Wyoming RETIREMENT SYSTEM

PARTNERING TO BUILD FINANCIAL SECURITY FOR MEMBERS AND THEIR FAMILIES

Governing Statutes, Rules and Policy

2015-2016

WYOMING RETIREMENT ACT

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WYOMING RETIREMENT ACT

§ 9-3-401. Short title.

This article is known and may be cited as "The Wyoming Retirement Act".

§ 9-3-402. Definitions.

(a) As used in this article:

(i) "Account" or "member account" means the member's contributions, the member's contributions paid by an employer under W.S. 9-3-412 and any amounts transferred to the system from a terminated system on behalf of the member, plus interest compounded annually at a rate determined by the board not to exceed the average annual investment yield earned on the assets of the system;

(ii) Repealed by Laws 1994, ch. 67, § 3.

(iii) "Actuarial equivalent amount" means a benefit of equal value computed upon the basis of the actuarial assumptions determined by the board;

(iv) "Board" or "retirement board" means the retirement board of the Wyoming retirement system established by this article;

(v) "Disability" means the mental or physical incapacitation of any member including:

(A) "Total disability" which is a disability condition that renders a member unable to engage in any occupation for which he is reasonably suited by training or experience and which is reasonably expected to last at least twelve (12) months; and

(B) "Partial disability" which is a disability condition that renders a member unable to perform the occupation for which he is reasonably suited by training and experience but still allows him to function in other employment and which is reasonably expected to last at least twelve (12) months.

(vi) "Employer" or "participating employer" means:

(A) The state of Wyoming and any department, board, commission or other agency or instrumentality of the state;

(B) Any county, county memorial hospital, special hospital district, city or town or legally constituted department designated to the board by the appropriate governing body as an employer under this article;

(C) Any municipal corporation;

(D) Any school district;

(E) The Wyoming School Activities Association;

(F) The Wyoming Education Association;

(G) The Wyoming School Boards' Association;

(H) The Wyoming Public Employees' Association;

(J) and (K) Repealed by Laws 1994, ch. 67, § 3.

(M) The Wyoming County Commissioners' Association;

(N) The Wyoming Association of Municipalities;

(O) Any senior citizen center within the state;

(P) Community-based mental health, substance abuse, developmental disabilities, family violence and sexual assault programs which receive state support and which operate under standards established by the division of community programs [department of health] pursuant to W.S. 9-2-102, those programs and facilities serving youth certified by the department of family services pursuant to W.S. 9-2-2101 and those programs and facilities serving individuals in need of vocational rehabilitation as certified by the division of vocational rehabilitation pursuant to W.S. 9-2-109;

(Q) The legislative service office;

(R) The state judicial branch;

(S) Any community college;

(T) The University of Wyoming;

(U) Any special district; and

(W) Any other political subdivision of the state or local government or any organization or entity which by virtue of its organization or purpose is considered by the board to be a governmental entity and receives a major portion of its funding from taxing authority delegated by law, from federal, state or local government or from an agency or political subdivision of state or local government.

(vii) "Member" means and includes any full-time or regular part-time employee of an employer, including substitute teachers if treated by the employer as regular, part-time employees and including law enforcement officers and firefighter members, but "member" does not mean:

(A) An employee who is compensated:

(I) As an independent contractor; or

(II) On a fee basis.

(B) An employee who is reimbursed on a per diem basis;

(C) An employee whose term of employment is on a temporary basis for less than six (6) months;

(D) Repealed by Laws 2015, ch. 10, §2.

(E) Members of any state board or commission not otherwise employed by the state who elect in writing not to become a member of the system under rules adopted by the board;

(F) Employees covered by other retirement plans of the state or a political subdivision of the state, including:

(I) The supreme court and district court justices' pension plan, and employees covered under the judicial retirement act under W.S. 9-3-701 through 9-3-713;

(II) Police pension plans;

(III) Repealed by Laws 2008, ch. 45, § 2.

(IV) The paid firemen pension plans;

(V) The Wyoming state highway patrol, game and fish warden and criminal investigator retirement program.

(G) Members of the legislature;

(H) Students employed by the University of Wyoming, community colleges or school districts;

(J) Employees of the agricultural extension service of the University of Wyoming who hold a federal civil service appointment and are required to participate in the federal civil service retirement program;

(K) An employee of the University of Wyoming or a community college who earns no more than five thousand five hundred dollars ($ 5,500.00) per year for part-time teaching and has elected in writing not to participate in the system under rules adopted by the board;

(M) An at-will contract employee under W.S. 9-2-1022(a)(xi)(F), unless specifically authorized by the contract pursuant to W.S. 9-2-1022(a)(xi)(F)(III) or (IV);

(N) An elected member of a county, municipal or school district commission, council or board, if:

(I) The commission, council or board on which the elected member serves participates in the system;

(II) The elected member is otherwise employed by an entity participating in the system; and

(III) The elected member elects in writing at the beginning of the member's service on the commission, council or board not to become a member of the system, for purposes of his service as an elected official, under rules adopted by the board. An election pursuant to this subdivision is irrevocable during the remainder of the member's service on the commission, council or board.

(viii) Repealed by Laws 1994, ch. 67, § 3.

(ix) "Prior creditable service" means service credit earned by a member prior to April 1, 1953 in one (1) of the terminated systems and for which necessary employer and employee contributions were transferred to the retirement system;

(x) "Employee" means an employee of a participating employer as defined by this article;

(A) through (H) Repealed by Laws 1994, ch. 67, § 3.

(xi) Repealed by Laws 1994, ch. 67, § 3.

(xii) "Interest" means interest compounded annually at the rate or rates determined by the board, not exceeding the average amount of interest actually earned per annum by the account;

(xiii) "Retire", "retired" or "retirement" means the termination of a member's working career for a salary as an employee and the fulfillment of the requirements for eligibility to receive either a retirement or a disability benefit under this article;

(xiv) "Retirement benefit" or "benefit" means a sum of money paid monthly in accordance with this article to a member who has retired;

(xv) "Firefighter member" means any employee of a Wyoming national guard fire department crash and rescue unit employed on a full-time basis for firefighting and rescue operations within the department;

(xvi) "Salary" means the cash remuneration paid to a member in a calendar year, including employee contributions required by W.S. 9-3-412 and including member contributions paid by the employer under a salary reduction arrangement under W.S. 9-3-412(c). "Salary" taken into

account for a member shall not exceed the amount specified under section 401(a)(17) of the United States Internal Revenue Code;

(xvii) "Terminated system" or repeal acts in the case of a teacher means the Wyoming teacher retirement system provided by Chapter 159, Session Laws of Wyoming, 1951, and in the case of a state employee means the state employees' retirement association provided by Chapter 42, Session Laws of Wyoming, 1949, as amended by Chapter 140, Session Laws of Wyoming, 1951;

(xviii) "Law enforcement officer" or "officer" means any member who is a county sheriff, deputy county sheriff, municipal police officer, duly authorized investigator of the Wyoming livestock board meeting the specifications of W.S. 7-2-101(a)(iv)(E), investigator employed by the Wyoming state board of outfitters and professional guides meeting the specifications of W.S. 7-2-101(a)(iv)(J), Wyoming correctional officer, probation and parole agent employed by the Wyoming department of corrections, Wyoming law enforcement academy instructor, University of Wyoming campus police officer, detention officer or dispatcher for law enforcement agencies;

(xix) "Highest average salary" means:

(A) For members not subject to subparagraph (B) of this paragraph, the average annual salary of a member for the highest paid three (3) continuous years of service;

(B) For a general member initially employed after August 31, 2012 the average annual salary of the member for the highest paid five (5) continuous years of service.

(xx) "General member" means a member who is not a law enforcement officer or a firefighter member;

(xxi) "Service credit" means the credit earned by a member for eligibility for benefits and benefits payable under the system. Service credit is earned on the basis of actual years of employment for an employer as a member under rules adopted by the board under W.S. 9-3-417;

(xxii) "System" means the Wyoming retirement system created by this article;

(xxiii) "Year of service" means a twelve (12) month period of employment with an employer as a member;

(xxiv) "Retirement account" means the account established under this article;

(xxv) "Firefighter member" means any employee of a Wyoming national guard fire department crash and rescue unit employed on a full-time basis for firefighting and rescue operations within the department;

(xxvi) "Duty connected" means an illness, injury or disability from an injury or disease which results primarily from a specific act or occurrence determinable by a definite time and place,

from a physical or mental trauma which arises from the nature and in the course of a person's law enforcement employment;

(xxvii) "Eligible retirement plan" means:

(A) An annuity contract described in section 403(b) of the Internal Revenue Code;

(B) An eligible plan under section 457(b) of the Internal Revenue Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state;

(C) An individual retirement account or annuity described in section 408(a) or 408(b) of the Internal Revenue Code that is eligible to be rolled over and would otherwise be includible in gross income; or

(D) A qualified plan described in section 401(a) or 403(a) of the Internal Revenue Code.

(xxviii) "Rollover contribution" means the transfer of funds from an eligible retirement plan, in an amount eligible to be rolled over to a qualified trust in accordance with applicable law and for which the member provides evidence satisfactory to the system that such amount qualifies for rollover treatment;

(xxix) "General member initially employed after August 31, 2012" means a general member, other than a member meeting the provisions of subparagraph (B) of this paragraph, who:

(A) Becomes an employee for whom contributions are made for service performed on or after September 1, 2012 and:

(I) Was not previously a contributing member; or

(II) Was previously a contributing member who withdrew his accumulated contributions and did not redeposit those contributions before September 1, 2012; or

(III) Was previously a contributing member who left service with less than four (4) years service credit, without withdrawing his accumulated contributions, and returned to service on or after September 1, 2012.

(B) A member who was deployed to active military or other emergency service of the United States and who was previously employed by a participating employer prior to September 1, 2012 and withdrew his accumulated contributions, shall not be deemed to be a member initially employed after August 31, 2012 due to the provisions of subdivision (A)(II) of this paragraph, if the withdrawal was in accordance with provisions of the Uniformed Services Employment and Reemployment Rights Act, 38 U.S.C. 4301 et seq., and board rules adopted to meet the requirements of that act.

§ 9-3-403. Wyoming retirement system; establishment; purpose; powers as body corporate.

