number	\$ Annual Allowances	% in Annual Allowances	\$ Average Annual Allowances
	Number	Annual Pension Benefits	Number	Annual Pension Benefits				
2006	11	n/a	13	n/a	306	12,151,691	2.5	40,572
2007	6	n/a	5	n/a	307	12,468,812	2.6	41,712
2008	7	n/a	6	n/a	308	13,081,594	3.4	42,473
2009	7	717,462	8	326,086	307	13,472,970	3.0	43,886
2010	6	740,209	9	399,019	304	13,814,160	2.5	45,441
2011	7	767,782	12	579,402	299	14,002,540	1.4	46,831
2012	3	481,949	7	308,184	295	14,176,304	1.2	48,055

*Actuarial Section*

**Schedule of Retirees and Beneficiaries Added to and Removed from Rolls**

Paid Firemen's Pension Plans B

Year	<u>Added to Rolls</u>		<u>Removed from Rolls</u>		Rolls-End of Year Number	\$ Annual Allowances	% in Annual Allowances	\$ Average Annual Allowances
	Number	Annual Pension Benefits	Number	Annual Pension Benefits				
2006	5	n/a	0	n/a	26	512,555	22.2	20,904
2007	2	n/a	0	n/a	28	651,489	27.1	22,824
2008	8	n/a	1	n/a	35	957,366	50.2	27,353
2009	11	496,899	1	16,148	45	1,438,117	50.5	31,958
2010	10	383,726	0	0	55	1,821,843	26.7	33,124
2011	12	535,099	0	0	67	2,356,942	29.4	35,178
2012	7	278,412	0	0	74	2,635,354	11.8	35,613

Judicial Pension Plan

Year	<u>Added to Rolls</u>		<u>Removed from Rolls</u>		Rolls-End of Year Number	\$ Annual Allowances	% in Annual Allowances	\$ Average Annual Allowances
	Number	Annual Pension Benefits	Number	Annual Pension Benefits				
2006	2	n/a	0	n/a	7	315,032	11.2	55,356
2007	0	n/a	0	n/a	7	391,685	24.3	56,544
2008	2	137,212	0	(11,043)	9	544,096	37.5	60,455
2009	1	72,878	0	0	10	616,974	13.4	61,697
2010	3	127,495	2	133,897	11	610,572	-1.0	55,507
2011	0	0	0	0	11	610,572	0.0	55,507
2012	0	0	0	0	11	610,572	0.0	55,507

Law Enforcement Pension Plan

Year	<u>Added to Rolls</u>		<u>Removed from Rolls</u>		Rolls-End of Year Number	\$ Annual Allowances	% in Annual Allowances	\$ Average Annual Allowances
	Number	Annual Pension Benefits	Number	Annual Pension Benefits				
2006	67	n/a	5	n/a	471	11,170,034	47.6	22,224
2007	83	n/a	5	n/a	549	13,215,795	18.3	23,208
2008	72	1,651,841	11	(9,251)	610	13,605,759	13.9	22,305
2009	55	1,154,341	9	(65,125)	656	14,694,975	8.0	22,401
2010	75	1,881,618	12	(109,159)	719	16,467,434	12.0	22,903
2011	93	2,330,905	7	(101,024)	805	18,697,315	13.5	23,226
2012	54	1,418,567	7	(62,989)	852	20,052,893	7.3	23,536

*Actuarial Section*

**Schedule of Retirees and Beneficiaries Added to and Removed from Rolls**

Air Guard Firefighters Pension Plan

Year	<u>Added to Rolls</u>		<u>Removed from Rolls</u>		Rolls-End of Year Number	\$ Annual Allowances	% in Annual Allowances	\$ Average Annual Allowances
	Number	Annual Pension Benefits	Number	Annual Pension Benefits				
2010	0	0	0	0	2	40,129	0.0	20,065
2011	0	0	0	0	2	40,129	0.0	20,065
2012	0	0	0	0	2	40,129	0.0	20,065

Volunteer Firemen's Pension Plan

Year	<u>Added to Rolls</u>		<u>Removed from Rolls</u>		Rolls-End of Year Number	\$ Annual Allowances	% in Annual Allowances	\$ Average Annual Allowances
	Number	Annual Pension Benefits	Number	Annual Pension Benefits				
2006	74	n/a	14	n/a	730	2,121,659	10.6	3,204
2007	86	n/a	18	n/a	798	2,393,734	12.8	3,300
2008	67	226,304	17	11,056	848	2,721,564	9.6	3,209
2009	76	258,300	26	70,754	898	2,909,410	7.0	3,240
2010	78	286,896	17	44,650	959	3,151,656	8.0	3,286
2011	78	288,302	21	60,217	1,016	3,379,741	7.2	3,327
2012	119	419,427	29	79,129	1,106	3,720,039	10.1	3,364

Volunteer Emergency Medical Technician Pension Plan

Year	<u>Added to Rolls</u>		<u>Removed from Rolls</u>		Rolls-End of Year Number	\$ Annual Allowances	% in Annual Allowances	\$ Average Annual Allowances
	Number	Annual Pension Benefits	Number	Annual Pension Benefits				
2008	0	n/a	0	n/a	0	0	0.0	0
2009	0	n/a	0	n/a	0	0	0.0	0
2010	0	n/a	0	n/a	0	0	0.0	0
2011	0	n/a	0	n/a	0	0	0.0	0
2012	0	n/a	0	n/a	0	0	0.0	0

Note: The Volunteer Emergency Medical Technician Pension Plan became effective July 1, 2008.

*Actuarial Section*

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 illustrate the progress of funding liability (3) of Wyoming Retirements System's nine 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)
1/1/2007	941,572	2,488,504	2,038,153	5,160,602	100%	100%	84.9%
1/1/2008	991,444	2,699,505	2,325,036	5,654,023	100%	100%	84.4%
1/1/2009	1,036,443	2,796,308	2,319,371	4,835,875	100%	100%	43.2%
1/1/2010	1,109,002	2,933,631	2,519,698	5,742,542	100%	100%	67.3%
1/1/2011	1,161,508	3,178,244	2,515,890	5,799,531	100%	100%	58.0%
1/1/2012	1,226,273	3,455,741	2,355,173	5,761,222	100%	100%	45.8%
1/1/2013	1,286,010	3,724,948	2,308,247	5,749,968	100%	100%	32.0%

\* Amounts in Thousands

*Actuarial Section*

**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)
1/1/2007	19,825	62,684	24,394	95,795	100%	100%	54.5%
1/1/2008	22,176	65,310	30,571	105,311	100%	100%	58.3%
1/1/2009	24,239	61,037	28,457	90,924	100%	100%	19.8%
1/1/2010	25,782	64,604	30,514	105,617	100%	100%	49.9%
1/1/2011	26,324	71,635	29,329	106,999	100%	100%	30.8%
1/1/2012	27,073	77,423	28,945	6,118	100%	100%	5.6%
1/1/2013	29,760	79,144	28,676	106,038	100%	96%	0.0%

\* 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)
1/1/2007	4,801	25,883	24,678	58,468	100%	100%	112.6%
1/1/2008	4,890	31,398	30,611	64,546	100%	100%	92.3%
1/1/2009	4,999	34,927	32,431	55,362	100%	100%	47.6%
1/1/2010	5,192	29,049	24,375	63,840	100%	100%	121.4%
1/1/2011	5,235	31,405	24,786	64,271	100%	100%	100.0%
1/1/2012	5,249	33,591	24,999	63,342	100%	100%	98.0%
1/1/2013	5,178	37,107	24,490	62,462	100%	100%	82.4%

\* Amounts in Thousands

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)
1/1/2007	1,076	174,599	12,278	191,123	100%	100%	125.8%
1/1/2008	938	176,480	10,950	200,588	100%	100%	211.6%
1/1/2009	514	179,393	12,599	162,628	100%	90.7%	0%
1/1/2010	408	184,571	10,886	178,578	100%	96.5%	0%
1/1/2011	259	189,064	6,883	168,038	100%	88.7%	0%
1/1/2012	226	189,373	6,085	153,371	100%	80.9%	0%
1/1/2013	226	188,733	6,240	139,181	100%	73.6%	0%

\*Amounts in Thousands

*Actuarial Section*

**Solvency Test (continued)**

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)
1/1/2007	6,704	9,264	38,699	59,057	100%	100%	111.3%
1/1/2008	7,444	11,374	45,657	68,227	100%	100%	108.2%
1/1/2009	8,328	15,729	40,532	62,332	100%	100%	94.4%
1/1/2010	9,543	18,438	37,567	76,157	100%	100%	128.2%
1/1/2011	10,789	22,029	37,849	81,763	100%	100%	129.3%
1/1/2012	11,511	29,264	37,989	86,130	100%	100%	119.4%
1/1/2013	12,909	32,551	40,005	91,248	100%	100%	114.5%

\* Amounts in Thousands

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)
1/1/2007	1,948,045	4,270,900	4,724,055	11,355,469	100%	100%	100.0%
1/1/2008	2,503,079	4,225,100	5,793,021	12,827,215	100%	100%	100.0%
1/1/2009	2,835,546	4,818,490	4,540,264	12,344,413	100%	100%	100.0%
1/1/2010	3,296,295	5,454,014	5,016,719	14,891,904	100%	100%	100.0%
1/1/2011	3,759,606	5,539,108	5,357,937	15,907,700	100%	100%	100.0%
1/1/2012	4,309,632	5,519,507	5,828,708	16,747,907	100%	100%	100.0%
1/1/2013	4,845,995	5,300,102	6,779,122	17,549,360	100%	100%	100.0%

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)
1/1/2007	72,005	130,672	128,806	322,970	100%	100%	93.4%
1/1/2008	74,890	163,621	141,901	364,723	100%	100%	88.9%
1/1/2009	82,306	173,849	134,790	325,946	100%	100%	51.8%
1/1/2010	92,241	166,797	121,992	389,358	100%	100%	100.0%
1/1/2011	100,333	186,200	123,626	409,567	100%	100%	99.5%
1/1/2012	106,872	210,367	123,266	422,203	100%	100%	85.2%
1/1/2013	116,003	229,727	127,815	437,235	100%	100%	71.6%

\* Amounts in Thousands

*Actuarial Section*

**Solvency Test (continued)**

Volunteer Emergency Medical Technician 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)
1/1/2009	11,418	0	47,582	0	0%	100%	0%
1/1/2010	36,078	0	173,914	175,620	100%	100%	80.2%
1/1/2011	59,286	5,049	308,587	439,219	100%	100%	100.0%
1/1/2012	78,392	0	454,547	656,411	100%	100%	100.0%
1/1/2013	97,722	3,150	610,740	902,336	100%	100%	100.0%

Note: The Wyoming Volunteer Emergency Medical Technician became effective July 1, 2008.

Air Guard Firefighters 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)
1/1/2011	2,316	652	1,225	3,239	100%	100%	22.1%
1/1/2012	2,691	571	1,119	3,751	100%	100%	43.7%
1/1/2013	3,102	554	1,196	4,450	100%	100%	66.3%

The Air Guard Firefighters Pension Plan was separated from the Public Employee Pension Plan on 01/01/2011.

\* Amounts in Thousands

## *Actuarial Section*

### **Solvency Test (continued)**

#### **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 nine 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 compared 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.

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## Actuarial Section

### Analysis of Financial Experience State of Wyoming Retirement System

#### Public Employees Pension Plan

Gains & Losses in Accrued Liabilities during the Year Ended 12/31/2012  
Resulting from Differences between Assumed Experience & Actual Experience

Type of Activity	Gain (Loss) For Year 2012
<u>Age &amp; 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.	\$ (2,486,009)
<u>Disability Retirements.</u> If disability claims are less than assumed, there is a gain. If more claims, a loss.	(459,322)
<u>Death-In-Service Benefits.</u> If survivor claims are less than assumed, there is a gain. If more claims, there is a loss.	(103,936)
<u>Withdrawal From Employment.</u> If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss.	(7,553,834)
<u>New Entrants.</u> New employees entering the plan will create a loss.	(716,187)
<u>Pay Increases.</u> If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.	102,407,413
<u>Break-even COLA Being Granted.</u> If benefits increase less than the maximum 3.00% COLA, there is a gain.	-
<u>Contribution Income.</u> If more contributions are received than expected, there is a gain. If less, a loss.	(21,402,366)
<u>Investment Income.</u> If there is greater investment income than assumed, there is a gain. If less income, a loss.	(327,733,841)
<u>Death After Retirement.</u> If retirees live longer than assumed, there is a loss. If not as long, a gain.	8,285,283
<u>Other.</u> Miscellaneous gains and losses resulting from data adjustments, timing of financial transactions, valuation methods, etc.	(11,073,021)
Gain (Loss) During Year From Financial Experience	(260,835,821)
Non-Recurring Items. Assumption changes.	-
Composite Gain (Loss) During Year	\$ (260,835,821)

Based on NO COLA.