The Wyoming retirement system is established to provide retirement and other benefits to eligible employees of participating employers. It shall be a body corporate, may sue and be sued and shall have all other powers and privileges of a corporation. In its name all its business shall be transacted, all funds invested and all of its monies, securities and other property held in trust for the purposes of this article.

§ 9-3-404. Wyoming retirement board; responsibility for administration of system; composition; appointment; term; vacancies; meetings; election of chairman.

(a) The responsibility for the administration and operation of the retirement system is vested solely and exclusively in the Wyoming retirement board. The board shall be composed of eleven (11) members, not more than six (6) of whom shall be from the same political party. The members shall be:

(i) The state treasurer;

(ii) A retired recipient of the retirement system;

(iii) Two (2) members, exclusive of the public school system, the community colleges and the University of Wyoming, one (1) of which is a participant in the Wyoming deferred compensation program established under W.S. 9-3-501 through 9-3-508;

(iv) Two (2) members of the public school system, the community colleges or the University of Wyoming;

(v) Five (5) qualified electors from Wyoming who are known for their public spirit and business or professional ability, none of whom are members and at least one (1) of whom has professional expertise in investments and finance.

(b) The governor, with the consent of the Wyoming senate, shall appoint all board members other than the state treasurer. Appointed board members shall serve six (6) year terms and may be removed by the governor as provided in W.S. 9-1-202.

(c) A vacancy shall be filled as provided in W.S. 28-12-101.

(d) The board shall meet annually and elect a chairman from among its members. The board shall meet at such other times as the chairman directs or upon request of a majority of its members.

§ 9-3-405. Retirement board duties and powers.

(a) In addition to any other duties prescribed by law, the board shall:

(i) File with the legislative service office:

(A) All system actuarial reports;

(B) An annual audit report by an independent audit firm showing the financial status of the retirement system. The report required by this paragraph shall be submitted as part of the annual report required by W.S. 9-2-1014;

(C) A statement of any proposed benefit changes and the projected cost of the changes to the system.

(ii) At the request of any city, town or county not covered by the state retirement system, negotiate terms and conditions through which the city, town or county and its employees could become members of the state retirement system in accordance with the following terms and conditions:

(A) Any city, town or county may choose to cover only its full-time employees under the retirement system;

(B) Liabilities for any city, town or county's employees' service rendered prior to affiliation with the retirement system and credited by the local retirement program shall be determined according to procedures the board adopts after consultation with the system actuary;

(C) Excluding law enforcement officers, the service rendered by any city, town or county's employees prior to affiliation with the retirement system and which may be credited toward retirement under the retirement system shall not exceed ten (10) years and shall be the shorter of ten (10) years or the period from July 1, 1971 to the entry date of the political subdivision into the retirement system. Service rendered by any city, town or county law enforcement officer prior to affiliation with the retirement system and which may be credited toward retirement under W.S. 9-3-432 shall include all years served as a law enforcement officer with that city, town or county. Effective July 1, 2002, and ending June 30, 2008, any city, town or county may elect to have its law enforcement officers covered under W.S. 9-3-432, if such law enforcement officers were not participating in a pension fund pursuant to W.S. 15-5-301 prior to July 1, 2002. Any such election shall be subject to the following:

(I) The city, town or county shall contribute funds in an amount equivalent to one-half (1/2) the cost of each officer's prior service credits with the city, town or county;

(II) The city, town or county may require the officer to contribute the amount specified in subdivision (I) of this subparagraph as a condition of participation in the election to be covered under W.S. 9-3-432;

(III) The state shall contribute funds in an amount equivalent to one-half (1/2) the cost of each officer's prior service with the city, town or county.

(D) Affiliation with the retirement system shall be effective as of July 1, following a determination of the city, town or county's liabilities and completion of other reasonable procedures as the board directs.

(iii) Receive and act upon reports relating to the operations and funds of the system;

(iv) Ensure that the system is administered according to law;

(v) Serve as investment trustee of the funds of the system;

(vi) Through the director employed under W.S. 9-3-406(a), administer the Wyoming deferred compensation program established under W.S. 9-3-501 through 9-3-508;

(vii) In collaboration with participating employers, provide information, through a variety of methods including a mandatory education program, to all employees who are members as of July 1, 2012, and to all members initially enrolling after July 1, 2012. The information and program shall review retirement benefits, costs expected to be incurred in retirement and income amounts anticipated to be necessary to maintain the member's preretirement standard of living. The information and program shall:

(A) Emphasize that benefits provided under the plans administered by the Wyoming retirement board should not be expected to provide one hundred percent (100%) of the member's required income in retirement;

(B) Advise that no future cost-of-living increases or other benefit increases are incorporated into the plans as constructed;

(C) Contain citation to and the language of W.S. 9-3-428 providing that nothing in Wyoming statutes title 9, chapter 3, article 4, shall be construed to acknowledge any past, present or future liability of or obligate the state of Wyoming for contribution except the employer's contributions provided for in that article, to either the Wyoming retirement system provided by that article or any other retirement system previously existing in the state of Wyoming.

(b) The board may establish special pay plans that upon retirement or separation from service, entitle an employee of the state to a contribution to a qualified retirement plan established in the employee's name. Special pay plans established under this paragraph shall be in compliance with section 401(a) of the federal Internal Revenue Code, which reduce the federal tax burden on accumulated vacation, sick or other accumulated leave payments to employees upon retirement or separation from service. In the event an employee elects to withdraw his contribution to the special pay plan prior to reaching age fifty-five (55), the state shall reimburse the employee the difference between any Federal Insurance Contributions Act (FICA) and any Medicare tax savings to the employee and any early withdrawal penalty imposed by the Internal Revenue Service.

(c) For purposes of preparation of the administration and operational budget of the board, the board shall operate on a fiscal year commencing on July 1. The board may operate the state retirement account and any other retirement account under its management upon a calendar year basis or a fiscal year basis as the board determines appropriate.

§ 9-3-406. Retirement board; employment and compensation of director, consulting actuary and assistants; director designated secretary; compensation of members; quorum; seal.

(a) The board shall employ a director and a consulting actuary and other professional and clerical assistants necessary for the administration of the retirement system and the Wyoming deferred compensation program established under W.S. 9-3-501 through 9-3-508. The compensation of employees shall be fixed by the board, subject to confirmation and approval by the personnel division and together with all other necessary expenses of the board shall be paid by vouchers drawn on the state treasurer of Wyoming. The director shall also serve, without additional compensation, as secretary of the board. The board shall have the authority to obtain the financial and criminal background history of an employee or employment applicant of the Wyoming retirement system in accordance with W.S. 7-19-106 and 7-19-201.

(b) The members of the board, other than the five (5) elector members shall serve without compensation but shall suffer no loss of wages for the time devoted to the duties of the board. The elector members of the board shall receive fifty dollars ($ 50.00) per day for the time actually and necessarily devoted to the duties of the board. All members and employees of the board shall be reimbursed for their expenses incurred through service on the board at rates applicable to other state employees.

(c) A majority of the members of the board constitutes a quorum for the transaction of its business. The board may adopt and use a common seal and alter it at the board's direction.

§ 9-3-407. Retirement board; control and management of account containing assets of retirement system; payments from account.

(a) The retirement account is established.

(b) The board has the control and management of the retirement account which shall contain all the assets of the retirement system.

(c) From the retirement account shall be paid:

(i) Refunds of member accounts in accordance with this article;

(ii) Benefits for members retired under the terminated systems;

(iii) Repealed by Laws 1994, ch. 67, § 3.

(iv) Retirement or disability benefits under this article;

(v) Death and survivor benefits as provided for by this article; and

(vi) Reasonable administrative expenses under this article.

§ 9-3-408. Designated custodian of retirement account; disbursements; investment of account monies.

(a) The board may designate the state treasurer or a master custodial bank approved by the state treasurer as the custodian of the retirement account. Disbursements from the retirement account for purposes specified in W.S. 9-3-407(c) shall be made only upon warrants drawn by the state auditor upon certification by authorized system employees. All retirement account disbursements shall be accounted for in accordance with the uniform state accounting system or in a manner approved by the state auditor or the state treasurer as provided under W.S. 9-4-214. As used in this subsection, "authorized system employees" means the director and his designees who have authorized signatures on file with the state auditor.

(b) The board, or its designee, which shall be registered under the Investment Advisor's Act of 1940 as amended, or any bank as defined in that act, upon written authority, shall invest monies in the retirement account, which investments shall not be considered disbursements for the purposes of W.S. 9-4-214 and subsection (a) of this section. In investing and managing monies in the retirement account, the board, or its designee, 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.

(i) through (vi) Repealed by Laws 1997, ch. 148, § 2.

(c) Repealed by Laws 1997, ch. 148, § 2.

(d) The director of the retirement system, upon approval and authority of the retirement board, may make use of the services of whatever investment board or commission which has been designated by legislative action for the purpose of assisting in the selection of investments for public funds of this state.

(e) The board may for purposes of this section, retain the services of a custodial bank to supervise a program of securities lending in exchange for a fee or other consideration. Supervision of the program shall include:

(i) Procedures to review the creditworthiness of all borrowers;

(ii) Requirements for full collateralization of all loans; and

(iii) Other methods and procedures required by the board for securing the lending program.

(f) Repealed by Laws 2006, ch. 51, § 2.

§ 9-3-409. Retirement board; rules and regulations; powers and privileges required to perform functions; requiring employers to furnish information and keep records.

(a) The retirement board shall adopt rules and regulations for the administration of the retirement system and the control and disbursement of its assets, the administration of the Wyoming deferred compensation program established under W.S. 9-3-501 through 9-3-508 and shall have the powers and privileges required in the performance of its functions under this article and W.S. 9-3-501 through 9-3-508.

(b) The board shall:

(i) Regulate the duties of participating employers imposed by this article;

(ii) Specify the time, place, amount and manner in which contributions shall be withheld and paid;

(iii) Require employers to furnish information in written or electronic format and keep records necessary for the discharge of its duties under this article. The board shall assist employers in complying with any electronic reporting requirements imposed under this paragraph;

(iv) Require any county memorial hospital or special hospital district electing to participate in the Wyoming retirement system to provide written notice to the board of its election pursuant board issued guidelines. The board shall not implement coverage for any county memorial hospital or special hospital district employee until funds payable to the Wyoming retirement system are received for deposit into the retirement account, as necessary for maintaining the actuarial integrity of the account and funding all liability arising under this act, for years of service prior to the date of entry or expansion of coverage.