*Actuarial Section*

Analysis of Financial Experience **(continued)**  
State of Wyoming Retirement System

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

Gains & Losses in Accrued Liabilities during the Year Ended 12/31/2012  
Resulting from Differences between Assumed Experience & Actual Experience

Type of Activity	Gain (Loss) For Year 2012
<u>Age &amp; 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.	\$ 445,299
<u>Disability Retirements.</u> If disability claims are less than assumed, there is a gain. If more claims, a loss.	263,630
<u>Death-In-Service Benefits.</u> If survivor claims are less than assumed, there is a gain. If more claims, there is a loss.	86,307
<u>Withdrawal From Employment.</u> If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss.	(219,565)
<u>New Entrants.</u> New employees entering the plan will create a loss.	(200,594)
<u>Pay Increases.</u> If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.	3,231,269
<u>Break-even COLA Being Granted.</u> If benefits increase less than the maximum 2.25% COLA, there is a gain.	-
<u>Contribution Income.</u> If more contributions are received than expected, there is a gain. If less, a loss.	(631,343)
<u>Investment Income.</u> If there is greater investment income than assumed, there is a gain. If less income, a loss.	(6,200,859)
<u>Death After Retirement.</u> If retirees live longer than assumed, there is a loss. If not as long, a gain.	(9,802)
<u>Other.</u> Miscellaneous gains and losses resulting from data adjustments, timing of financial transactions, valuation methods, etc.	(273,802)
Gain (Loss) During Year From Financial Experience	(3,509,461)
Non-Recurring Items. Assumption changes.	-
Composite Gain (Loss) During Year	\$ (3,509,461)

Based on NO COLA.

*Actuarial Section*

Analysis of Financial Experience (**continued**)  
State of Wyoming Retirement System

Volunteer Firemen's Pension Plan

Gains & Losses in Accrued Liabilities during the Year Ended 12/31/2012  
Resulting from Differences between Assumed Experience & Actual Experience

<b>Type of Activity</b>	<b>Gain (Loss) For Year 2012</b>
<u>Age &amp; 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.	\$ (73,710)
<u>Disability Retirements.</u> If disability claims are less than assumed, there is a gain. If more claims, a loss.	-
<u>Death-In-Service Benefits.</u> If survivor claims are less than assumed, there is a gain. If more claims, there is a loss.	42,535
<u>Withdrawal From Employment.</u> If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss.	(252,688)
<u>New Entrants.</u> New employees entering the plan will create a loss.	(178,105)
<u>Pay Increases.</u> If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.	-
<u>Break-even COLA Being Granted.</u> If benefits increase less than the maximum 3.00% COLA, there is a gain.	-
<u>Contribution Income.</u> If more contributions are received than expected, there is a gain. If less, a loss.	793,343
<u>Investment Income.</u> If there is greater investment income than assumed, there is a gain. If less income, a loss.	(3,802,891)
<u>Death After Retirement.</u> If retirees live longer than assumed, there is a loss. If not as long, a gain.	44,081
<u>Other.</u> Miscellaneous gains and losses resulting from data adjustments, timing of financial transactions, valuation methods, etc.	(344,140)
Gain (Loss) During Year From Financial Experience	(3,771,574)
Non-Recurring Items. Assumption changes.	-
Composite Gain (Loss) During Year	\$ (3,771,574)

Based on NO COLA.

## *Actuarial Section*

### Analysis of Financial Experience **(continued)** State of Wyoming Retirement System

#### Paid Firemen's Pension Plan A

Gains & Losses in Accrued Liabilities during the Year Ended 12/31/2012  
Resulting from Differences between Assumed Experience & Actual Experience

Type of Activity	Gain (Loss) For Year 2012
<u>Age &amp; 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.	\$ 97,397
<u>Disability Retirements.</u> If disability claims are less than assumed, there is a gain. If more claims, a loss.	-
<u>Death-In-Service Benefits.</u> If survivor claims are less than assumed, there is a gain. If more claims, there is a loss.	1,968
<u>Withdrawal From Employment.</u> If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss.	-
<u>New Entrants.</u> New employees entering the plan will create a loss.	-
<u>Pay Increases.</u> If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.	251,700
<u>Break-even COLA Being Granted.</u> If benefits increase less than the maximum 3.00% COLA, there is a gain.	-
<u>Contribution Income.</u> If more contributions are received than expected, there is a gain. If less, a loss.	(6,296,070)
<u>Investment Income.</u> If there is greater investment income than assumed, there is a gain. If less income, a loss.	(11,874,358)
<u>Death After Retirement.</u> If retirees live longer than assumed, there is a loss. If not as long, a gain.	565,958
<u>Other.</u> Miscellaneous gains and losses resulting from data adjustments, timing of financial transactions, valuation methods, etc.	642,395
Gain (Loss) During Year From Financial Experience	(16,611,010)
Non-Recurring Items. Assumption changes.	-
Composite Gain (Loss) During Year	\$ (16,611,010)

Based on a 3.0% Annual Cost-Of-Living increase.

*Actuarial Section*

Analysis of Financial Experience (**continued**)  
State of Wyoming Retirement System

Paid Firemen's Pension Plan B

Gains & Losses in Accrued Liabilities during the Year Ended 12/31/2012  
Resulting from Differences between Assumed Experience & Actual Experience

<b>Type of Activity</b>	<b>Gain (Loss) For Year 2012</b>
<u>Age &amp; 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.	\$ 227,841
<u>Disability Retirements.</u> If disability claims are less than assumed, there is a gain. If more claims, a loss.	196,461
<u>Death-In-Service Benefits.</u> If survivor claims are less than assumed, there is a gain. If more claims, there is a loss.	(34,602)
<u>Withdrawal From Employment.</u> If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss.	103,838
<u>New Entrants.</u> New employees entering the plan will create a loss.	(27,276)
<u>Pay Increases.</u> If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.	1,726,532
<u>Break-even COLA Being Granted.</u> If benefits increase less than the maximum 3.00% COLA, there is a gain.	-
<u>Contribution Income.</u> If more contributions are received than expected, there is a gain. If less, a loss.	1,003,288
<u>Investment Income.</u> If there is greater investment income than assumed, there is a gain. If less income, a loss.	(4,039,567)
<u>Death After Retirement.</u> If retirees live longer than assumed, there is a loss. If not as long, a gain.	(823,816)
<u>Other.</u> Miscellaneous gains and losses resulting from data adjustments, timing of financial transactions, valuation methods, etc.	(72,314)
Gain (Loss) During Year From Financial Experience	(1,739,614)
Non-Recurring Items. Assumption changes.	-
Composite Gain (Loss) During Year	\$ (1,739,614)

Based on NO COLA.

*Actuarial Section*

Analysis of Financial Experience **(continued)**  
State of Wyoming Retirement System

Wyoming Judicial Pension Plan

Gains & Losses in Accrued Liabilities during the Year Ended 12/31/2012  
Resulting from Differences between Assumed Experience & Actual Experience

Type of Activity	Gain (Loss) For Year 2012
<u>Age &amp; 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.	\$ 146,759
<u>Disability Retirements.</u> If disability claims are less than assumed, there is a gain. If more claims, a loss.	1,003
<u>Death-In-Service Benefits.</u> If survivor claims are less than assumed, there is a gain. If more claims, there is a loss.	2,861
<u>Withdrawal From Employment.</u> If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss.	505,645
<u>New Entrants.</u> New employees entering the plan will create a loss.	-
<u>Pay Increases.</u> If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.	(540,509)
<u>Break-even COLA Being Granted.</u> If benefits increase less than the maximum 3.00% COLA, there is a gain.	-
<u>Contribution Income.</u> If more contributions are received than expected, there is a gain. If less, a loss.	368,317
<u>Investment Income.</u> If there is greater investment income than assumed, there is a gain. If less income, a loss.	(780,072)
<u>Death After Retirement.</u> If retirees live longer than assumed, there is a loss. If not as long, a gain.	(69,027)
<u>Other.</u> Miscellaneous gains and losses resulting from data adjustments, timing of financial transactions, valuation methods, etc.	(121,496)
Gain (Loss) During Year From Financial Experience	(486,519)
Non-Recurring Items. Assumption changes.	-
Composite Gain (Loss) During Year	\$ (486,519)

Based on NO COLA.

## *Actuarial Section*

### Analysis of Financial Experience **(continued)**

#### State of Wyoming Retirement System

#### Wyoming Law Enforcement Pension Plan

Gains & Losses in Accrued Liabilities during the Year Ended 12/31/2012  
Resulting from Differences between Assumed Experience & Actual Experience

Type of Activity	Gain (Loss) For Year 2012
<u>Age &amp; 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.	\$ (89,986)
<u>Disability Retirements.</u> If disability claims are less than assumed, there is a gain. If more claims, a loss.	1,228,176
<u>Death-In-Service Benefits.</u> If survivor claims are less than assumed, there is a gain. If more claims, there is a loss.	546,870
<u>Withdrawal From Employment.</u> If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss.	137,484
<u>New Entrants.</u> New employees entering the plan will create a loss.	(171,192)
<u>Pay Increases.</u> If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.	7,231,515
<u>Break-even COLA Being Granted.</u> If benefits increase less than the maximum 2.00% COLA, there is a gain.	-
<u>Contribution Income.</u> If more contributions are received than expected, there is a gain. If less, a loss.	3,179,881
<u>Investment Income.</u> If there is greater investment income than assumed, there is a gain. If less income, a loss.	(21,548,859)
<u>Death After Retirement.</u> If retirees live longer than assumed, there is a loss. If not as long, a gain.	(845,472)
<u>Other.</u> Miscellaneous gains and losses resulting from data adjustments, timing of financial transactions, valuation methods, etc.	(7,119,588)
Gain (Loss) During Year From Financial Experience	(17,451,171)
Non-Recurring Items. Assumption changes.	-
Composite Gain (Loss) During Year	\$ (17,451,171)

Based on NO COLA.

*Actuarial Section*

Analysis of Financial Experience **(continued)**

State of Wyoming Retirement System

Volunteer Emergency Medical Technician Pension Plan

Gains & Losses in Accrued Liabilities during the Year Ended 12/31/2012  
Resulting from Differences between Assumed Experience & Actual Experience

<b>Type of Activity</b>	<b>Gain (Loss) For Year 2012</b>
<u>Age &amp; 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.	\$ (618)
<u>Disability Retirements.</u> If disability claims are less than assumed, there is a gain. If more claims, a loss.	-
<u>Death-In-Service Benefits.</u> If survivor claims are less than assumed, there is a gain. If more claims, there is a loss.	(868)
<u>Withdrawal From Employment.</u> If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss.	17,622
<u>New Entrants.</u> New employees entering the plan will create a loss.	-
<u>Pay Increases.</u> If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.	-
<u>Break-even COLA Being Granted.</u> If benefits increase less than the maximum 2.00% COLA, there is a gain.	-
<u>Contribution Income.</u> If more contributions are received than expected, there is a gain. If less, a loss.	74,350
<u>Investment Income.</u> If there is greater investment income than assumed, there is a gain. If less income, a loss.	8,905
<u>Death After Retirement.</u> If retirees live longer than assumed, there is a loss. If not as long, a gain.	-
<u>Other.</u> Miscellaneous gains and losses resulting from data adjustments, timing of financial transactions, valuation methods, etc.	(4,009)
Gain (Loss) During Year From Financial Experience	95,382
Non-Recurring Items. Assumption changes.	-
Composite Gain (Loss) During Year	\$ 95,382

Based on NO COLA.

*Actuarial Section*

Analysis of Financial Experience **(continued)**  
State of Wyoming Retirement System

Air Guard Firefighters Pension Plan

Gains & Losses in Accrued Liabilities during the Year Ended 12/31/2012  
Resulting from Differences between Assumed Experience & Actual Experience

<b>Type of Activity</b>	<b>Gain (Loss) For Year 2012</b>
<u>Age &amp; 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.	\$ 3,931
<u>Disability Retirements.</u> If disability claims are less than assumed, there is a gain. If more claims, a loss.	(216)
<u>Death-In-Service Benefits.</u> If survivor claims are less than assumed, there is a gain. If more claims, there is a loss.	2,813
<u>Withdrawal From Employment.</u> If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss.	(32,798)
<u>New Entrants.</u> New employees entering the plan will create a loss.	-
<u>Pay Increases.</u> If there are smaller pay increases than assumed, there is a gain. If greater increases, a loss.	197,497
<u>Break-even COLA Being Granted.</u> If benefits increase less than the maximum 3.00% COLA, there is a gain.	-
<u>Contribution Income.</u> If more contributions are received than expected, there is a gain. If less, a loss.	250,204
<u>Investment Income.</u> If there is greater investment income than assumed, there is a gain. If less income, a loss.	(59,281)
<u>Death After Retirement.</u> If retirees live longer than assumed, there is a loss. If not as long, a gain.	(4,193)
<u>Other.</u> Miscellaneous gains and losses resulting from data adjustments, timing of financial transactions, valuation methods, etc.	(115,428)
Gain (Loss) During Year From Financial Experience	242,529
Non-Recurring Items. Assumption changes.	-
Composite Gain (Loss) During Year	\$ 242,529

Based on NO COLA.

# STATISTICAL SECTION





## *Statistical Section*

The Statistical Section contains schedules, as described below, which are derived from information in the annual actuarial valuation. These Schedules provide detailed information on both financial and census information on each plan. The Wyoming Retirement System acts as Administrator to nine defined benefit pension plans. The major features of each plan are discussed in the Management Discussion and Analysis Section and Note 2 to the Basic Financial Statements.

### **Changes in Net Position:**

The Changes in Net Position 2003 – 2012 statements are provided to present comparative information on 10 years of historical financial information on each plan for additions and deductions. Significant fluctuations and/or trends for the current year have been discussed in the Management, Discussion and Analysis.

### **Schedule of Average Monthly Benefit Payments:**

This schedule outlines the number of retirees and their average benefit by years of service.

### **Pensions in Force:**

The Pensions in Force schedule for the Public Employees Pension Plan shows the benefit by option selected (male & female), as well as census data for 2012 of the total number of pensions awarded by amount range and option. A synopsis of the pension options available to the retirees is presented at the end of this section.

The Pensions in Force schedule for the other eight plans stratify the number of retirees receiving a pension by their age and the monthly amount of benefit received. Disability census information is also presented as a part of this schedule.

### **Member and Benefit Recipients Statistics:**

This schedule is intended to show by plan both the active members in the plans as of December 31, 2012, and a reconciliation of the number of retirees for the year ended December 31, 2012. It also shows the average monthly benefit of the retirees for the year then ended.

### **Active Membership:**

Information presented in the two Active Membership schedules is for the Public Employee Pension Plan, as this plan represents in excess of 50% of all members in the plans administered by the Wyoming Retirement System. The information provided shows the number of active members stratified by both employer type and age bracket.

### **Affiliated Employers:**

This gives the reader more detailed census information about employers by plan and the names of the participating employers.

*Statistical Section*

## Changes in Net Position 2012-2003

### Public Employees Pension Plan

	2012	2011	2010	2009	2008
<b>Additions(Deletions) by Source</b>					
Employee Contributions	\$ 119,052	\$ 116,692	\$ 99,352	\$ 89,353	\$ 84,814
Employer Contributions	121,027	118,652	101,296	90,645	85,938
Investment Income(loss)	723,468	(63,533)	638,060	903,211	(1,640,841)
Other Income	3,621	3,905	3,526	153,568	2,513
<b>Total</b>	<b>967,168</b>	<b>175,716</b>	<b>842,234</b>	<b>1,236,777</b>	<b>(1,467,576)</b>
<b>Deductions by Type</b>					
Benefits					
Member	331,071	303,702	277,248	257,242	237,959
Beneficiary	26,296	25,035	23,616	22,178	20,871
Refunds	17,263	15,242	13,585	13,015	9,401
Other Expenses	-	3,324	-	-	-
Administrative Expenses	6,463	5,541	3,603	3,083	2,779
<b>Total</b>	<b>381,093</b>	<b>352,844</b>	<b>318,052</b>	<b>295,518</b>	<b>271,010</b>
Change in Plan Net Position	\$ 586,075	\$ (177,128)	\$ 524,182	\$ 941,259	\$ (1,738,586)

Note: Amounts in Thousands

	2007	2006	2005	2004	2003
<b>Additions(Deletions) by Source</b>					
Employee Contributions	\$ 78,495	\$ 69,020	\$ 63,381	\$ 61,413	\$ 60,848
Employer Contributions	79,900	70,144	64,495	60,264	55,057
Investment Income(loss)	391,509	599,102	366,704	475,299	743,986
Other Income	3,249	2,520	696	309	307
<b>Total</b>	<b>553,153</b>	<b>740,786</b>	<b>495,276</b>	<b>597,285</b>	<b>860,198</b>
<b>Deductions by Type</b>					
Benefits					
Member	220,383	205,244	191,697	177,982	-
Beneficiary	19,473	16,940	15,916	14,651	-
Refunds	9,909	10,760	9,695	9,139	9,461
Other Expenses	-	-	-	-	-
Administrative Expenses	2,006	1,949	1,930	1,644	1,436
<b>Total</b>	<b>251,771</b>	<b>234,893</b>	<b>219,238</b>	<b>203,416</b>	<b>187,263</b>
Change in Plan Net Position	\$ 301,382	\$ 505,893	\$ 276,038	\$ 393,869	\$ 672,935

Note: Amounts in Thousands

*Statistical Section*

**Changes in Net Position 2012-2003** (Continued)

**State Patrol, Game and Fish Warden, and Criminal Investigator Pension Plan**

	2012	2011	2010	2009	2008
<b>Additions(Deletions) by Source</b>					
Employee Contributions	\$ 2,726	\$ 2,685	\$ 2,526	\$ 2,469	\$ 2,348
Employer Contributions	2,799	2,621	2,597	2,542	2,414
Investment Income(loss)	13,286	(1,153)	11,737	16,574	(30,633)
Other Income	177	178	99	116	135
<b>Total</b>	<b>18,988</b>	<b>4,331</b>	<b>16,959</b>	<b>21,701</b>	<b>(25,736)</b>
<b>Deductions by Type</b>					
Benefits					
Member	6,826	6,377	5,740	5,355	5,110
Beneficiary	753	749	741	717	694
Refunds	287	366	316	347	106
Other Expenses	-	-	-	-	-
Administrative Expenses	85	73	49	43	40
<b>Total</b>	<b>7,951</b>	<b>7,565</b>	<b>6,846</b>	<b>6,462</b>	<b>5,950</b>
Change in Plan Net Position	\$ 11,037	\$ (3,234)	\$ 10,113	\$ 15,239	\$ (31,686)

Note: Amounts in Thousands

	2007	2006	2005	2004	2003
<b>Additions(Deletions) by Source</b>					
Employee Contributions	\$ 2,085	\$ 1,866	\$ 1,720	\$ 1,641	\$ 1,593
Employer Contributions	2,144	1,815	1,674	1,596	1,620
Investment Income(loss)	7,285	11,126	6,797	8,732	13,509
Other Income	115	187	171	156	153
<b>Total</b>	<b>11,629</b>	<b>14,994</b>	<b>10,362</b>	<b>12,125</b>	<b>16,875</b>
<b>Deductions by Type</b>					
Benefits					
Member	4,914	4,566	4,039	3,513	-
Beneficiary	639	646	594	536	-
Refunds	63	276	39	167	406
Other Expenses	-	-	-	-	-
Administrative Expenses	29	25	27	17	13
<b>Total</b>	<b>5,645</b>	<b>5,513</b>	<b>4,699</b>	<b>4,233</b>	<b>4,038</b>
Change in Plan Net Position	\$ 5,984	\$ 9,481	\$ 5,663	\$ 7,892	\$ 12,837

Note: Amounts in Thousands

*Statistical Section*

**Changes in Net Position 2012-2003** (Continued)

**Volunteer Firemen's Pension Plan**

	2012	2011	2010	2009	2008
<b>Additions(Deletions) by Source</b>					
Employee Contributions	\$ 321	\$ 336	\$ 360	\$ 386	\$ 335
Employer Contributions	n/a	n/a	n/a	n/a	n/a
Investment Income(loss)	7,856	(653)	7,026	9,914	(18,603)
Other Income	1,512	1,649	1,599	1,495	1,516
<b>Total</b>	<b>9,689</b>	<b>1,332</b>	<b>8,985</b>	<b>11,795</b>	<b>(16,752)</b>
<b>Deductions by Type</b>					
Benefits					
Member	3,177	2,870	2,620	2,651	2,350
Beneficiary	420	398	397	164	260
Refunds	83	80	101	200	144
Other Expenses	-	-	-	-	-
Administrative Expenses	215	186	122	106	106
<b>Total</b>	<b>3,895</b>	<b>3,534</b>	<b>3,240</b>	<b>3,121</b>	<b>2,860</b>
<b>Change in Plan Net Position</b>	<b>\$ 5,794</b>	<b>\$ (2,202)</b>	<b>\$ 5,745</b>	<b>\$ 8,674</b>	<b>\$ (19,612)</b>

Note: Amounts in Thousands

	2007	2006	2005	2004	2003
<b>Additions(Deletions) by Source</b>					
Employee Contributions	\$ 351	\$ 349	\$ 339	\$ 348	\$ 346
Employer Contributions	n/a	n/a	n/a	n/a	n/a
Investment Income(loss)	4,398	6,702	4,055	8,732	7,883
Other Income	1,689	1,418	1,484	1,472	1,600
<b>Total</b>	<b>6,438</b>	<b>8,469</b>	<b>5,878</b>	<b>10,552</b>	<b>9,829</b>
<b>Deductions by Type</b>					
Benefits					
Member	2,149	1,912	1,863	1,664	1,490
Beneficiary	182	157	-	-	-
Refunds	63	53	55	67	67
Other Expenses	-	-	-	-	-
Administrative Expenses	73	107	200	114	94
<b>Total</b>	<b>2,467</b>	<b>2,229</b>	<b>2,118</b>	<b>1,845</b>	<b>1,651</b>
<b>Change in Plan Net Position</b>	<b>\$ 3,971</b>	<b>\$ 6,240</b>	<b>\$ 3,760</b>	<b>\$ 8,707</b>	<b>\$ 8,178</b>

Note: Amounts in Thousands

*Statistical Section*

**Changes in Net Position 2012-2003** (Continued)

**Paid Firemen's Pension Plan A**

	2012	2011	2010	2009	2008
<b>Additions(Deletions) by Source</b>					
Employee Contributions	n/a	n/a	n/a	n/a	n/a
Employer Contributions	n/a	n/a	n/a	n/a	n/a
Investment Income(loss)	\$ 18,404	\$ (1,434)	\$ 18,317	\$ 27,997	\$ (56,678)
Other Income	243	-	-	14	-
<b>Total</b>	<b>18,647</b>	<b>(1,434)</b>	<b>18,317</b>	<b>28,011</b>	<b>(56,678)</b>
<b>Deductions by Type</b>					
Benefits					
Member	12,043	11,686	11,730	11,074	10,771
Beneficiary	2,184	2,187	1,901	2,206	2,087
Refunds	-	-	-	-	-
Other Expenses	-	-	-	-	-
Administrative Expenses	102	91	64	61	59
<b>Total</b>	<b>14,329</b>	<b>13,964</b>	<b>13,695</b>	<b>13,341</b>	<b>12,917</b>
Change in Plan Net Position	\$ 4,318	\$ (15,398)	\$ 4,622	\$ 14,670	\$ (69,595)

Note: Amounts in Thousands

	2007	2006	2005	2004	2003
<b>Additions(Deletions) by Source</b>					
Employee Contributions	n/a	n/a	n/a	n/a	n/a
Employer Contributions	n/a	n/a	n/a	n/a	n/a
Investment Income(loss)	\$ 14,386	\$ 22,756	\$ 14,407	\$ 19,524	\$ 32,005
Other Income	-	-	-	-	-
<b>Total</b>	<b>14,386</b>	<b>22,756</b>	<b>14,407</b>	<b>19,524</b>	<b>32,005</b>
<b>Deductions by Type</b>					
Benefits					
Member	10,858	10,666	10,309	9,905	-
Beneficiary	1,611	1,486	1,550	1,516	10,718
Refunds	-	-	-	-	-
Other Expenses	-	-	-	-	-
Administrative Expenses	44	32	18	11	9
<b>Total</b>	<b>12,513</b>	<b>12,184</b>	<b>11,877</b>	<b>11,432</b>	<b>10,727</b>
Change in Plan Net Position	\$ 1,873	\$ 10,572	\$ 2,530	\$ 8,092	\$ 21,278

Note: Amounts in Thousands

n/a: Paid Firemen's Plan A contributions were suspended April 1, 1997.