§ 9-3-410. Retirement board; actuarial investigation and valuation of system; annual valuation of assets and liabilities to be prepared and published; public record of proceedings.

(a) The retirement board shall keep in convenient form data necessary for actuarial valuations and investigations of the retirement system. At least once in each six (6) year period, the board shall cause an actuarial valuation to be made of the retirement system. An actuarial investigation of all the experience under the retirement system shall be made at times the board directs but not less often than once in each eight (8) year period.

(b) The board shall cause an annual valuation to be made of the assets and liabilities of the retirement system and shall prepare an annual statement of the accrued liability contribution rate which, after approval by the legislature, shall be payable by the employers. The board shall also

publish annually the valuation of the assets and liabilities and a statement of receipts and disbursements of the retirement system.

(c) The board shall keep a record of all of its proceedings which shall be open to public inspection.

§ 9-3-411. Retirement board; right to hearing before board; judicial review.

Any person aggrieved by any ruling of the board is entitled to a hearing before the board after giving reasonable notice. The decision of the board upon hearing is a final administrative decision and is subject to judicial review in accordance with the Wyoming Administrative Procedure Act.

§ 9-3-412. Members' contributions; payroll deductions; employer authorized to pay employee's share.

(a) Except as otherwise provided in this section and W.S. 9-3-431 and 9-3-432, every member covered under this article, shall pay into the account seven and one-half percent (7.5%) of his salary for the period from September 1, 2013 through June 30, 2014, and thereafter eight and one-quarter percent (8.25%) of his salary. Every firefighter member covered under this article shall pay into the account seven percent (7%) of his salary. Payments shall be deducted each pay period from each member's salary by the chief fiscal officer of each participating employer. Employee contributions shall be transferred to the account in accordance with subsection (c) of this section.

(b) Except as provided by W.S. 9-2-1022(a)(xi)(F)(III) or (IV), in order to be treated as employer contributions for the sole purpose of determining tax treatment under the United States Internal Revenue Code, section 414(h) the contributions required by subsection (a) of this section shall be paid by the employer for state employee members and may be paid by the employer for member employees of political subdivisions of this state. Any contract employee authorized to participate in the state retirement system under W.S. 9-2-1022(a)(xi)(F)(III) shall pay the entire member contribution and the entire employer contribution under W.S. 9-3-413. For the contributions as provided by W.S. 9-2-1022(a)(xi)(F)(IV), the contributions required by subsection (a) of this section may be paid by the Wyoming livestock board for state employee members in order to be treated as employer contributions for the sole purpose of determining tax treatment under the United States Internal Revenue Code, section 414(h). The amounts shall be stated in the employment contract.

(c) The contributions under subsection (b) of this section shall be paid from the source of funds which is used in paying salary to the member. The employer may pay these contributions by a reduction in cash salary of the member or by an offset against a future salary increase, or by a combination of a reduction in salary and an offset against a future salary increase, provided:

(i) No salary reduction, offset or combination thereof shall exceed the percentage amount actually deducted from a member's salary for contributions to the Wyoming retirement system;

(ii) Except as provided in paragraphs (iii) and (iv) of this subsection, any employer may pay any amount of a member's share of retirement contributions without a salary reduction, offset or combination thereof;

(iii) For state employee members five and fifty- seven hundredths percent (5.57%), except that for the period from September 1, 2013 through June 30, 2014 five and eighty-two hundredths percent (5.82%), for the period from July 1, 2014 through June 30, 2016 six and one hundred ninety-five thousandths percent (6.195%), and for the period from July 1, 2016 through June 30, 2017 five and nine hundred forty-five thousandths percent (5.945%), of the member's salary shall be paid by the employer without any salary reduction or offset. The remaining portion of the state employee's contribution shall be paid through a reduction in cash salary of the state employee unless specified otherwise by legislative act; and

(iv) For full-time brand inspection contract employees authorized to participate in the state retirement system under W.S. 9-2-1022(a)(xi)(F)(IV), not more than five and fifty-seven hundredths percent (5.57%), except that for the period from September 1, 2013 through June 30, 2014 five and eighty-two hundredths percent (5.82%), for the period from July 1, 2014 through June 30, 2016 six and one hundred ninety-five thousandths percent (6.195%), and for the period from July 1, 2016 through June 30, 2017 five and nine hundred forty-five thousandths percent (5.945%), of the contract employee's salary shall be paid by the livestock board unless specified otherwise by legislative act.

(d) Repealed by Laws 2002, Sp. Sess., ch. 82, § 3.

§ 9-3-413. Employer's contributions; payable monthly; transfer to account; interest imposed upon delinquent contributions; recovery.

Except as provided by W.S. 9-2-1022(a)(xi)(F)(III) or (IV), 9-3-431 and 9-3-432, each employer including employers of firefighter members, shall on a monthly basis, pay into the account a contribution equal to seven and twelve hundredths percent (7.12%) until June 30, 2014, of the salary paid to each of its members covered under this article. For the period from July 1, 2014 through June 30, 2015, each employer, excluding employers of firefighter members, shall on a monthly basis, pay into the account a contribution equal to seven and sixty-two hundredths percent (7.62%) of the salary paid and thereafter eight and thirty-seven hundredths percent (8.37%) of the salary paid. After June 30, 2014 employers of firefighter members shall pay into the account a contribution equal to seven and twelve hundredths percent (7.12%) of the salary paid. Employer contributions for any month, together with the members' contributions for that month, if any, shall be transferred to the board not later than the twelfth day of the following month. These contributions shall be credited to the account in a manner as directed by the board. Any employer failing to transfer contributions under this section in sufficient time for the board

to receive the contributions by the twenty-fifth day of the month due shall be assessed interest at the assumed rate of return as determined by the board, compounded annually. Interest imposed under this section shall be payable not later than the twelfth day of the next succeeding month. If the contributions and any interest imposed under this section are not transferred to the board when due, they may be recovered, together with court costs, in an action brought for that purpose in the first judicial district court in Laramie County, Wyoming.

§ 9-3-414. Provision for employers' contributions to be made in budgets; notice to department heads.

Provision for the payment by employers of the employers' contributions under this article shall be made in the budgets of the several departments, divisions and subdivisions of the state government and of other employer units. At least thirty (30) days prior to the date for submission of departmental budgets to the state budget officer, the Wyoming retirement board shall notify all department heads that it will be necessary to include funds in the departmental budget for the payment of employers' contributions under this article for the ensuing appropriation period.

§ 9-3-415. When retirement permitted; service credit.

(a) Except as provided under W.S. 9-3-431 and 9-3-432, normal retirement benefits under the system are payable to a member who:

(i) Has at least four (4) years of service credit and is at least sixty (60) years of age and is not subject to paragraph (ii) of this subsection; or

(ii) If a general member initially employed after August 31, 2012, has at least four (4) years of service credit and is at least sixty-five (65) years of age; or

(iii) Has a combined total of years of service credit and years of age which equals at least eighty-five (85).

(b) Except as provided under W.S. 9-3-432 or subsection (k) of this section, early retirement benefits are payable to a member who has at least four (4) years of service and is at least fifty (50) but not yet sixty (60) years of age or has at least twenty-five (25) years of service and is not yet fifty (50) years of age. The early retirement benefit amount is equal to the normal retirement benefit amount otherwise payable reduced on an actuarial equivalent basis under rules established by the board.

(c) Repealed by Laws 2001, ch. 38, § 2.

(d) Any vested member may elect to make a one-time purchase of up to five (5) years of service credit as authorized and limited by section 415(c) and 415(n) of the Internal Revenue Code and established in rules promulgated by the board. Any member electing to purchase service credit shall pay into the account a single lump-sum amount equal to the actuarial equivalent of the

benefits to be derived from the service credit, the individual's attained age and the benefit structure of the appropriate plan. A member may purchase service credit with personal funds or, subject to rules and regulations established by the board, through rollover contributions. Unless received by the system in the form of a direct rollover, the rollover contribution shall be paid to the system on or before sixty (60) days after the date it was received by the member. Service credit purchased under this subsection shall qualify as service credit defined in W.S. 9-3-402(a)(xxi), 9-3-602(a)(iii), 9-3-702(a)(iii) and 15-5-402(a)(iv) but shall not be used to determine whether a member is a general member initially employed after August 31, 2012.

(e) Any person who is participating in a lawfully established retirement plan of any Wyoming community college or the University of Wyoming as authorized by W.S. 21-19-102 and elects coverage under this article shall have his Wyoming service under both the community college or University of Wyoming retirement plan and under this article counted to meet the eligibility requirements for retirement as specified in this section.

(f) Repealed by Laws 2002, Sp. Sess., ch. 82, § 3.

(g) Subject to subsection (h) of this section and in accordance with rule and regulation of the board protecting the actuarial integrity of the system and its status as a federally qualified plan, any retired member rehired after a break in service of not less than thirty (30) days by a participating employer to fill a vacant full-time position of a regular contributing employee in any capacity including, but not limited to, as a contract employee or as an employee of a third party contractor under an agreement with a participating employer, shall notify the board in writing of his election to:

(i) Discontinue retirement benefits and be reinstated as a contributing member; or

(ii) Continue receiving retirement benefits and not be reinstated as a contributing member.

(h) If a retired member is rehired by a participating employer to fill a vacant full-time position of a regular contributing employee in any capacity including, but not limited to, as a contract employee or as an employee of a third party contractor under an agreement with a participating employer, and the retiree is rehired following a break in service of not less than thirty (30) days, the employer shall pay into the account an amount equal to both the members' and employer's contributions required by law under the Wyoming retirement system based upon the retiree's salary. Service by the retiree under this subsection shall not increase retirement benefits under the Wyoming retirement system.

(i) and (ii) Repealed by Laws 2007, ch. 78, §2.

(j) If any retired member or employer violates subsection (h) of this section, the board shall immediately cancel the retiree's retirement benefit and shall reinstate that member as a contributing member.