*Statistical Section*

**Changes in Net Position 2012-2003** (Continued)

**Paid Firemen's Pension Plan B**

	2012	2011	2010	2009	2008
<b>Additions(Deletions) by Source</b>					
Employee Contributions	\$ 1,998	\$ 1,922	\$ 1,850	\$ 1,848	\$ 1,441
Employer Contributions	2,825	2,713	2,631	2,485	2,330
Investment Income(loss)	11,110	(962)	8,975	11,901	(20,315)
Other Income	7	-	8	6	-
<b>Total</b>	<b>15,940</b>	<b>3,673</b>	<b>13,464</b>	<b>16,240</b>	<b>(16,544)</b>
<b>Deductions by Type</b>					
Benefits					
Member	2,321	1,876	1,508	1,091	679
Beneficiary	199	135	135	135	115
Refunds	109	38	38	38	71
Other Expenses	-	-	-	-	-
Administrative Expenses	67	53	33	28	25
<b>Total</b>	<b>2,696</b>	<b>2,102</b>	<b>1,714</b>	<b>1,292</b>	<b>890</b>
Change in Plan Net Position	\$ 13,244	\$ 1,571	\$ 11,750	\$ 14,948	\$ (17,434)

Note: Amounts in Thousands

	2007	2006	2005	2004	2003
<b>Additions(Deletions) by Source</b>					
Employee Contributions	\$ 1,130	\$ 978	\$ 917	\$ 872	\$ 883
Employer Contributions	2,218	1,967	1,835	1,705	1,396
Investment Income(loss)	4,490	6,626	3,823	4,630	6,656
Other Income	-	30	-	-	-
<b>Total</b>	<b>7,838</b>	<b>9,601</b>	<b>6,575</b>	<b>7,207</b>	<b>8,935</b>
<b>Deductions by Type</b>					
Benefits					
Member	539	409	368	266	248
Beneficiary	67	43	32	29	-
Refunds	46	61	19	22	27
Other Expenses	-	-	-	-	-
Administrative Expenses	17	14	16	10	8
<b>Total</b>	<b>669</b>	<b>527</b>	<b>435</b>	<b>327</b>	<b>283</b>
Change in Plan Net Position	\$ 7,169	\$ 9,074	\$ 6,140	\$ 6,880	\$ 8,652

Note: Amounts in Thousands

*Statistical Section*

**Changes in Net Position 2012-2003** (Continued)

**Judicial Pension Plan**

	2012	2011	2010	2009	2008
<b>Additions(Deletions) by Source</b>					
Employee Contributions	\$ 345	\$ 429	\$ 422	\$ 409	\$ 397
Employer Contributions	610	675	663	643	462
Investment Income(loss)	2,137	(175)	1,748	2,330	(3,982)
Other Income	-	-	-	1	846
<b>Total</b>	<b>3,092</b>	<b>929</b>	<b>2,833</b>	<b>3,383</b>	<b>(2,277)</b>
<b>Deductions by Type</b>					
Benefits					
Member	544	544	557	573	485
Beneficiary	67	67	67	-	-
Refunds	98	-	-	-	-
Other Expenses	-	-	-	-	-
Administrative Expenses	14	9	6	5	10
<b>Total</b>	<b>723</b>	<b>620</b>	<b>630</b>	<b>578</b>	<b>495</b>
Change in Plan Net Position	\$ 2,369	\$ 309	\$ 2,203	\$ 2,805	\$ (2,772)

Note: Amounts in Thousands

	2007	2006	2005	2004	2003
<b>Additions(Deletions) by Source</b>					
Employee Contributions	\$ 364	\$ 326	\$ 307	\$ 273	\$ 274
Employer Contributions	346	311	241	168	152
Investment Income(loss)	854	1,156	423	498	579
Other Income	24	*4,352	-	1,157	-
<b>Total</b>	<b>1,588</b>	<b>6,145</b>	<b>971</b>	<b>2,096</b>	<b>1,005</b>
<b>Deductions by Type</b>					
Benefits					
Member	392	315	283	268	215
Beneficiary	-	-	-	-	-
Refunds	-	-	-	30	-
Other Expenses	-	-	-	65	-
Administrative Expenses	7	2	2	1	-
<b>Total</b>	<b>399</b>	<b>317</b>	<b>285</b>	<b>364</b>	<b>215</b>
Change in Plan Net Position	\$ 1,189	\$ 5,828	\$ 686	\$ 1,732	\$ 790

Note: Amounts in Thousands

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

*Statistical Section*

**Changes in Net Position 2012-2003** (Continued)

**Law Enforcement Pension Plan**

	2012	2011	2010	2009	2008
<b>Additions(Deletions) by Source</b>					
Employee Contributions	\$ 12,964	\$ 12,839	\$ 12,811	\$ 11,868	\$ 11,268
Employer Contributions	12,972	12,826	12,752	11,295	11,232
Investment Income(loss)	53,843	(4,747)	44,882	60,764	(107,883)
Other Income	392	671	415	484	629
<b>Total</b>	<b>80,171</b>	<b>21,589</b>	<b>70,860</b>	<b>84,411</b>	<b>(84,754)</b>
<b>Deductions by Type</b>					
Benefits					
Member	18,418	16,718	14,863	13,353	12,228
Beneficiary	1,220	1,135	948	884	791
Refunds	3,576	2,815	2,845	2,549	2,018
Other Expenses	-	-	-	-	-
Administrative Expenses	417	345	219	185	158
<b>Total</b>	<b>23,631</b>	<b>21,013</b>	<b>18,875</b>	<b>16,971</b>	<b>15,195</b>
Change in Plan Net Position	\$ 56,540	\$ 576	\$ 51,985	\$ 67,440	\$ (99,949)

Note: Amounts in Thousands

	2007	2006	2005	2004	2003
<b>Additions(Deletions) by Source</b>					
Employee Contributions	\$ 10,072	\$ 9,114	\$ 8,185	\$ 8,416	\$ 8,647
Employer Contributions	10,107	9,106	8,184	7,397	6,492
Investment Income(loss)	24,475	36,159	19,042	23,300	30,850
Other Income	484	25,122	2,971	5,505	737
<b>Total</b>	<b>45,138</b>	<b>79,501</b>	<b>38,382</b>	<b>44,618</b>	<b>46,726</b>
<b>Deductions by Type</b>					
Benefits					
Member	10,089	8,537	7,039	8,707	4,950
Beneficiary	646	474	528	419	-
Refunds	2,481	2,159	2,965	1,621	1,525
Other Expenses	-	-	-	-	-
Administrative Expenses	114	101	138	83	68
<b>Total</b>	<b>13,330</b>	<b>11,271</b>	<b>10,670</b>	<b>10,830</b>	<b>6,543</b>
Change in Plan Net Position	\$ 31,808	\$ 68,230	\$ 27,712	\$ 33,788	\$ 40,183

Note: Amounts in Thousands

*Statistical Section*

**Changes in Net Position 2012-2008** (Continued)

**Volunteer Emergency Medical Technician Pension Plan**

	2012	2011	2010	2009	2008
<b>Additions(Deletions) by Source</b>					
Employee Contributions	\$ 25	\$ 27	\$ 24	\$ 29	\$ 9
Employer Contributions	n/a	n/a	n/a	n/a	n/a
Investment Income	105	(4)	66	28	-
Other Income	180	151	209	144	-
<b>Total</b>	<b>310</b>	<b>174</b>	<b>299</b>	<b>201</b>	<b>9</b>
<b>Deductions by Type</b>					
Benefits					
Member	-	-	-	-	-
Beneficiary	-	-	-	-	-
Refunds	-	-	-	-	-
Other Expenses	-	-	-	-	-
Administrative Expenses	27	9	7	8	11
<b>Total</b>	<b>27</b>	<b>9</b>	<b>7</b>	<b>8</b>	<b>11</b>
<b>Change in Plan Net Position</b>	<b>\$ 283</b>	<b>\$ 165</b>	<b>\$ 292</b>	<b>\$ 193</b>	<b>\$ (2)</b>

Note: Amounts in Thousands

n/a: The Wyoming Volunteer Emergency Medical Technician Plan became effective July 1, 2008.

**Air Guard Firefighters Pension Plan**

	2012	2011	2010	2009	2008
<b>Additions(Deletions) by Source</b>					
Employee Contributions	\$ 256	\$ 241	n/a	n/a	n/a
Employer Contributions	109	103	n/a	n/a	n/a
Investment Income	485	(223)	n/a	n/a	n/a
Other Income	121	3,324	n/a	n/a	n/a
<b>Total</b>	<b>971</b>	<b>3,445</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
<b>Deductions by Type</b>					
Benefits					
Member	43	37	n/a	n/a	n/a
Beneficiary	-	-	n/a	n/a	n/a
Refunds	-	-	n/a	n/a	n/a
Other Expenses	-	-	n/a	n/a	n/a
Administrative Expenses	3	3	n/a	n/a	n/a
<b>Total</b>	<b>46</b>	<b>40</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
<b>Change in Plan Net Position</b>	<b>\$ 925</b>	<b>\$ 3,405</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>

Note: Amounts in Thousands

n/a: The Wyoming Air Guard Firefighters Plan was separated from the Public Employees Pension Plan effective January 1, 2011.

*Statistical Section*

Schedule of Average Monthly Benefit Payments

**PUBLIC EMPLOYEES PENSION PLAN**

<b>Years of Service</b>	<b>0 - 4</b>	<b>5 - 9</b>	<b>10 - 14</b>	<b>15 - 19</b>	<b>20 - 24</b>	<b>25 - 29</b>	<b>30 - 34</b>	<b>Over 34</b>
<b>2003</b>								
Number	843	2,854	3,009	2,740	2,207	1,878	1,455	406
Average Benefit	\$169	\$307	\$544	\$835	\$1,183	\$1,703	\$2,336	\$2,743
Ave Final Ave Salary	n/a							
<b>2004</b>								
Number	862	2,885	3,049	2,813	2,311	2,018	1,576	437
Average Benefit	\$176	\$317	\$558	\$861	\$1,222	\$1,763	\$2,421	\$2,879
Ave Final Ave Salary	n/a							
<b>2005</b>								
Number	905	2,951	3,086	2,887	2,383	2,129	1,667	453
Average Benefit	\$184	\$324	\$573	\$878	\$1,256	\$1,818	\$2,479	\$2,976
Ave Final Ave Salary	n/a							
<b>2006</b>								
Number	929	3,012	3,142	2,953	2,468	2,263	1,769	474
Average Benefit	\$188	\$331	\$584	\$898	\$1,280	\$1,872	\$2,539	\$3,075
Ave Final Ave Salary	n/a							
<b>2007</b>								
Number	939	3,073	3,186	3,050	2,554	2,408	1,876	509
Average Benefit	\$191	\$338	\$595	\$922	\$1,316	\$1,933	\$2,613	\$3,194
Ave Final Ave Salary	n/a							
<b>2008</b>								
Number	973	3,156	3,223	3,124	2,621	2,618	2,048	570
Average Benefit	\$195	\$346	\$608	\$946	\$1,356	\$1,999	\$2,698	\$3,328
Ave Final Ave Salary	n/a							
<b>2009</b>								
Number	881	2,863	2,904	2,864	2,465	2,528	1,993	569
Average Benefit	\$177	\$352	\$620	\$971	\$1,402	\$2,092	\$2,808	\$3,434
Ave Final Ave Salary	n/a							
<b>2010</b>								
Number	904	2,938	2,945	2,924	2,578	2,730	2,158	627
Average Benefit	\$178	\$356	\$630	\$991	\$1,442	\$2,162	\$2,859	\$3,535
Ave Final Ave Salary:	\$ 49,426							
<b>2011</b>								
Number	945	3,042	3,042	3,004	2,690	2,917	2,341	692
Average Benefit	\$191	\$362	\$643	\$1,016	\$1,477	\$2,214	\$2,942	\$3,666
Ave Final Ave Salary:	\$ 49,951							
<b>2012</b>								
Number	964	3,173	3,119	3,078	2,808	3,074	2,548	778
Average Benefit	\$191	\$373	\$660	\$1,038	\$1,521	\$2,266	\$3,010	\$3,752
Ave Final Ave Salary:	\$ 51,085							

n/a: Not Available

Note: Average Final Average Salary was not available until 2010

*Statistical Section*

Schedule of Average Monthly Benefit Payments

**State Highway Patrol, Game & Fish Warden And Criminal Investigator Pension Plan**

<b>Years of Service</b>	<b>0 - 4</b>	<b>5 - 9</b>	<b>10 - 14</b>	<b>15 - 19</b>	<b>20 - 24</b>	<b>25 - 29</b>	<b>30 - 34</b>	<b>Over 34</b>
<b>2009</b>								
Number	4	21	11	28	50	56	31	9
Average Benefit	\$1,673	\$1,259	\$1,838	\$1,667	\$1,989	\$2,486	\$2,846	\$3,918
Ave Final Ave Salary	n/a							
<b>2010</b>								
Number	4	21	11	27	51	57	36	10
Average Benefit	\$1,673	\$1,259	\$1,838	\$1,768	\$2,095	\$2,576	\$3,248	\$4,041
Ave Final Ave Salary	\$ 91,818							
<b>2011</b>								
Number	5	23	13	27	54	56	40	10
Average Benefit	\$1,377	\$1,378	\$1,962	\$1,761	\$2,187	\$2,686	\$3,372	\$4,041
Ave Final Ave Salary	\$ 77,942							
<b>2012</b>								
Number	5	24	13	27	53	56	42	10
Average Benefit	\$1,377	\$1,381	\$1,962	\$1,844	\$2,247	\$2,767	\$3,533	\$4,041
Ave Final Ave Salary	\$ 81,610							

**Paid Firemen's Pension Plan A**

<b>Years of Service</b>	<b>0 - 4</b>	<b>5 - 9</b>	<b>10 - 14</b>	<b>15 - 19</b>	<b>20 - 24</b>	<b>25 - 29</b>	<b>30 - 34</b>	<b>Over 34</b>
<b>2009</b>								
Number	9	2	14	12	144	55	17	3
Average Benefit	\$3,490	\$1,227	\$2,085	\$3,297	\$3,635	\$4,335	\$4,421	\$4,516
Ave Final Ave Salary	n/a							
<b>2010</b>								
Number	9	1	16	12	142	53	20	4
Average Benefit	\$3,595	\$1,583	\$2,110	\$3,396	\$3,742	\$4,480	\$4,751	\$5,104
Ave Final Ave Salary	\$784,942							
<b>2011</b>								
Number	9	1	16	11	136	53	19	3
Average Benefit	\$3,703	\$1,631	\$2,173	\$3,456	\$3,851	\$4,614	\$4,904	\$5,151
Ave Final Ave Salary	\$68,596							
<b>2012</b>								
Number	9	1	18	11	134	51	19	3
Average Benefit	\$3,827	\$1,680	\$2,178	\$3,560	\$3,960	\$4,752	\$5,051	\$5,306
Ave Final Ave Salary	\$68,596							

n/a: Not Available

Note: Data was not available for the above plans until 2009

Average Final Average Salary was not available until 2010

*Statistical Section*

Schedule of Average Monthly Benefit Payments

**Paid Firemen's Pension Plan B**

<b>Years of Service</b>	<b>0 - 4</b>	<b>5 - 9</b>	<b>10 - 14</b>	<b>15 - 19</b>	<b>20 - 24</b>	<b>25 - 29</b>	<b>30 - 34</b>	<b>Over 34</b>
<b>2009</b>								
Number	3	1	5	7	8	15	-	-
Average Benefit	\$1,532	\$1,484	\$1,983	\$1,860	\$2,673	\$3,879	-	-
Ave Final Ave Salary	n/a							
<b>2010</b>								
Number	3	3	5	7	10	21	-	-
Average Benefit	\$1,532	\$1,047	\$1,983	\$1,860	\$2,703	\$3,946	-	-
Ave Final Ave Salary	\$ 68,396							
<b>2011</b>								
Number	4	4	6	8	12	27	-	-
Average Benefit	\$1,667	\$1,583	\$1,883	\$1,895	\$2,883	\$4,115	-	-
Ave Final Ave Salary	\$ 70,181							
<b>2012</b>								
Number	4	4	7	8	12	29	2	-
Average Benefit	\$1,667	\$1,586	\$1,761	\$1,895	\$2,883	\$4,101	\$4,494	-
Ave Final Ave Salary	\$ 66,398							

**Judicial Pension Plan**

<b>Years of Service</b>	<b>0 - 4</b>	<b>5 - 9</b>	<b>10 - 14</b>	<b>15 - 19</b>	<b>20 - 24</b>	<b>25 - 29</b>	<b>30 - 34</b>	<b>Over 34</b>
<b>2009</b>								
Number	-	-	1	3	4	2	-	-
Average Benefit	-	-	\$3,014	\$4,926	\$5,425	\$5,960	-	-
Ave Final Ave Salary	No current retirees							
<b>2010</b>								
Number	-	-	1	3	4	1	-	-
Average Benefit	-	-	\$3,014	\$4,879	\$5,425	\$5,950	-	-
Ave Final Ave Salary	\$ 119,108							
<b>2011</b>								
Number	-	-	1	3	4	1	-	-
Average Benefit	-	-	\$3,014	\$4,879	\$5,425	\$5,950	-	-
Ave Final Ave Salary	No current retirees							
<b>2012</b>								
Number	-	-	1	3	4	1	-	-
Average Benefit	-	-	\$3,014	\$4,879	\$5,425	\$5,950	-	-
Ave Final Ave Salary	No current retirees							

n/a: Not Available

Note: Data was not available for the above plans until 2009

Average Final Average Salary was not available until 2010

*Statistical Section*

Schedule of Average Monthly Benefit Payments

**Law Enforcement Pension Plan**

<b>Years of Service</b>	<b>0 - 4</b>	<b>5 - 9</b>	<b>10 - 14</b>	<b>15 - 19</b>	<b>20 - 24</b>	<b>25 - 29</b>	<b>30 - 34</b>	<b>Over 34</b>
<b>2009</b>								
Number	155	48	46	60	182	74	19	-
Average Benefit	\$1,872	\$832	\$1,531	\$1,690	\$2,127	\$2,673	\$3,545	-
Ave Final Ave Salary	n/a							
<b>2010</b>								
Number	155	57	55	61	203	82	25	-
Average Benefit	\$1,891	\$967	\$1,495	\$1,681	\$2,170	\$2,782	\$3,670	-
Ave Final Ave Salary	\$ 57,362							
<b>2011</b>								
Number	158	70	64	70	235	88	29	2
Average Benefit	\$1,872	\$911	\$1,530	\$1,777	\$2,224	\$2,786	\$3,705	\$3,105
Ave Final Ave Salary	\$ 57,577							
<b>2012</b>								
Number	157	75	70	73	252	96	33	2
Average Benefit	\$1,885	\$909	\$1,527	\$1,762	\$2,254	\$2,835	\$3,744	\$3,105
Ave Final Ave Salary	\$ 58,829							

**Air Guard Firefighter Pension Plan**

<b>Years of Service</b>	<b>0 - 4</b>	<b>5 - 9</b>	<b>10 - 14</b>	<b>15 - 19</b>	<b>20 - 24</b>	<b>25 - 29</b>	<b>30 - 34</b>	<b>Over 34</b>
<b>2010</b>								
Number	-	-	-	1	1	-	-	-
Average Benefit	-	-	-	*	*	-	-	-
Ave Final Ave Salary	\$ 20,065							
<b>2011</b>								
Number	-	-	-	1	1	-	-	-
Average Benefit	-	-	-	*	*	-	-	-
Ave Final Ave Salary	No current retirees							
<b>2012</b>								
Number	-	-	-	1	1	-	-	-
Average Benefit	-	-	-	*	*	-	-	-
Ave Final Ave Salary	No current retirees							

\* - Average Benefit was not calculated by years of service

Note: Average final average salary at retirement is not shown as there are no new retirees/disableds. Data was not available for the above plan until 2010 as the plan had been included in the Public Employees Pension Plan.

n/a: Not Available

Note: Data was not available for the above plans until 2009

Average Final Average Salary was not available until 2010

*Statistical Section*

Schedule of Average Monthly Benefit Payments

**Volunteer Firemen's Pension Plan**

<b>Years of Service</b>	<b>0 - 4</b>	<b>5 - 9</b>	<b>10 - 14</b>	<b>15 - 19</b>	<b>20 - 24</b>	<b>25 - 29</b>	<b>30 - 34</b>	<b>Over 34</b>
<b>2009</b>								
Number	63	66	180	159	139	80	42	5
Average Benefit	\$289	\$179	\$214	\$264	\$320	\$404	\$469	\$564
Ave Final Ave Salary	n/a							
<b>2010</b>								
Number	62	68	181	164	169	91	51	7
Average Benefit	\$291	\$177	\$213	\$262	\$317	\$400	\$469	\$551
Ave Final Ave Salary	n/a							
<b>2011</b>								
Number	61	68	187	179	179	106	63	8
Average Benefit	\$287	\$176	\$212	\$261	\$318	\$393	\$468	\$555
Ave Final Ave Salary	n/a							
<b>2012</b>								
Number	69	67	190	186	199	135	76	9
Average Benefit	\$276	\$164	\$209	\$260	\$318	\$394	\$467	\$547
Ave Final Ave Salary	n/a							

**Volunteer Emergency Medical Technician Pension Plan**

<b>Years of Service</b>	<b>0 - 4</b>	<b>5 - 9</b>	<b>10 - 14</b>	<b>15 - 19</b>	<b>20 - 24</b>	<b>25 - 29</b>	<b>30 - 34</b>	<b>Over 34</b>
<b>2009</b>								
Number	-	-	-	-	-	-	-	-
Average Benefit	-	-	-	-	-	-	-	-
Ave Final Ave Salary	n/a							
<b>2010</b>								
Number	-	-	-	-	-	-	-	-
Average Benefit	-	-	-	-	-	-	-	-
Ave Final Ave Salary	n/a							
<b>2011</b>								
Number	-	-	-	-	-	-	-	-
Average Benefit	-	-	-	-	-	-	-	-
Ave Final Ave Salary	n/a							
<b>2012</b>								
Number	-	-	-	-	-	-	-	-
Average Benefit	-	-	-	-	-	-	-	-
Ave Final Ave Salary	n/a							

n/a: Not Available

Note: Data was not available for the above plans until 2009

*Statistical Section*

**PUBLIC EMPLOYEES PENSION PLAN**

**Pensions as of December 31, 2012**

<b>Pensioners:</b>	<b>Number</b>			<b>Pensioners:</b>	<b>Monthly Amount</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>		<b>Male</b>	<b>Female</b>	<b>Total</b>
Option 1	1,752	5,297	7,049	Option 1	\$2,722,842	\$6,199,061	\$8,921,903
Option 2	3,712	2,305	6,017	Option 2	6,662,640	3,023,837	9,686,477
Option 3	478	424	902	Option 3	1,025,480	628,026	1,653,506
Option 4	308	533	841	Option 4	405,731	607,498	1,013,229
Option 5	412	1,273	1,685	Option 5	592,266	1,375,431	1,967,697
Option 2P	1066	1,317	2,383	Option 2P	1,786,223	2,038,166	3,824,389
Option 3P	256	409	665	Option 3P	608,872	768,983	1,377,855
<b>Total</b>	<b>7,984</b>	<b>11,558</b>	<b>19,542</b>	<b>Total</b>	<b>\$13,804,054</b>	<b>\$14,641,002</b>	<b>\$28,445,056</b>
<b>Beneficiaries</b>	<b>392</b>	<b>1,666</b>	<b>2,058</b>	<b>Beneficiaries</b>	<b>358,638</b>	<b>1,832,663</b>	<b>2,191,301</b>
<b>Total Retirees</b>	<b>8,376</b>	<b>13,224</b>	<b>21,600</b>	<b>Total Retirees</b>	<b>\$14,162,692</b>	<b>\$16,473,665</b>	<b>\$30,636,357</b>

**Pensions Awarded During 2012**

	<b>Total</b>	<b>Option 1</b>	<b>Option 2</b>	<b>Option 3</b>	<b>Option 4</b>	<b>Option 5</b>	<b>Option 2P</b>	<b>Option 3P</b>
Under \$200	72	17	15	1	2	27	9	1
\$200 - \$399	155	48	37	4	2	30	30	4
\$400 - \$599	118	34	26	2	4	32	17	3
\$600 - \$799	83	29	17	1	3	16	16	1
\$800 - \$999	94	31	20	1	3	23	14	2
\$1,000 - \$1,499	175	51	40	5	9	42	25	3
\$1,500 - \$1,999	152	47	42	5	5	25	17	11
\$2,000 - \$2,499	138	31	50	4	1	21	26	5
\$2,500 & Over	510	128	167	17	17	50	99	32
<b>Total</b>	<b>1,497</b>	<b>416</b>	<b>414</b>	<b>40</b>	<b>46</b>	<b>266</b>	<b>253</b>	<b>62</b>

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.