(k) For a general member initially employed after August 31, 2012, early retirement benefits are payable to a general member who has at least four (4) years of service and is at least fifty-five (55) but not yet sixty-five (65) years of age or has at least twenty-five (25) years of service and is not yet fifty-five (55) years of age. The early retirement benefit amount is equal to the normal retirement benefit amount otherwise payable reduced on an actuarial equivalent basis under rules established by the board.

(m) Any vested member who was honorably discharged from the military service of the United States may elect to purchase service credit in the retirement system, subject to the following:

(i) Purchase of service credit shall be as authorized and limited by section 415(c) and 415(n) of the Internal Revenue Code and rules promulgated by the board;

(ii) One (1) year of service credit may be purchased for each year of military service, up to a maximum of eight (8) years;

(iii) Cumulative purchases of service credit under this section and as otherwise authorized under the Wyoming Retirement Act shall not exceed eight (8) years;

(iv) An employee electing to purchase service credit shall pay into the account a single lump-sum amount equal to the actuarial equivalent of the benefits to be derived from the service credit computed on the basis of actuarial assumptions approved by the board and the individual's attained age;

(v) The lump sum may be paid with funds from any source, including rollover contributions, subject to rules and regulations established by the board. Unless received by the retirement system in the form of a direct rollover, the rollover contribution shall be paid to the program not more than sixty (60) days after the date it was received by the member;

(vi) Service credit purchased under this subsection shall not be used to determine vested eligibility to receive benefits under this article;

(vii) Service credit purchased under this subsection shall qualify as service credit defined in W.S. 9-3-402(a)(xxi), 9-3-602(a)(iii), 9-3-702(a)(iii) and 15-5-402(a)(iv) but shall not be used to determine whether a member is a general member initially employed after August 31, 2012.

§ 9-3-416. Members leaving service without withdrawing accumulated contributions eligible for retirement.

Except for law enforcement officers, any member who has left service without withdrawing his accumulated contributions and who has a minimum of four (4) years of service is eligible to receive a retirement benefit computed according to the terms of this article, at the age specified in W.S. 9-3-415(a), (b) or (k). Law enforcement officers leaving service without withdrawing accumulated contributions and who have a minimum of four (4) years of service may receive a

retirement benefit amount in accordance with W.S. 9-3-432. Firefighter members leaving service without withdrawing accumulated contributions and who have a minimum of four (4) years of service may receive a retirement benefit amount in accordance with W.S. 9-3-431.

§ 9-3-417. Determination of eligibility for retirement; board to determine equivalent of years of service; credit for military service.

(a) The board shall determine the total years of service creditable to each member for the purpose of determining eligibility for retirement under this article including law enforcement officers for retirement under W.S. 9-3-432. It may require members to file detailed statements of all service as a covered member and to give other necessary information as a condition to the receipt of benefits under this article.

(b) The board shall determine and adopt appropriate rules and regulations defining how much service in any year is the equivalent of one (1) year of service, but in no case shall it allow credit for more than one (1) year of service for all service rendered within one (1) calendar year. In addition, part-time employment shall be credited as follows, with eighty-six (86) or more hours per month considered full-time employment:

(i) Forty (40) or more but less than eighty-six (86) hours per month -- one half (1/2) month credit;

(ii) less than forty (40) hours per month -- one quarter (1/4) month credit.

(c) Credit shall be allowed for any period of time after commencement of participation in the retirement program which a member spends in active military or other emergency service of the United States in accordance with rules adopted by the board pursuant to the Uniformed Services Employment and Reemployment Rights Act, 38 U.S.C. 4301 et seq. In accordance with rule and regulation of the board, until June 30, 2018 up to two (2) years of credit allowed under this subsection may be provided at no cost to the member. After June 30, 2010, each state agency, department or institution, including the University of Wyoming and the community colleges shall estimate the amount required for provision of credits under this subsection for the next biennium and shall include the estimate in the agency's biennial budget request. Provision for payment of employer's contributions under this subsection shall be as provided in W.S. 9-3-414.

(d) Repealed by Laws 1994, ch. 67, § 3.

§ 9-3-418. Amount of service retirement benefit; firefighter members excluded.

(a) The normal retirement benefit for a member who first becomes covered under this article after June 30, 1981 and before September 1, 2012 is equal to two and one-eighth percent (2 1/8%) of the highest average salary multiplied by his years of service credit for the first fifteen (15) years of service credit, and two and one-fourth percent (2 1/4%) of the highest average

salary multiplied by his years of service credit for any years of service credit exceeding fifteen (15) years.

(b) The retirement benefit for a member with service after March 31, 1953 but prior to July 1, 1981 is equal to the following:

(i) Repealed by Laws 1994, ch. 67, § 3.

(ii) A monthly benefit amount based on the actuarial equivalent of double the member's account with any applicable increase under W.S. 9-3-419; or

(iii) Two and one-eighth percent (2 1/8%) of the member's highest average salary multiplied by his years of service credit for the first fifteen (15) years of service credit, and two and one-fourth percent (2 1/4%) of the member's highest average salary multiplied by his years of service credit for any years of service credit exceeding fifteen (15) years.

(c) and (d) Repealed by Laws 1994, ch. 67, § 3.

(e) This section does not apply to any firefighter member covered and vested under W.S. 9-3-431 or any law enforcement member covered and vested under W.S. 9-3-432.

(f) Benefits shall not be payable under the system to the extent that they exceed the limitations imposed by section 415(b) of the United States Internal Revenue Code. The board shall provide any benefits in excess of the limitations under special pay plans authorized under W.S. 9-3-405(b) to the extent the benefits can be provided and the system retain qualified plan status under the Internal Revenue Code.

(g) The normal retirement benefit for a member initially employed after August 31, 2012 is equal to two percent (2%) of the highest average salary multiplied by his years of service credit.

§ 9-3-419. Retirement benefit adjustments.

(a) The retirement benefit specified under W.S. 9-3-418(b)(ii) is subject to the following cumulative increases:

(i) The benefit for covered service prior to July 1, 1975 is increased by twenty-five percent (25%) with a maximum increase of twenty-five dollars ($ 25.00) per month;

(ii) The benefit of a member, survivor or beneficiary is increased by forty percent (40%);

(iii) The benefit of a member for service prior to July 1, 1975 is increased by twenty percent (20%).

(iv) through (vii) Repealed by Laws 1994, ch. 67, § 3.

(b) Repealed by Laws 2012, ch. 107, § 3.

§ 9-3-420. Option as to form of benefit; beneficiary designations.

(a) Subject to uniform rules and regulations the board prescribes, a member may instead of the service retirement benefits provided in this article, elect one (1) of the following forms of retirement benefits which shall be the actuarial equivalent of the benefit to which he would otherwise be entitled:

(i) A one hundred percent (100%) joint and survivor benefit which provides reduced monthly service retirement benefit payments during the retired member's life and upon his death after retirement continues payments in the same reduced amount to a designated beneficiary during the life of the beneficiary;

(ii) A fifty percent (50%) joint and survivor benefit which provides reduced monthly service retirement benefit payments during the retired member's life and upon his death after retirement continues payments, in the amount of fifty percent (50%) of the reduced amount, to the designated beneficiary during the life of the beneficiary;

(iii) A benefit which provides reduced monthly service retirement payments with provision for the continuance of payments for ten (10) years certain and life thereafter. If the retired member dies within ten (10) years after retirement, the remaining guaranteed payments shall be made to his designated beneficiary. This beneficiary may be changed at any time by written notification to the board as provided in subsection (b) of this section;

(iv) The largest possible benefit for life with no lump sum refund or benefit for anyone else upon the retired member's death;

(v) Any other modified monthly service retirement benefit, including any other modified joint and survivor monthly service retirement benefit, actuarially determined, which the board approves.

(b) An election of an optional benefit shall be in writing and filed with the system prior to the first benefit payment. The election is final and not subject to change unless a designated beneficiary dies prior to the first benefit payment, in which case the election is void, the member may designate a new beneficiary and may select a different option.

(c) The retirement benefits payable under optional forms available under this section shall be the actuarial equivalent amount of the normal benefit form under W.S. 9-3-415 and, if applicable, 9-3-431 and 9-3-432.

§ 9-3-421. Death benefits; monthly benefit option; refund of excess employee contributions plus interest; medical insurance premiums.

(a) If a member dies before retirement under the system, the member's account plus an additional amount equal to the member's account shall be paid to the member's designated beneficiaries, or

in the absence of designated beneficiaries to his estate. If the member is vested, instead of a lump sum payment, a beneficiary may elect to receive the actuarial equivalent of the lump sum of any benefit for life which is available to a retired member as provided in this article. A beneficiary, who is the surviving spouse of the deceased member and who elects to receive the actuarial equivalent of the lump sum, as a life benefit may, within eighteen (18) months of the death of the member, elect to receive the lump sum death benefit otherwise provided in this subsection plus interest accumulated on that amount less any payments received by the surviving spouse.

(b) Unless otherwise provided by the benefit option selected by a member pursuant to W.S. 9-3-420, if any member receiving benefits or his beneficiary receiving retirement benefits under this article dies before the total amount of benefits paid to either the member or his beneficiary or both equals the amount of the member's account at retirement, then the excess, if any, shall be paid to any other named beneficiary, if any, or to the member's estate.

(c) A designated beneficiary of a member, by signed affidavit, may request that medical insurance premiums be paid from the member's account balance for a period not to exceed four (4) months after the death of the member or until a benefit option has been elected.

§ 9-3-422. Disability retirement; board determination; reports and examinations; amount; options as to form of benefit.

(a) Except as specified for law enforcement officers under W.S. 9-3-432, any member in service who has ten (10) or more years of service credit during which contributions have been paid because of illness or injury outside of or in the scope of employment, or any firefighter member in service for whom contributions have been paid because of injury in the scope of employment, may retire on account of a total or partial disability in accordance with rules and regulations adopted by the board. In determining mental or physical incapacitation for disability retirement under this section, the board may require physician reports, medical examinations, functional capacity evaluations, vocational examinations and other necessary reports and examinations for purposes of this section. The costs of any functional capacity evaluation, vocational examination or other specialized test required under this subsection shall be paid from the retirement account.

(b) Upon retirement for a total disability and except as provided under W.S. 9-3-431(f) and 9-3-432(h), a member shall receive a monthly disability retirement benefit for the period of his disability equal to one hundred percent (100%) of his service retirement benefit under this article as if the member was eligible for normal retirement benefits. Upon retirement for a partial disability, a member shall receive a monthly disability retirement benefit for the period of his disability equal to fifty percent (50%) of the normal retirement benefit payable to the member as if the member were eligible for normal retirement benefits. Disability benefits are payable for the life of the member or until the member is no longer disabled.

(c) Any employee granted disability retirement under this section shall at the time retirement is granted, elect to receive either the benefit authorized by this section or one (1) of the joint and survivor benefit options specified in W.S. 9-3-420.

§ 9-3-423. Disability; medical and other examinations, tests and evaluations subsequent to retirement; failure to submit to examinations, tests and evaluations; restoration to service; deduction from benefit for excess earnings.

(a) Once each year during the first five (5) years following retirement of a member for disability under the system, and once in every three (3) year period thereafter, the board may require a member who is not eligible for normal retirement benefits pursuant to W.S. 9-3-415(a) or 9-3-431 to undergo a medical examination by a physician designated by the board or any other examination, test or evaluation determined necessary by the board. If the member refuses to submit to a medical or other examination, test or evaluation, his benefit payments shall be discontinued.

(b) If any member receiving a disability benefit under this article is restored to service, the payment of the benefit shall be discontinued, that member shall become a contributing member of the system and all previous years of service credit including the period of the disability retirement, shall be credited to his service for the purpose of determining eligibility under W.S. 9-3-415 or 9-3-431.

(c) If a member is restored to service from disability retirement and subsequently discontinues his employment for any reason other than a recurrence of the original disability, or another disability, he is not entitled to any disability benefit.

(d) Any member receiving a nonduty-connected total or partial disability benefit who has not reached age sixty (60) shall annually report to the board in a form prescribed by the board, his total earnings for the preceding calendar year from any gainful employment for wages and any worker's compensation benefits. Fifty percent (50%) of the excess of any earnings or benefits over the base pay for the position held at the time of disability shall be deducted, in a manner the board determines, from his disability benefit beginning ninety (90) days following the day the report is due. If any member received a disability benefit for less than twelve (12) months in a calendar year for which earnings were reported, the deduction, if any, shall be determined on a pro rata basis.

§ 9-3-424. Refund of contributions upon termination of employment; procedure; redeposit; limitation on refund.

(a) Except as provided in subsection (b) of this section, any member covered by this article, including an at-will contract employee under W.S. 9-2-1022(a)(xi)(F)(III) or (IV), who terminates his employment or any employee of the agricultural extension service of the University of Wyoming who has not elected to continue to be covered by this article is entitled to

a refund of his account. In addition, any member who is entitled to a refund who is an at-will contract employee under W.S. 9-2-1022(a)(xi)(F)(III), shall be entitled to a refund of all contributions made to his account plus any employer matching contributions made by that member. In addition, any member who is entitled to a refund who is an at-will contract employee under W.S. 9-2-1022(a)(xi)(F)(IV), shall be entitled to a refund of all contributions made to his account including any employer matching contributions made by that member. The refunds shall be made only upon written request to the board. A member may elect, at the time and in the manner prescribed by the system, to have the refund of his account paid directly to an eligible retirement plan as specified by the member. Any member who withdraws from the system under this section shall forfeit all rights to further benefits, employer matching contributions and service credit under the system. Any person who later returns to service covered by this article may redeposit a single lump-sum amount equal to the amount of the contributions withdrawn, together with an amount equal to the actuarial equivalent of the benefits to be derived from the redeposit, past employer contributions, the individual's attained age and the benefit structure of the appropriate plan, and upon earning not less than two (2) years service credit, may reestablish his service credits as of the time of withdrawal of his contributions. For service prior to July 1, 2002, any law enforcement member covered under W.S. 9-3-432 may redeposit the amount of contributions withdrawn for service covered under W.S. 9-3-432, in a lump sum, together with interest and the actuarial equivalent of the difference between the benefit provided under W.S. 9-3-415 through 9-3-419 and the benefit provided under W.S. 9-3-432, and upon earning not less than two (2) years service credit, may reestablish his service credit as of the time of withdrawal of his contributions. Any redeposit payment pursuant to this subsection shall be made not later than ten (10) years following the date of reemployment or prior to retirement, whichever first occurs. A member may make a redeposit under this subsection with personal funds or, subject to rules and regulations established by the board, through rollover contributions. Unless received by the system in the form of a direct rollover, the rollover contribution shall be paid to the system on or before sixty (60) days after the date it was received by the member. Unless otherwise permitted by section 401(a)(8) of the Internal Revenue Code, forfeitures shall not be applied to increase the benefits that any employee would otherwise receive under the system.

(b) No member is entitled to a refund of any contributions if he is employed for a salary by an employer.

§ 9-3-425. Right of members retired under terminated systems to retirement benefits from account; no prohibition to increase provided in W.S. 9-3-419.

Any member retired under one (1) of the terminated systems or continued in retirement under the system is entitled to receive service or disability retirement benefits from the retirement account in accordance with the terminated systems. This section does not prohibit an increase in benefits as provided for in W.S. 9-3-419(a).

§ 9-3-426. Benefits, allowances and contents of account exempt from taxation and not subject to execution or attachment; assignment limited; qualified domestic relations order; system assets.

(a) The benefits and allowances and the cash and securities in the account created by this article:

(i) Are exempt from any state, county or municipal tax of this state;

(ii) Are not subject to execution or attachment by trustee process or otherwise, in law or equity, or under any other process whatsoever;

(iii) Shall not be used for any purpose other than a purpose specified in W.S. 9-3-407(c); and

(iv) Are not assignable except as specifically provided in this article.

(b) Repealed by Laws 1993, ch. 149, § 2.

(c) The retirement system including the Wyoming state highway patrol, game and fish warden and criminal investigator retirement program, any paid firemen's pension plan established under the firemen's pension account created by W.S. 15-5-202 and any plan through the volunteer firemen's pension fund account established under W.S. 35-9-602, shall pay retirement benefits in accordance with any qualified domestic relations order for the payment of a specified percentage of a member's benefits or account to an alternate payee, for a specified number of payments or period of time and from a specified retirement plan. Upon request of the alternate payee, a lump sum refund of the alternate payee's percentage of the member's account shall be paid pursuant to the qualified domestic relations order. Acceptance by the alternate payee of the lump sum refund terminates his right to any further payment or benefit provided by the retirement system. Notwithstanding any other provision of law, the retirement system is exempt from the qualified order unless:

(i) Benefits are paid pursuant to the amount, type, form and options otherwise available under the retirement system and except as otherwise provided under this subsection, are paid upon or after the member's retirement or separation from service; and

(ii) Joint survivor benefit options are not available to alternate payees.

(iii) Repealed by Laws 1995, ch. 89, § 2.

(d) The board shall review submitted domestic relations orders and shall promulgate rules and regulations for the determination of the qualified status of a submitted order and for the administration of distributions under the qualified order. Upon a determination that an order is qualified, the board shall notify the participating member and the named alternate payee of the qualified order.

(e) For purposes of this section, "qualified domestic relations order" means any judgment, decree or order including approval of a property settlement agreement, which:

(i) Relates to the provision of child or spousal support or to marital property rights of a spouse, former spouse, child or other dependent of a member;

(ii) Is made pursuant to the domestic relations law of any state; and

(iii) Creates or recognizes the existence of an alternate payee's right to, or assigns to an alternate payee the right to, receive all or a part of the member's account or of the benefits payable to the member.

§ 9-3-427. Other retirement plans prohibited.

The establishment of any annuity plan, limited service plan, pension or retirement system other than that provided by this article by any department, board, bureau or agency of the state or by any political subdivision of the state is prohibited, except this prohibition does not apply to the Wyoming state highway patrol, game and fish warden and criminal investigator retirement program. Any county memorial hospital or special hospital district that elects to participate in the state retirement system shall not otherwise participate in any other retirement system.

§ 9-3-428. Construction of article; limitation of liability of state; termination of system.

(a) Nothing in this article shall be construed to:

(i) Acknowledge any past, present or future liability of or obligate the state of Wyoming for contribution except the employer's contributions provided for in this article, to either the Wyoming retirement system provided by this article or any other retirement system previously existing in the state of Wyoming; or

(ii) Constitute a contract or binding obligation of any kind whatsoever or, except as provided in subsection (b) of this section to create or grant any vested right or interest in any individual, corporation or body politic.

(b) If the system is terminated, all affected members have a nonforfeitable interest in their benefits that were accrued and funded to date. The value of the accrued benefits to be credited to the account of each affected member shall be calculated as of the date of termination.

(c) Subject to subsection (a) of this section and W.S. 9-3-429(b), the legislature declares its intent that the system is intended to be a permanent system and has not been created for the purpose of income tax benefits.

§ 9-3-429. False statements and records prohibited; right to modify article.

(a) Any person who knowingly makes a false statement or falsifies or permits to be falsified any record used in the administration of this article, in an attempt to defraud the board, is guilty of a misdemeanor.

(b) The right to alter, amend or repeal this article or any provision thereof is reserved to the legislature.

§ 9-3-430. Application for benefits; benefit payment effective dates; minimum distribution rules.

(a) A member shall submit a written application for benefits to the system before benefits shall begin. The written application for benefits shall be on forms adopted by the board.

(b) Benefits are payable the last day of the month following the month in which the member's final contributions and employer contributions are remitted to the system and the member has submitted a complete and accurate application under subsection (a) of this section. Retirement is effective the day following the member's last working day in the system or anytime after that time when the member qualifies under W.S. 9-3-415, 9-3-416 or 9-3-431.