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.

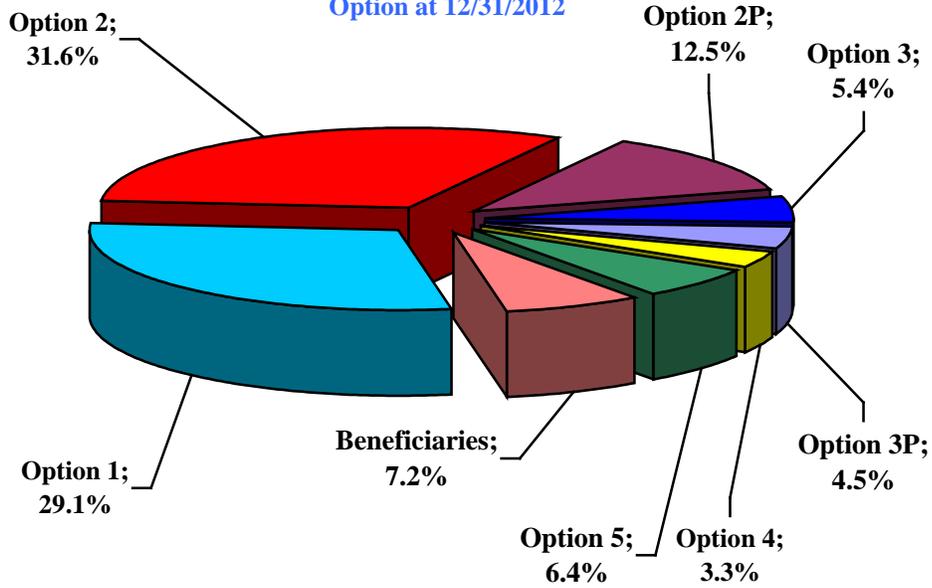
Option 4 - Ten Year Certain Benefit. Based on the age of the retiree. If the retiree dies before receiving the benefit for 10 years, the beneficiary would receive the allowance for the balance of the 10-year period.

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.

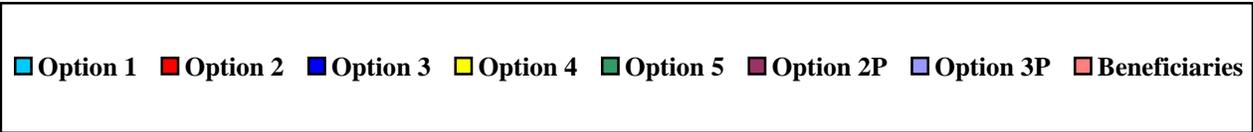
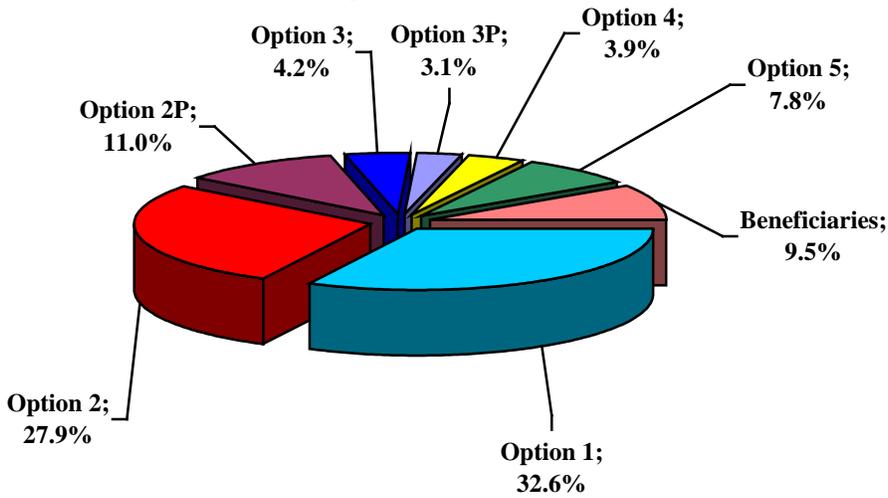
Statistical Section

WYOMING RETIREMENT SYSTEM  
Public Employees Pension Plan

Average Monthly Benefit Paid by  
Option at 12/31/2012



Total Retirees by  
Option at 12/31/2012



*Statistical Section*

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

**Pensions in Force on January 1, 2013**

<b>By Monthly Amount</b>			<b>By Nearest Age</b>	
Under	\$ 200	2	Under 50	11
\$ 200 - \$ 399		4	50 - 54	15
\$ 400 - \$ 599		8	55 - 59	47
\$ 600 - \$ 799		14	60 - 64	62
\$ 800 - \$ 999		11	65 - 69	42
\$ 1,000 - \$ 1,499		53	70 - 74	44
\$ 1,500 - \$ 1,999		42	75 - 79	25
\$ 2,000 - \$ 2,499		45	80 - 84	16
\$ 2,500 & Over		105	85 & Over	22
Total		284	Total	284

**Volunteer Firemen's Pension Plan**

**Pensions in Force on January 1, 2013**

Monthly Amount	Total	Age 60-64	Age 65-69	Age 70-74	Age 75-79	Age 80 & Over
Under \$ 50	0	0	0	0	0	0
\$ 50 - \$ 99	2	0	0	1	1	0
\$100 - \$149	21	0	4	12	4	1
\$150 - \$199	113	20	29	20	17	27
\$200 - \$249	213	35	48	46	44	40
\$250 - \$299	166	64	48	33	12	9
\$300 - \$349	183	89	59	13	9	13
\$350 - \$399	77	31	20	11	10	5
\$400 & Over	156	75	40	25	16	0
Total	931	314	248	161	113	95

**Pensions in Force to Beneficiaries on January 1, 2013**

Monthly Amount	Total	Age Under 50	Age 50-59	Age 60-69	Age 70-79	Age 80 & Over
Under \$ 50	1	0	0	0	0	1
\$ 50 - \$ 99	3	0	0	0	1	2
\$100 - \$149	52	2	4	3	14	29
\$150 - \$199	42	1	2	14	19	6
\$200 - \$249	37	4	8	10	11	4
\$250 - \$299	16	0	4	5	7	0
\$300 - \$349	12	1	3	6	2	0
\$350 - \$399	10	2	3	5	0	0
\$400 & Over	2	0	2	0	0	0
Total	175	10	26	43	54	42

*Statistical Section*

**Paid Firemen's Pension Plan A**

**Pensions in Force on January 1, 2013**

**By Type and Nearest Age**

<b>Age</b>	<b>Retirees &amp; Disabled</b>	<b>Beneficiary</b>	<b>Total</b>
Under 50	1	0	1
50-54	15	8	23
55-59	59	2	61
60-64	47	4	51
65-69	41	3	44
70-74	35	11	46
75-79	15	10	25
80-84	20	10	30
85 & Over	13	1	14
<b>Totals</b>	<b>246</b>	<b>49</b>	<b>295</b>

**By Type and Monthly Amount**

<b>Amount</b>	<b>Retirees &amp; Disabled</b>	<b>Beneficiary</b>	<b>Total</b>
Under \$200	0	0	0
\$200-\$399	0	1	1
\$400-\$599	0	0	0
\$600-\$799	1	1	2
\$800-\$999	0	2	2
\$1,000-\$1,499	0	1	1
\$1,500-\$1,999	8	0	8
\$2,000-\$2,499	7	2	9
\$2,500 & over	230	42	272
<b>Total</b>	<b>246</b>	<b>49</b>	<b>295</b>

*Statistical Section*

**Paid Firemen's Pension Plan B  
Pensions in Force on January 1, 2013**

<b>By Monthly Amount</b>		<b>By Nearest Age</b>	
\$0-599	1	Under 50	7
\$600-\$799	2	50 - 54	27
\$800-\$999	1	55 - 59	26
\$1,000-\$1,499	6	60 - 64	11
\$1,500-\$1,999	8	65 - 69	2
\$2,000-\$2,499	13	70 - 74	1
\$2,500 & Over	43	75 - 79	0
<b>Total</b>	<b>74</b>	80 - 84	0
		85 & Over	0
		<b>Total</b>	<b>74</b>

**Judicial Pension Plan  
Pensions in Force on January 1, 2013**

<b>By Monthly Amount</b>		<b>By Nearest Age</b>	
\$1,500 & Over	11	Under 70	2
		Over 70	9
<b>Total</b>	<b>11</b>	<b>Total</b>	<b>11</b>

**Law Enforcement Pension Plan  
Pensions in Force on January 1, 2013**

<b>By Monthly Amount</b>		<b>By Nearest Age</b>	
Under \$200	11	Under 50	96
\$200-\$399	44	50-54	99
\$400-\$599	44	55-59	177
\$600-\$799	40	60-64	208
\$800-\$999	32	65-69	158
\$1,000-\$1,499	89	70-74	63
\$1,500-\$1,999	161	75-79	24
\$2,000-\$2,499	190	80-84	13
\$2,500 & Over	241	85 & Over	14
<b>Total</b>	<b>852</b>	<b>Total</b>	<b>852</b>

**Air Guard Firefighter Pension Plan  
Pensions in Force on January 1, 2013**

<b>By Monthly Amount</b>		<b>By Nearest Age</b>	
Under \$200	0	Under 50	0
\$200-\$399	0	50-54	0
\$400-\$599	0	55-59	0
\$600-\$799	0	60-64	1
\$800-\$999	0	65-69	1
\$1,000-\$1,499	0	70-74	0
\$1,500-\$1,999	2	75-79	0
\$2,000-\$2,499	0	80-84	0
\$2,500 & Over	0	85 & Over	0
<b>Total</b>	<b>2</b>	<b>Total</b>	<b>2</b>

*Statistical Section*

**Member and Benefit Recipients Statistics  
December 31, 2012**

	Public Employees	Warden & Patrol	Volunteer Fireman	Paid Firemen Plan A	Paid Firemen Plan B	Wyoming Judicial Plan	Wyoming Law Enforcement	Volunteer EMT	Air Guard Firefighters
Active Members – 12/31/2012	36,444	322	2,188	7	356	41	2,834	170	31
<b>Retirement Benefits:</b>									
Total receiving retirement benefits on December 31, 2011	20,688	280	1,016	299	67	11	805	0	2
Total retiring during 2012	1,497	14	119	3	7	0	54	0	0
Retirees deceased during 2012	585	10	29	7	0	0	7	0	0
Total receiving retirement benefits - December 31, 2012	21,600	284	1,106	295	74	11	852	0	2
Total paid in retirement benefits in 2012 (amounts in millions)	\$367.6	\$7.7	\$3.7	\$14.2	\$2.6	\$0.6	\$20.1	\$0.0	\$0.0
Average monthly benefit	\$1,418	\$2,257	\$280	\$4,005	\$2,968	\$4,626	\$1,961	\$0	\$1,672

**ACTIVE MEMBERSHIP**

**Public Employees Pension Plan**

	2012	Total	2011	Total	2010	Total	2009	Total	2008	Total
State	7,926	22%	8,001	22%	8,011	22%	8,022	23%	8,162	23%
University	1,099	3%	1,085	3%	1,075	3%	1,083	3%	1,116	3%
Community Colleges	1,336	4%	1,322	4%	1,285	4%	1,266	4%	1,253	4%
Schools	17,735	49%	17,622	49%	17,366	48%	17,369	49%	17,212	49%
Counties	2,498	7%	2,436	7%	2,336	7%	2,206	6%	2,163	6%
Libraries	443	1%	440	1%	444	1%	467	1%	463	1%
Cities & Towns	2,469	7%	2,397	7%	2,402	7%	2,540	7%	2,542	8%
Weed & Pest	107	0%	103	0%	96	0%	99	0%	90	0%
Irrigation Districts	70	0%	57	0%	55	0%	56	0%	56	0%
Others	2,761	7%	2,607	7%	2,758	8%	2,485	7%	1,964	6%
<b>Totals</b>	<b>36,444</b>	<b>100%</b>	<b>36,070</b>	<b>100%</b>	<b>35,828</b>	<b>100%</b>	<b>35,593</b>	<b>100%</b>	<b>35,021</b>	<b>100%</b>