(c) Benefit payments under the system shall begin by the later of April 1 of the calendar year following the year in which the member reaches age seventy and one-half (70 1/2) years or retires. The member's entire interest in the system shall be distributed over the life of the member or the lives of the member and a designated beneficiary, over a period not extending beyond the life expectancy of the member or the life expectancy of the member and designated beneficiary. If a member dies after distribution of benefits has begun, the remaining portion of the member's interest shall be distributed at least as rapidly as under the method of distribution prior to the member's death. If a member dies before distribution of benefits has begun, the entire interest of the member shall be distributed within five (5) years of the member's death. The five (5) year payment rule shall not apply to any portion of the member's interest which is payable to a designated beneficiary over the life or life expectancy of the beneficiary and which begins within one (1) year after the date of the member's death. The five (5) year payment rule shall not apply to any portion of the member's interest which is payable to a surviving spouse payable over the life or life expectancy of the spouse which begins not later than the date the member would have reached age seventy and one-half (70 1/2) years. The board may by rule and regulation modify distributions under this section in order to provide minimum distributions required by section 401(a)(9) of the Internal Revenue Code or as otherwise necessary to retain qualified plan status under the Internal Revenue Code.

(d) This section applies to benefits payable under W.S. 9-3-432.

§ 9-3-431. Firefighter members; contributions; benefit eligibility; service and disability retirement benefits; termination of benefits upon failure to make timely contribution payments.

(a) In addition to contributions paid under W.S. 9-3-412 and 9-3-413, each firefighter member shall pay into the account nine and sixty-five hundredths percent (9.65%) of his salary to qualify for benefits under this section. The employer of the firefighter member may pay any or all of the employee contributions imposed under this subsection. The board may increase the contribution percentage required under this subsection by not more than one percent (1%), as necessary to maintain the actuarial integrity of the account as affected by benefits payable under this section. Payments under this subsection shall be made monthly to the account in accordance with W.S. 9-3-412 and 9-3-413.

(b) Normal retirement benefits are payable under this section to any firefighter member who:

(i) Has at least four (4) years of service credit as a firefighter member and is at least sixty (60) years of age;

(ii) Has at least twenty-five (25) years of service credit as a firefighter member and is at least fifty (50) years of age; or

(iii) Is at least fifty-five (55) years of age and has a combined total years of age and years of service credit as a firefighter member which equals not less than seventy-five (75).

(c) Early retirement benefits are payable under this section to any firefighter member who:

(i) Has at least four (4) but less than twenty-five (25) years of service credit as a firefighter member and is at least fifty (50) but less than sixty (60) years of age; or

(ii) Is less than fifty (50) years of age and has at least twenty-five (25) years of service credit as a firefighter member.

(d) The early retirement benefit amount payable under subsection (c) of this section is equal to the normal retirement benefit amount payable under subsection (b) of this section reduced to an actuarial equivalent amount as prescribed by rule and regulation of the board.

(e) The normal benefit for a firefighter member under this section is equal to two and one-half percent (2 1/2%) of the highest average salary, as defined by W.S. 9-3-402(a)(xix)(A), multiplied by the member's years of service credit as a firefighter member.

(f) Upon retirement for a partial or total disability as determined and for which the member otherwise qualifies under W.S. 9-3-422, a firefighter member shall receive a monthly disability retirement benefit for the period of qualified disability equal to sixty-five percent (65%) of his salary at the time the disability was incurred. Disability benefits are payable under this subsection for the life of the firefighter member or until the firefighter member is no longer

disabled. The firefighter member is subject to reporting, evaluation and excess earnings deduction requirements imposed under W.S. 9-3-423.

(g) The firefighter member retirement benefit program established under this section shall be discontinued by the board, and retirement benefits prescribed under this section shall be discontinued, if at any time contributions for all firefighter members required under subsection (a) of this section are not paid monthly to the retirement system when due as required by subsection (a) of this section. Upon termination of benefits under this subsection, the retirement benefits for firefighter members shall revert to and be paid under W.S. 9-3-415 and as otherwise prescribed for general members under this article. The firefighter member retirement program may be reactivated following application to and approval by the board and payment of the required contributions to cover both normal costs and any additional liability accruing during the period of program termination as determined by the system actuary. If benefits are terminated and not reactivated under this subsection, a firefighter member may receive additional benefits in proportion to the additional contributions paid on his behalf under this section, as determined by the system's actuary.

(h) Benefits shall not be payable under the system to the extent that they exceed the limitations imposed by section 415(b) of the Internal Revenue Code. The board shall provide any benefits in excess of the limitations under special pay plans authorized under W.S. 9-3-405(b) to the extent the benefits can be provided and the system retain qualified plan status under the Internal Revenue Code.

§ 9-3-432. Law enforcement officers; contributions; benefit eligibility; service and disability benefits; death benefits; benefit options.

(a) Each law enforcement officer shall pay into the account eight and six-tenths percent (8.6%) of his salary to fund benefits provided to law enforcement officers. Any contribution required under this subsection or subsection (b) of this section shall be paid by the employer from the source of funds used to pay officer salaries in order to be treated as employer contributions for the sole purpose of determining tax treatment under the United States Internal Revenue Code, § 414(h). These payments by the employer are subject to W.S. 9-3-412(c).

(b) Each employer of a law enforcement officer covered under this article shall pay into the account a contribution equal to eight and six-tenths percent (8.6%) of the salary paid to each of its law enforcement officers covered under this article and may pay into the account any amount of the officer's share of contributions under subsection (a) of this section. Payments under this subsection shall be made monthly to the account in accordance with W.S. 9-3-413 and are subject to the penalties imposed under W.S. 9-3-413 for delinquent contributions. No additional contribution shall be imposed upon the state, any city, town or county for benefits provided law enforcement officers under this article.

(c) Normal retirement benefits are payable under this section to any law enforcement officer who:

(i) Has at least four (4) years of service credit as a law enforcement officer and is at least sixty (60) years of age; or

(ii) Has at least twenty (20) years of service credit as a law enforcement officer regardless of age.

(d) Early retirement benefits are payable to any law enforcement officer who has at least four (4) years but less than twenty (20) years of service credit and is at least fifty (50) years of age.

(e) The normal retirement benefit for a law enforcement officer under this section is equal to two and one-half percent (2.5%) of the highest average salary multiplied by the years of the officer's service credit, as determined under W.S. 9-3-417. The benefit under this subsection shall not exceed seventy-five percent (75%) of the officer's highest average salary. Notwithstanding W.S. 9-3-402(a)(xix), "highest average salary" as used in this section means the average annual salary of a law enforcement officer for the highest paid five (5) continuous years of service.

(f) The early retirement benefit payable under subsection (d) of this section is equal to the normal retirement benefit payable under subsection (e) of this section reduced to an actuarial equivalent amount as prescribed by rule and regulation of the board.

(g) Repealed by Laws 2012, ch. 107, § 3.

(h) Notwithstanding W.S. 9-3-422, any law enforcement officer in service for which contributions have been paid because of a duty connected illness or injury, or except as otherwise provided under this subsection, any law enforcement officer with ten (10) years of service credit under this article because of a nonduty connected illness or injury, may retire on account of a total or partial disability in accordance with rules and regulations adopted by the board. Any law enforcement officer previously covered under W.S. 15-5-301 through 15-5-314 and transferred under this article may because of a nonduty connected illness or injury and regardless of the number of years of service credit under this article, retire on account of total or partial disability. The board shall determine mental or physical incapacitation for disability retirement under this section in accordance with W.S. 9-3-422(a) and rules and regulation of the board, and the cost of any required examination or test shall be paid as provided by W.S. 9-3-422 and rule and regulation of the board. Any law enforcement officer receiving a nonduty-connected disability benefit under this section is subject to reporting, evaluation and excess earnings deduction requirements imposed under W.S. 9-3-423 and rule and regulation of the board. Upon retirement for a disability as determined and for which a member qualifies under this section, a law enforcement officer shall for the life of the officer or until the officer is no longer disabled, receive:

(i) For a partial or total duty connected disability incurred, a monthly retirement benefit for the period of qualified disability equal to sixty-two and one-half percent (62.5%) of his salary at the time the disability was incurred;

(ii) For a partial or total nonduty connected disability incurred, a monthly retirement benefit for the period of qualified disability equal to fifty percent (50%) of his salary at the time the disability was incurred.

(j) Notwithstanding W.S. 9-3-421, any surviving spouse of an officer who dies in the scope of employment shall receive a monthly payment equal to sixty-two and one-half percent (62.5%) of the officer's salary at the time of death, plus six percent (6%) of that salary for each child under age eighteen (18), not to exceed one hundred percent (100%) of the officer's salary. Any surviving spouse of an officer who dies outside of the scope of employment shall receive a monthly payment equal to fifty percent (50%) of the officer's salary at the time of death, plus six percent (6%) of that salary for each child under age eighteen (18), not to exceed one hundred percent (100%) of the officer's salary. Notwithstanding any other provision in this subsection, any surviving spouse of any officer who retired under W.S. 15-5-301 through 15-5-314 shall receive a monthly pension equal to two-thirds (2/3) of the pension the retired law enforcement officer was receiving at the time of his death, plus sixty dollars ($ 60.00) for each child under age eighteen (18), not to exceed one hundred percent (100%) of the officer's salary.

(k) Except as provided by subsection (j) of this section, benefits specified under W.S. 9-3-421 apply to beneficiaries of a deceased officer covered under this article.

(m) Instead of the service retirement benefits provided under this section, any officer may elect one (1) of the forms of retirement benefits specified under W.S. 9-3-420. Unless otherwise provided by a benefit option selected by the officer under W.S. 9-3-420, if an officer receiving benefits or his beneficiary receiving benefits under this section dies before the total amount of benefits paid to either the member or his beneficiary or both equals the amount of the officer's account at retirement, then the excess, if any, shall be paid to any other named beneficiary, if any, or to the officer's estate.

(n) Benefits shall not be payable under the system to the extent that they exceed the limitations imposed by section 415(b) of the Internal Revenue Code. The board shall provide any benefits in excess of the limitations under special pay plans authorized under W.S. 9-3-405(b) to the extent the benefits can be provided and the system retain qualified plan status under the Internal Revenue Code.

(o) Any peace officer as defined by W.S. 6-1-104(a)(vi)(P) shall be eligible for disability benefits and death benefits under this section if the peace officer's disabilities or death are duty connected. Contributions for the benefits shall be paid as follows:

(i) The department of state parks and cultural resources shall pay into the account from general or nongeneral fund sources a contribution equal to one percent (1%) of the salary paid to the officer. No additional contribution shall be imposed upon the state for benefits provided peace officers under this subsection;

(ii) Contributions under this subsection shall be made monthly to the account in accordance with W.S. 9-3-413 and are subject to the provisions of W.S. 9-3-413 for delinquent contributions;

(iii) Contributions under this subsection shall be paid by the employer from the source of funds used to pay peace officer salaries in order to be treated as employer contributions for the sole purpose of determining tax treatment under the United States Internal Revenue Code, § 414(h).