	2007	Total	2006	Total	2005	Total	2004	Total	2003	Total
State	7,964	23%	8,413	25%	7,758	24%	7,577	24%	7,567	24%
University	1,334	4%	1,088	3%	1,114	3%	1,041	3%	1,060	3%
Community Colleges	1,683	5%	1,136	3%	1,123	3%	1,025	3%	1,027	3%
Schools	16,280	47%	16,326	48%	16,058	49%	14,615	46%	14,309	45%
Counties	1,953	6%	2,049	6%	1,980	6%	2,753	9%	2,657	8%
Libraries	443	1%	437	1%	406	1%	389	1%	376	1%
Cities & Towns	2,583	8%	2,443	7%	2,185	7%	2,715	8%	2,552	8%
Weed & Pest	93	0%	79	0%	73	0%	61	0%	55	0%
Irrigation Districts	55	0%	53	0%	50	0%	43	0%	37	0%
Others	2,094	6%	2,165	6%	2,172	7%	1,915	6%	1,854	6%
<b>Totals</b>	<b>34,482</b>	<b>100%</b>	<b>34,189</b>	<b>100%</b>	<b>32,919</b>	<b>100%</b>	<b>32,134</b>	<b>100%</b>	<b>31,494</b>	<b>100%</b>



*Statistical Section*

The following schedule shows the top ten largest employers within the Wyoming Retirement System:

**TEN LARGEST EMPLOYERS**

<b>Public Employees Pension Plan</b>	<b># of Employees</b>	<b>%</b>
State of Wyoming	7,926	21.7%
Natrona County School District # 1	2,281	6.3%
Laramie County School District # 1	2,247	6.2%
Campbell County School District	1,691	4.6%
University of Wyoming	1,099	3.0%
Sweetwater County School District # 1	1,046	2.9%
Albany County School District	785	2.1%
Sheridan County School District # 2	623	1.7%
Uinta County School District # 1	544	1.5%
Sweetwater County School District # 2	541	1.5%
All Others	17,661	48.5%
<b>Total</b>	<b>36,444</b>	<b>100%</b>

<b>Warden, Patrol, &amp; DCI Investigators Pension Plan</b>	<b># of Employees</b>	<b>%</b>
State of Wyoming	322	100%
<b>Total</b>	<b>322</b>	<b>100%</b>

<b>Volunteer Firemen's Pension Plan</b>	<b># of Employees</b>	<b>%</b>
Fremont County	125	5.8%
Campbell County	115	5.3%
Cody	70	3.2%
Jackson Hole Fire	68	3.1%
Powell	53	2.4%
Riverton	48	2.2%
Sinclair Refinery	47	2.1%
Torrington	47	2.1%
Lander	46	2.1%
Carbon County	44	2.0%
All Others	1,525	69.7%
<b>Total</b>	<b>2,188</b>	<b>100%</b>

<b>Paid Firemen's Pension Plans A &amp; B</b>	<b># of Employees</b>	<b>%</b>
City of Cheyenne	91	25.1%
City of Casper	76	20.9%
City of Laramie	47	13.0%
City of Rock Springs	35	9.6%
Campbell County	24	6.6%
Natrona County	20	5.5%
City of Sheridan	17	4.7%
Jackson/Teton County	15	4.1%
City of Rawlins	9	2.5%
Town of Mills	8	2.2%
All Others	21	5.8%
<b>Total</b>	<b>363</b>	<b>100%</b>

*Statistical Section*

The following schedule shows the top ten largest employers within the Wyoming Retirement System:

**TEN LARGEST EMPLOYERS**

<b>Judicial Pension Plan</b>	<b># of Employees</b>	<b>%</b>
State of Wyoming	41	100%
Total	41	100%

<b>Law Enforcement Pension Plan</b>	<b># of Employees</b>	<b>%</b>
State of Wyoming	780	27.5%
Laramie County	149	5.3%
Natrona County	120	4.2%
Campbell County	116	4.1%
City of Casper	109	3.9%
City of Cheyenne	103	3.6%
Fremont County	86	3.0%
Sweetwater County	74	2.6%
City of Gillette	64	2.3%
City of Laramie	63	2.2%
All Others	1,170	41.3%
Total	2,834	100%

<b>Volunteer EMT Pension Plan</b>	<b># of Employees</b>	<b>%</b>
Uinta County	24	14.1%
Fremont County	21	12.4%
Johnson County Ambulance	20	11.8%
Washakie County	14	8.2%
Powell Valley Healthcare	10	5.9%
Little Snake River	9	5.3%
Torrington Ambulance Service	9	5.3%
South Central	8	4.7%
Thayne Ambulance Service	8	4.7%
Star Valley Medical Center	7	4.1%
All Others	40	23.5%
Total	170	100%

<b>Air Guard Firefighters Pension Plan</b>	<b># of Employees</b>	<b>%</b>
State of Wyoming	31	100%
Total	31	100%

**Statistical Section**

Schedule of Affiliated Employers

Public Employees Pension Plan

Cities & Towns - 84 Active Agencies - 2,469 Active Members

Afton	Douglas	Kaycee	Ranchester
Alpine	Dubois	Kemmerer	Rawlins
Baggs	East Thermopolis	LaGrange	Riverton
Bairoil	Edgerton	Lander	Rock River
Bar Nunn	Elk Mountain	Laramie	Rock Springs
Basin	Encampment	Lingle	Rolling Hills
Bear River	Evanston	Lovell	Saratoga
Big Piney	Evansville	Lusk	Sheridan
Buffalo	Fort Laramie	Lyman	Shoshoni
Burns	Frannie	Marbleton	Sinclair
Byron	Gillette	Medicine Bow	Star Valley Ranch
Casper	Glendo	Meeteetse	Sundance
Cheyenne	Glenrock	Midwest	Ten Sleep
Chugwater	Granger	Mills	Thayne
Clearmont	Green River	Moorcroft	Thermopolis
Cody	Greybull	Mountainview	Torrington
Cokeville	Guernsey	Newcastle	Upton
Cowley	Hanna	Pine Bluffs	Wamsutter
Deaver	Hudson	Pine Haven	Wheatland
Diamondville	Hulett	Pinedale	Worland
Dixon	Jackson	Powell	Yoder

Counties - 22 Active Agencies - 2,498 Active Members

Albany	Fremont	Lincoln	Sublette
Big Horn	Goshen	Natrona	Sweetwater
Campbell	Hot Springs	Park	Teton
Carbon	Johnson	Platte	Uinta
Converse	Laramie	Sheridan	Washakie
Crook			Weston

Libraries - 20 Active Agencies - 443 Active Members

Albany County	Goshen County	Natrona County	Sweetwater County
Big Horn County	Hot Springs County	Park County	Teton County
Carbon County	Johnson County	Platte County	Uinta County
Crook County	Laramie County	Sheridan County	Washakie County
Fremont County	Lincoln County	Sublette County	Weston County

University & Colleges - 8 Active Agencies - 2,435 Active Members

Casper College	Eastern Wyoming College	Northern Wyoming College	University of Wyoming
Central Wyoming College	Laramie County Comm. College	Northwest College	Western Wyoming College

**Statistical Section**

Schedule of Affiliated Employers (Continued)

Public Employees Pension Plan (Continued)

Irrigation Districts - 11 Active Agencies - 70 Active Members

Big Horn Canal	Hanover	Shoshone
Cody Canal	Heart Mountain	Wheatland
Deaver	La Prella	Willwood
Goshen	Lakeview	

Other Special Districts - 167 Active Agencies - 2,477 Active Members

Afton/Lincoln Co. Airport	Douglas Senior Citizens
Albany County Fair Board	Eastern Laramie Co. Solid Waste Dist.
Albany County SAFE Project	Eppson Center For Seniors
Ark Regional Services	Evanston Parks & Recreation
Baggs Solid Waste	Fremont Co. Assn. of Governments
Basin Authority Child Sup.	Fremont County Fair Board
Big Horn County Fair Board	Fremont County Fire District
Big Horn County Solid Waste District	Fremont County Museum
Big Horn Enterprises	Fremont County Solid Waste
Big Horn Fire District #1	Glenrock Area Solid Waste Disposal Dist.
Big Horn Regional Joint Powers Board	Glenrock Cemetery District
Big Piney Cemetery Dist.	Glenrock Community Recreation Dist.
Board of Public Utilities	Goshen County Fair
Bridger Valley Joint Pwrs.	Goshen County Senior Friendship Ctr.
Byron Solid Waste	Green River/RS Joint Pwrs.
Campbell Co. Cemetery Dist.	Greybull Recreation Dist.
Campbell Co. Conservation District	High Country Behavioral Health
Campbell Co. Fire Dept. (Admin Personnel)	High Country Joint Powers
Campbell Co. Public Land Dbas Cam-plex	HOPE Agency Inc, Hot Springs Crisis Line
Campbell County Senior Center	Hot Springs Co. Cemetery Dist.
Carbon County COVE	Hot Springs Conservation Dist.
Carbon County Higher Education	Hot Springs Co. Senior Citizens Ctr.
Carbon Co. Senior Service	Jackson Hole Airport Board
Central Wyoming Counseling Center	Jamestown Rio Vista Water Sever Dist.
Central Wyoming Senior Services	Johnson County Fair Board
Cheyenne Housing Auth.	Johnson County Solid Waste
Cheyenne Regional Airport Board	Kemmerer Senior Citizens
Child Development Services Fremont Co.	Lake Desmet Conserv. Dist.
Child Support Auth. - 6D	Lake Desmet Counties Coalition JPB
Child Support Auth. - 4th JD	Lander Senior Citizens
Children's Learning Center	Laramie Co. Conservation
City of Cheyenne-Laramie Co. Health Bd.	Laramie Co. Fair Board
Community Action Partnership/Natrona Co.	Laramie Regional Airport
Converse County Coalition Against Violence	Laramie Rivers Conservation District
Converse County Conservation District	Lincoln Co. Fair Board
Converse County Senior Housing	Little Snake River Conservation District
Crisis Intervention Services	Local Gov't Liability Pool
Crises Prevention & Response Center	Magic City Enterprises
Crook County Community Juvenile Services	Meeteetse Conservation District
Crook County Museum	Meeteetse Recreation Dist.
Crown Hill Cemetery Dist.	Mountain View Cemetery District

**Statistical Section**

Schedule of Affiliated Employers (Continued)

Public Employees Pension Plan (Continued)

Other Special Districts (Continued)

Natrona County Airport	Sublette County Rural Health Care
Natrona County Fair	Sublette Co. SAFV Task Force
Natrona County Fire (Admin Personnel)	SW Sublette Co. Pioneers
Natrona County Health Department	Sweetwater Co. Conservation District
Niobrara County Hospital District	Sweetwater Co. Dist. Board of Health
North Platte Valley Conservation Dist.	Sweetwater Co. Fair Board
Northwest Rural Water District	Sweetwater Co. Fire Dist. #1 (Admin Personnel)
Park Co. Fire Protection #2 (Admin Personnel)	Sweetwater County Museum
Park County Drug Court	Sweetwater County Recreation
Park County Fair Assn.	Sweetwater County Solid Waste
Park County Fire Dist. #1 (Admin Personnel)	Sweetwater County Solid Waste District 2
Park County Museum	Sweetwater County Transit
Pinedale Aquatic Center	Ten Sleep Senior Center
Pipeline Authority	Teton County Housing Authority
Platte County Fair Board	Teton Village Association
Platte County Housing Authority	Teton Village Water And Sewer District
Platte County Resource District	Thayne Senior Center
Popo Agie Conservation District	Treatment Court of Sweetwater County
Powell Recreation District	Uinta Co. Conserv. Dist.
Rendezvous Pointe	Uinta Co. SAFV Task Force
Renew	Wardwell Water & Sewer District
Riverside Cemetery Dist.	Washakie Co. Conserv. Dist
Rock Spgs/Green River Sweetwater Co	Washakie County Solid Waste Dist. #1
Rock Spgs/Sweetwater Co. Airport	Weston County Children's Ctr.
Saratoga-Encampment-Rawlins Conservation	Weston County Fair Board
Self Help Center	Weston County Museum District
Senior Citizens Council	Weston County Fire Protection District
Sheridan Co. Conservation District	White Mountain Water & Sewer District
Sheridan Co. Fair Assn.	Wind River Transportation Authority
Sheridan Juvenile Justice Joint Powers	Worland Fire Protection Dist #1
Sheridan Recreation Dist.	WY Coalition Against Domestic Violence
Shoshone Municipal Pipeline	Wy. High School Activities
Snowy Range Academy	Wyoming Association of Risk Management
Solutions For Life	Wyoming Child & Family Development Inc.
South Big Horn Conservation Dist.	Wyoming Co. Commissioners Assn.
South Big Horn Seniors Citizens, Inc.	Wyoming Community Development Auth.
South Cheyenne Water & Sewer	Wyoming Education Assn.
South Lincoln Special Cem.	Wyoming Public Employees Assn.
Southwest Counseling Svc.	Wyoming School Boards
Star Valley Conservation Dist.	Wyoming Senior Citizens Inc.
Star Valley Senior Citizen, Inc.	Wyoming State Bar
Sublette County Conservation District	Yellowstone Regional Airport
Sublette County Fair Board	