UNIFORM MANAGEMENT OF PUBLIC EMPLOYEES RETIREMENT ACT

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DIVISION 2. UNIFORM MANAGEMENT OF PUBLIC EMPLOYEES RETIREMENT ACT

§ 9-3-433. Short title.

This act may be cited as the Uniform Management of Public Employee Retirement Systems (MPERS) Act.

§ 9-3-434. Definitions.

(a) As used in this act:

(i) "Administrator" means the director of the Wyoming retirement system;

(ii) "Agent group of programs" means a group of retirement programs which shares administrative and investment functions but maintains a separate account for each retirement program so that assets accumulated for a particular program may be used to pay benefits only for that program's participants and beneficiaries;

(iii) "Appropriate grouping of programs" means:

(A) For defined benefit plans, a cost-sharing program or an agent group of programs; and

(B) For defined contribution plans, a group of retirement programs which shares administrative and investment functions.

(iv) "Beneficiary" means a person, other than the participant, who is designated by a participant or by a retirement program to receive a benefit under the program;

(v) "Code" means the federal Internal Revenue Code of 1986, as amended;

(vi) "Cost-sharing program" means a retirement program for the employees of more than one (1) public employer in which all assets accumulated for the payment of benefits may be used to pay benefits to any participants or beneficiaries of the program;

(vii) "Defined benefit plan" means a retirement program other than a defined contribution plan;

(viii) "Defined contribution plan" means a retirement program that provides for an individual account for each participant and for benefits based solely upon the amount contributed to the participant's account, and any income, expenses, gains and losses credited or charged to the account and any forfeitures of accounts of other participants that may be allocated to the participant's account;

(ix) "Employee" includes an officer of a public employer;

(x) "Fair value" means the amount that a willing buyer would pay a willing seller for an asset in a current sale, as determined in good faith by a fiduciary;

(xi) "Fiduciary" means a person who:

(A) Exercises any discretionary authority to manage a retirement system;

(B) Exercises any authority to invest or manage assets of a system;

(C) Provides investment advice for a fee or other direct or indirect compensation with respect to assets of a system or has any authority or responsibility to do so; or

(D) Is a trustee or a member of a trustee board.

(xii) "Furnish" means:

(A) To deliver personally, to mail to the last known place of employment or home address of the intended recipient, or, if reasonable grounds exist to believe that the intended recipient would receive it in ordinary course, to transmit by any other usual means of communication;

(B) To provide to the intended recipient's public employer if reasonable grounds exist to believe that the employer will make a good faith effort to deliver personally, by mail, or by other usual means of communication; or

(C) To make available in an electronic format to be sent electronically to the intended recipient or to make available in an electronic format at a designated website.

(xiii) "Governing law" means state and local laws establishing or authorizing the creation of a retirement program or system and the principal state and local laws and regulations governing the management of a retirement program or system or assets of either;

(xiv) "Guaranteed benefit policy" means an insurance policy or contract to the extent the policy or contract provides for benefits in a guaranteed amount. The term includes any surplus in a separate account, but excludes any other portion of a separate account;

(xv) "Insurer" means a company, service, or organization qualified to engage in the business of insurance in this state;

(xvi) "Nonforfeitable benefit" means an immediate or deferred benefit that arises from a participant's service, is unconditional, and is enforceable against the retirement system;

(xvii) "Participant" means an individual who is or has been an employee enrolled in a retirement program and who is or may become eligible to receive or is currently receiving a benefit under the program, or whose beneficiaries are or may become eligible to receive a benefit. The term does not include an individual who is no longer an employee of a public

employer and has not accrued any nonforfeitable benefits under that employer's retirement program;

(xviii) "Public employer" means this state or any political subdivision, or any agency or instrumentality of this state or any political subdivision, whose employees are participants in a retirement program;

(xix) "Qualified public accountant" means:

(A) An auditing agency of this state or a political subdivision of this state which has no direct relationship with the functions or activities of a retirement system or its fiduciaries other than:

(I) Functions relating to this act; or

(II) A relationship between the system and the agency's employees as participants or beneficiaries on the same basis as other participants and beneficiaries; or

(B) A person who is an independent certified public accountant, certified or licensed by a regulatory authority of a state.

(xx) "Related person" of an individual means:

(A) The individual's spouse or a parent or sibling of the spouse;

(B) The individual's descendant, sibling or parent, or the spouse of the individual's descendant, sibling or parent;

(C) Another individual residing in the same household as the individual;

(D) A trust or estate in which an individual described in subparagraph (A), (B) or (C) has a substantial interest;

(E) A trust or estate for which the individual has fiduciary responsibilities; or

(F) An incompetent, ward or minor for whom the individual has fiduciary responsibilities.

(xxi) "Retirement program" means a program of rights and obligations which a public employer establishes or maintains and which, by its express terms or as a result of surrounding circumstances:

(A) Provides retirement income to employees; or

(B) Results in a deferral of income by employees for periods extending to the termination of covered employment or beyond.

(xxii) "Retirement system" means an entity established or maintained by a public employer to manage one (1) or more retirement programs, or to invest or manage the assets of one (1) or more retirement programs;

(xxiii) "Trustee" means a person who has ultimate authority to manage a retirement system or to invest or manage its assets;

(xxiv) "This act" means W.S. 9-3-433 through 9-3-452.

§ 9-3-435. Scope.

(a) This act applies to all retirement programs and retirement systems, except:

(i) A retirement program that is unfunded and is maintained by a public employer solely for the purpose of providing deferred compensation for a select group of management employees or employees who rank in the top five percent (5%) of employees of that employer based on compensation;

(ii) A severance-pay arrangement under which:

(A) Payments are made solely on account of the termination of an employee's service and are not contingent upon the employee's retiring;

(B) The total amount of the payments does not exceed the equivalent of twice the employee's total earnings from the public employer during the year immediately preceding the termination of service; and

(C) All payments are completed within twenty-four (24) months after the termination of service.

(iii) An arrangement or payment made on behalf of an employee because the employee is covered by Title II of the Social Security Act, as amended (42 U.S.C. Section 401 et seq.);

(iv) A qualified governmental excess benefit arrangement within the meaning of section 415(m) [26U.S.C.S. § 415(m)] of the code;

(v) An individual retirement account or individual retirement annuity within the meaning of section 408 [26U.S.C.S. § 408] of the code;

(vi) A retirement program consisting solely of annuity contracts or custodial accounts satisfying the requirements of section 403(b) [26U.S.C.S. § 403(b)] of the code; or

(vii) A program maintained solely for the purpose of complying with workers' compensation laws or disability insurance laws.

§ 9-3-436. Establishment of trust.

(a) Except as otherwise provided in subsection (b) of this section, all assets of a retirement system are held in trust for the exclusive benefit of the members, retirees and beneficiaries of the system, including reasonable administrative expenses. The trustee has the exclusive authority, subject to this act, to invest and manage those assets.

(b) Assets of a retirement system which consist of insurance contracts or policies issued by an insurer, assets of an insurer, and assets of the system held by an insurer need not be held in trust.

(c) If an insurer issues a guaranteed benefit policy to a retirement system, assets of the system include the policy but not assets of the insurer.

(d) If a retirement system invests in a security issued by an investment company registered under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.), the assets of the system include the security, but not assets of the investment company.

§ 9-3-437. Powers of trustee.

(a) In addition to other powers conferred by the governing law, a trustee has exclusive authority, consistent with the trustee's duties under this act, to:

(i) Establish an administrative budget sufficient, subject to legislative approval, to perform the trustee's duties and, as appropriate and reasonable, draw upon assets of the retirement system to fund the budget;

(ii) Obtain by employment or contract the services necessary to exercise the trustee's powers and perform the trustee's duties, including actuarial, auditing, custodial, investment and legal services; and

(iii) Procure and dispose of the goods and property necessary to exercise the trustee's powers and perform the trustee's duties.

§ 9-3-438. Delegation of functions.

(a) A trustee or administrator may delegate functions that a prudent trustee or administrator acting in a like capacity and familiar with those matters could properly delegate under the circumstances.

(b) The trustee or administrator shall exercise reasonable care, skill and caution in:

(i) Selecting an agent;

(ii) Establishing the scope and terms of the delegation, consistent with the purposes and terms of the retirement program; and

(iii) Periodically reviewing the agent's performance and compliance with the terms of the delegation.

(c) In performing a delegated function, an agent owes a duty to the retirement system and to its participants and beneficiaries to comply with the terms of the delegation and, if a fiduciary, to comply with the duties imposed by W.S. 9-3-439.

(d) A trustee or administrator who complies with subsections (a) and (b) of this section is not liable to the retirement system or to its participants or beneficiaries for the decisions or actions of the agent to whom the function was delegated.

(e) By accepting the delegation of a function from the trustee or administrator, an agent submits to the jurisdiction of the courts of this state.

(f) A trustee may limit the authority of an administrator to delegate functions under this section.\

§ 9-3-439. General duties of trustee and fiduciary.

(a) A trustee or other fiduciary shall discharge duties with respect to a retirement system:

(i) Solely in the interest of the participants and beneficiaries;

(ii) For the exclusive purpose of providing benefits to participants and beneficiaries and paying reasonable expenses of administering the system;

(iii) With the care, skill and caution under the circumstances then prevailing which a prudent person acting in a like capacity and familiar with those matters would use in the conduct of an activity of like character and purpose;

(iv) Impartially, taking into account any differing interests of participants and beneficiaries;

(v) Incurring only costs that are appropriate and reasonable; and

(vi) In accordance with a good-faith interpretation of the law governing the retirement

§ 9-3-440. Duties of trustee in investing and managing assets of retirement system.

(a) In investing and managing assets of a retirement system pursuant to W.S. 9-3-439, a trustee with authority to invest and manage assets:

(i) Shall consider among other circumstances:

(A) General economic conditions;

(B) The possible effect of inflation or deflation;

(C) The role that each investment or course of action plays within the overall portfolio of the retirement program or appropriate grouping of programs;

(D) The expected total return from income and the appreciation of capital;

(E) Needs for liquidity, regularity of income and preservation or appreciation of capital; and

(F) For defined benefit plans, the adequacy of funding for the plan based on reasonable actuarial factors.