**Statistical Section**

Schedule of Affiliated Employers (Continued)

Public Employees Pension Plan (Continued)

State of Wyoming - 83 Active Agencies - 7,926 Active Members

Attorney General	Insurance Department	Pari-Mutuel Commission
AWEC Agency Fund 592	Judicial Dist 1a	Professional Teaching Standards Board
Board of Cosmetology	Judicial Dist 1b	Public Defender
Board of CPA's	Judicial Dist 1c	Public Service Commission
Board of Equalization	Judicial Dist 2a	Real Estate Commission
Board of Nursing	Judicial Dist 2b	School Facilities Commission
Board of Occupational Therapy	Judicial Dist 3	Secretary of State
Board of Outfitters	Judicial Dist 3b	State Auditor
Commission on Judicial Conduct	Judicial Dist 3c	State Engineer
Community College Comm.	Judicial Dist 4a	State Lands & Investments
Department of A & I	Judicial Dist 4b	State of Wyoming Fund 592
Department of Agriculture	Judicial Dist 5a	State Parks & Cultural Resources
Department of Audit	Judicial Dist 5b	State Treasurer
Department of Education	Judicial Dist 6	Supreme Court
Department of Family Services	Judicial Dist 6b	Water Development Comm.
Department of Health	Judicial Dist 6c	Wildlife & Natural Resources Trust Board
Department of Revenue	Judicial Dist 7a	Wyoming Board of Pharmacy
Department of Workforce Services	Judicial Dist 7b	Wyoming Board of Professional Geologists
District Attorney Dist #1	Judicial Dist 7c	Wyoming Business Council
District Attorney Dist #7	Judicial Dist 8	Wyoming Department of Corrections
Enterprise Technology Services	Judicial Dist 8b	Wyoming Department of Transportation
Environmental Quality	Judicial Dist 9a	Wyoming Financial Ctr. Admin Hearings
Environmental Quality Council	Judicial Dist 9b	Wyoming Livestock Board
Fire Prevention	Judicial Dist 9c	Wyoming Military Department
Game & Fish Commission	Legislative Service Off.	Wyoming Parole Board
Geological Survey	Medical Bd of Examiners- Bd of Med.	Wyoming Retirement System
Governor's Mansion	Mixed Martial Arts Board	Wyoming State Bar
Governor's Office	Oil and Gas Commission	

Paid Firemen Plan A

4 Active Agencies - 7 Active Members

City of Casper	City of Rock Springs	Natrona Co. Fire Protection
City of Cheyenne		

Paid Firemen Plan B

16 Active Agencies - 356 Active Members

Campbell County	City of Rock Springs	Natrona Co. Fire Protection
City of Casper	City of Sheridan	Natrona County Airport
City of Cheyenne	Evansville	Town of Mills
City of Laramie	Jackson /Teton Co. Fire Dept.	Uinta Co. Fire Protection
City of Rawlins	Johnson County	Worland Protection Dist
	Laramie County Fire District # 2	

**Statistical Section**

Schedule of Affiliated Employers (Continued)

Public Employees Pension Plan (Continued)

Schools - 51 Active Agencies - 17,735 Active Members

Albany County Schools	Fremont CSD #38	PODER Academy
Big Horn CSD #1	Fremont/Wind River CSD #6	Sheridan CSD #1
Big Horn CSD #2	Goshen CSD #1	Sheridan CSD #2
Big Horn CSD #3	Hot Springs CSD #1	Sheridan CSD #3
Big Horn CSD #4	Johnson CSD #1	Sublette CSD #1
Campbell County Schools	Laramie CSD #1	Sublette CSD #9
Carbon CSD #1	Laramie CSD #2	Sweetwater CSD #1
Carbon CSD #2	Laramie Montessori	Sweetwater CSD #2
Converse CSD #1	Lincoln CSD #1	Teton County Schools
Converse CSD #2	Lincoln CSD #2	Uinta CSD #1
Crook County Schools	Natrona CSD #1	Uinta CSD #4
Fremont CSD #1	Niobrara CSD #1	Uinta CSD #6
Fremont CSD #2	Park CSD #1	Washakie CSD #1
Fremont CSD #14	Park CSD #6	Washakie CSD #1 Federal
Fremont CSD #21	Park CSD #16	Washakie CSD #2
Fremont CSD #24	Platte CSD #1	Weston CSD #1
Fremont CSD #25	Platte CSD #2	Weston CSD #7

Weed & Pest - 23 Active Agencies - 107 Active Members

Albany County Weed & Pest	Hot Springs Weed & Pest	Sheridan Co. Weed & Pest
Big Horn Co. Weed & Pest	Johnson County Weed & Pest	Sublette Co. Weed & Pest
Campbell County Weed & Pest	Laramie Co. Weed & Pest	Sweetwater Co. Weed & Pest
Carbon Co. Weed & Pest	Lincoln Co. Weed & Pest	Teton County Weed & Pest
Converse County Weed & Pest	Natrona County Weed & Pest Control Dist.	Uinta County Weed & Pest
Crook Co. Weed & Pest	Niobrara County Weed & Pest	Washakie Co. Weed & Pest
Fremont Co. Weed & Pest	Park County Weed & Pest	Weston County Weed & Pest
Goshen Co. Weed & Pest	Platte Co. Weed & Pest	

Board of Cooperative Educational Services - 12 Active Agencies - 284 Active Members

Carbon Co. Higher Education	Oyster Ridge BOCES	Sweetwater BOCES
Fremont County BOCES	Powell Valley Community Education BOCES	Uinta BOCES #1
Northeast Wyoming BOCES	Region V Bd. of Coop. Educational Svcs.	Uinta Co. BOCES #4,#6
NW Wyoming Board of Coop Ed Serv.	Sublette BOCES	Western/Sublette Co. #9 BOCES

**Statistical Section**

Schedule of Affiliated Employers (Continued)

Law Enforcement Plan

80 Active Agencies - 2,834 Active Members

Albany County/Law	City of Sheridan/Law	Teton County/Law	Town of Lingle/Law
Big Horn County/Law	City of Sundance/Law	Town of Afton/Law	Town of Lovell/Law
Campbell County/Law	City of Torrington/Law	Town of Baggs/Law	Town of Lusk/Law
Carbon County/Law	City of Worland/Law	Town of Bairoil/Law	Town of Lyman/Law
City of Buffalo/Law	Converse County/Law	Town of Basin/Law	Town of Midwest/Law
City of Casper/Law	Crook County/Law	Town of Byron/Law	Town of Mills/Law
City of Cheyenne/Law	Fremont County/Law	Town of Cokeville/Law	Town of Moorcroft/Law
City of Cody/Law	Goshen County/Law	Town of Cowley/Law	Town of Mountain View/Law
City of Douglas/Law	Hot Springs County/Law	Town of Diamondville/Law	Town of Pine Bluffs/Law
City of Evanston/Law	Johnson County/Law	Town of Encampment/Law	Town of Ranchester/Law
City of Gillette/Law	Laramie County/Law	Town of Evansville/Law	Town of Saratoga/Law
City of Green River/Law	Law Enforcement Fund 547	Town of Fort Laramie/Law	Town of Shoshoni/Law
City of Kemmerer/Law	Lincoln County/Law	Town of Glenrock/Law	Town of Sinclair/Law
City of Lander/Law	Natrona County/Law	Town of Granger/Law	Town of Thermopolis/Law
City of Laramie/Law	Park County/Law	Town of Greybull/Law	Town of Upton/Law
City of Newcastle/Law	Platte County/Law	Town of Guernsey/Law	Town of Wheatland/Law
City of Powell/Law	Rock Spgs/Grn River/Swtwtr	Town of Hanna/Law	Uinta County/Law Enforcement
City of Rawlins/Law	Sheridan County/Law	Town of Hulett/Law	University of Wyoming/Law
City of Riverton/Law	Sublette County/Law	Town of Jackson/Law	Washakie County/Law
City of Rock Springs/Law	Sweetwater County/Law	Town of Kaycee/Law	Weston County/Law

State Patrol, Game & Fish Warden, & Criminal Investigator Pension Plan

3 Active Agencies - 322 Active Members

Judicial Plan

1 Active Agency - 41 Active Members

Air Guard Firefighters Plan

1 Active Agency - 31 Active Members

**Statistical Section**

Schedule of Affiliated Employers (Continued)

Volunteer Firemen Plan

105 Active Agencies - 2,188 Active Members

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

\*Other: Inactive members continuing to make contributions to the plan

Volunteer EMT Plan

23 Active Agencies - 170 Active Members

Centennial Valley	Jackson Hole	South Central	Torrington Amb. Service
Dayton Rescue	Johnson Co. Ambulance	South Lincoln Co.	Town of Pine Bluffs
Eden-Farson Control Dist.	Little Snake River	Star Valley Medical Center	Uinta County
Fremont Co.	Pine Haven Ambulance	Sublette Co. Rural Health	Washakie Co.
Glendo Vol. Ambulance	Powell Valley Healthcare	Ten Sleep Amb. Service	West Park Hospital
Guernsey Amb. Service	Salt Creek	Thayne Amb. Service	

**Statistical Section**

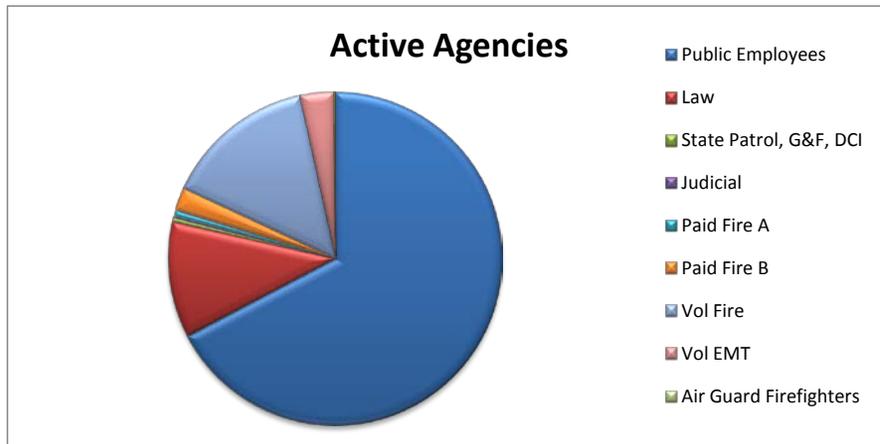
Schedule of Affiliated Employers (Continued)

**Summary**

	<b>Total Agencies</b>	<b>Members</b>	<b>% of Total</b>
Public Employees:	481	36,444	85.97
Law Enforcement:	80	2,834	6.68
State Patrol, G&F, DCI:	3	322	0.76
Judicial:	1	41	0.10
Paid Fire Plan A:	4	7	0.02
Paid Fire Plan B:	16	356	0.84
Volunteer Fire:	105	2,188	5.16
Air Guard Firefighters:	1	31	0.07
Volunteer EMT:	23	170	0.40
<b>Totals:</b>	<b>714</b>	<b>42,393</b>	<b>100.00</b>

**Total All Agencies: 714**

- 481 Public Employees Pension Plan
- 1 Air Guard Firefighters Pension Plan
- 80 Law Enforcement Plan
- 3 State Patrol, Game & Fish Warden, & Criminal Investigator Pension Plan
- 1 Judicial Plan
- 4 Paid Firemen Plan A
- 16 Paid Firemen Plan B
- 105 Volunteer Firemen Plan
- 23 Volunteer EMT Plan



**Total Active Members: 42,393**

- 36,444 Public Employees Pension Plan
- 31 Air Guard Firefighter Pension Plan
- 2,834 Law Enforcement Plan
- 322 State Patrol, Game & Fish Warden, & Criminal Investigator Pension Plan
- 41 Judicial Plan
- 7 Paid Firemen Plan A
- 356 Paid Firemen Plan B
- 2,188 Volunteer Firemen Plan
- 170 Volunteer EMT Plan