(ii) Shall diversify the investments of each retirement program or appropriate grouping of programs unless the trustee reasonably determines that, because of special circumstances, it is clearly prudent not to do so;

(iii) Shall make a reasonable effort to verify facts relevant to the investment and management of assets of a retirement system;

(iv) May invest in any kind of property or type of investment consistent with this act; and

(v) May consider benefits created by an investment in addition to investment return only if the trustee determines that the investment providing these collateral benefits would be prudent even without the collateral benefits.

(b) A trustee with authority to invest and manage assets of a retirement system shall adopt a statement of investment objectives and policies for each retirement program or appropriate grouping of programs. The statement shall include the desired rate of return on assets overall, the desired rates of return and acceptable levels of risk for each asset class, asset-allocation goals, guidelines for the delegation of authority and information on the types of reports to be used to evaluate investment performance. At least annually, the trustee shall review the statement and change or reaffirm it.

§ 9-3-441. Special application of duties.

(a) A trustee may return a contribution to a public employer or employee, or make alternative arrangements for reimbursement, if the trustee determines the contribution was made because of a mistake of fact or law.

(b) Upon termination of a retirement program, a trustee may return to a public employer any assets of the program remaining after all liabilities of the program to participants and beneficiaries have been satisfied.

(c) If a retirement program provides for individual accounts and permits a participant or beneficiary to exercise control over the assets in such an account and a participant or beneficiary exercises control over those assets:

(i) The participant or beneficiary is not a fiduciary by reason of the exercise of control; and

(ii) A person who is otherwise a fiduciary is not liable for any loss, or by reason of any breach of fiduciary duty, resulting from the participant's or beneficiary's exercise of control.

(d) If an insurer issues to a retirement system a contract or policy that is supported by the insurer's general account, but is not a guaranteed benefit policy, the insurer complies with W.S. 9-3-439 if it manages the assets of the general account with the care, skill and caution under the circumstances then prevailing which a prudent person acting in a like capacity and familiar with those matters would use in the conduct of an activity of like character and purpose, taking into account all obligations supported by the general account.

§ 9-3-442. Reviewing compliance.

(a) Compliance by a trustee or other fiduciary with W.S. 9-3-438 through 9-3-440 shall be determined in light of the facts and circumstances existing at the time of the trustee or fiduciary's decision or action and not by hindsight.

(b) A trustee's investment and management decisions shall be evaluated not in isolation but in the context of the trust portfolio as a whole and as a part of an overall investment strategy having risk and return objectives reasonably suited to the program or appropriate grouping of programs.

§ 9-3-443. Liability of trustee or other fiduciary.

(a) Except as provided in subsection (e) of this section, a trustee or other fiduciary who breaches a duty imposed by this act is personally liable to a retirement system for any losses resulting from the breach and any profits made by the trustee or other fiduciary through use of assets of the system by the trustee or other fiduciary. The trustee or other fiduciary is subject to other equitable remedies as the court considers appropriate, including removal.

(b) An agreement that purports to limit the liability of a trustee or other fiduciary for a breach of duty under this act is void.

(c) A retirement system may insure itself against liability or losses occurring because of a breach of duty under this act by a trustee or other fiduciary.

(d) A trustee or other fiduciary may insure against liability or losses occurring because of a breach of duty under this act if the insurance is purchased or provided either by the trustee or fiduciary personally or, on the trustee or fiduciary's behalf, by this state, the retirement system, a public employer whose employees participate in a retirement program served by the trustee or fiduciary, an employee representative whose members participate in a retirement program served by the trustee or fiduciary or the trustee or fiduciary's employer.

(e) Notwithstanding subsection (a) of this section and as provided in the Wyoming Governmental Claims Act, individual board members of a retirement system are immune from

liability while acting within the scope of administering and operating a retirement system and are not personally liable for breaches of fiduciary duties in carrying out system administration and operation except in cases of willful misconduct, intentional torts or illegal acts.

§ 9-3-444. Open meetings and records.

(a) A multimember body having authority to invest or manage assets of a retirement system may deliberate about, or make tentative or final decisions on, investments or other financial matters in executive session if disclosure of the deliberations or decisions would jeopardize the ability to implement a decision or to achieve investment objectives.

(b) A record of a retirement system that discloses deliberations about, or a tentative or final decision on, investments or other financial matters is not a public record under the Wyoming Public Records Act, W.S. 16-4-201 through 16-4-205 to the extent and so long as its disclosure would jeopardize the ability to implement an investment decision or program or to achieve investment objectives.

§ 9-3-445. Disclosure to public.

(a) An administrator of a retirement system shall prepare and disseminate:

(i) A summary plan description of each retirement program;

(ii) A summary description of any material modification in the terms of the program and any material change in the information required to be contained in the summary plan description, to the extent the modification or change has not been integrated into an updated summary plan description;

(iii) An annual disclosure of financial and actuarial status; and

(iv) An annual report.

(b) An administrator shall make available for public examination in the principal office of the administrator and in other places if necessary to make the information reasonably available to participants:

(i) The governing law of the retirement program and system;

(ii) The most recent summary plan description;

(iii) Summary descriptions of modifications or changes described in paragraph (a)(ii) of this section that have been provided to participants and beneficiaries but not yet integrated into the summary plan description;

(iv) The most recent annual disclosure of financial and actuarial status; and

(v) the most recent annual report.

(c) Upon written request by a participant, beneficiary or member of the public, the administrator shall provide a copy of any publication described in subsection (b) of this section. Except as otherwise provided in W.S. 9-3-446(a), the administrator may charge a reasonable fee to cover the cost of providing copies and shall provide the copies within thirty (30) days after receiving payment.

§ 9-3-446. Disclosure to participants and beneficiaries.

(a) An administrator shall furnish to each participant and to each beneficiary who is receiving benefits under a retirement program:

(i) A copy of the most recent summary plan description, along with any summary descriptions of modifications or changes described in W.S. 9-3-445(a)(ii), within three (3) months after a person becomes a participant or, in the case of a beneficiary, within three (3) months after a person first receives benefits, or, if later, within four (4) months after the retirement program becomes subject to this act;

(ii) The summary description of any modifications or changes described in W.S. 9-3-445(a)(ii), within seven (7) months after the end of the fiscal year in which a modification or change has been made;

(iii) A copy of an updated summary plan description that integrates all modifications and changes at intervals not exceeding five (5) years; and

(iv) The annual report within seven (7) months after the end of each fiscal year.

(b) An administrator shall provide to a participant or beneficiary a statement containing information that would permit the participant or beneficiary to estimate projected benefits reasonably, to the extent the information is regularly maintained by the retirement system. The information shall be provided with the annual report or upon written request of the participant or beneficiary. The information need not be provided to a participant or beneficiary who is currently receiving benefits.

(c) A participant who is not currently receiving benefits is entitled without charge to one (1) statement under subsection (b) of this section during any fiscal year. The administrator may charge a reasonable fee to cover the cost of providing other statements. The administrator shall provide the statements within thirty (30) days after the participant or beneficiary's request or, if a fee is charged, within thirty (30) days after receiving payment.

§ 9-3-447. Reports to agency.

(a) An administrator shall file with the retirement system a copy of:

(i) The governing law of the retirement program and system within four (4) months after the system becomes subject to this act and an updated copy at least once every year thereafter;

(ii) The summary plan description within four (4) months after the system becomes subject to this act and of updated summary plan descriptions at the same time they are first furnished to any participant or beneficiary under W.S. 9-3-446(a)(iii);

(iii) Any summary description of modifications or changes within seven (7) months after the end of the fiscal year in which a modification or change has been made; and

(iv) The annual disclosure of financial and actuarial status and annual report within seven (7) months after the end of each fiscal year.

§ 9-3-448. Summary plan description.

(a) A summary plan description and a summary description of modifications or changes under W.S. 9-3-445(a)(ii) shall be written in a manner calculated to be understood by the average participant and be accurate and sufficiently comprehensive reasonably to inform the participants and beneficiaries of their rights and obligations under the retirement program.

(b) A summary plan description shall contain:

(i) The name of the retirement program and system and type of administration;

(ii) The name and business address of the administrator;

(iii) The name and business address of each agent for service of process;

(iv) Citations to the governing law of the retirement program and system;

(v) A description of the program's requirements respecting eligibility for participation and benefits;

(vi) A description of the program's provisions providing for nonforfeitable benefits;

(vii) A description of circumstances that may result in disqualification, ineligibility or denial or loss of benefits;

(viii) A description of the benefits provided by the program, including the manner of calculating benefits and any benefits provided for spouses and survivors;

(ix) The source of financing of the program;

(x) The identity of any organization through which benefits are provided;

(xi) The date the fiscal year ends;

(xii) The procedures to claim benefits under the program and the administrative procedures available under the program for the redress of claims that are denied in whole or in part; and

(xiii) Notice of the availability of additional information pursuant to W.S. 9-3-445(b) and (c), 9-3-446(b) and (c) and 9-3-447.

§ 9-3-449. Annual disclosure of financial and actuarial status.

(a) An annual disclosure of financial and actuarial status shall contain:

(i) The name of the retirement system and identification of each retirement program and, when programs are in an appropriate grouping of programs, of each appropriate grouping of programs;

(ii) The name and business address of the administrator;

(iii) The name and business address of each trustee and each member of a trustee board and a brief description of how the trustee or member was selected;

(iv) The name and business address of each agent for the service of process;

(v) The number of employees covered by each retirement program not in an appropriate grouping of programs, or by each appropriate grouping of programs, or both;

(vi) The name and business address of each fiduciary;

(vii) The current statement of investment objectives and policies required by W.S. 9-3-440(b);

(viii) Financial statements and notes to the financial statements in conformity with generally accepted accounting principles;

(ix) An opinion on the financial statements by a qualified public accountant in conformity with generally accepted auditing standards;

(x) In the case of a defined benefit plan, actuarial schedules and notes to the actuarial schedules in conformity with generally accepted actuarial principles and practices for measuring pension obligations;

(xi) In the case of a defined benefit plan, an opinion by a qualified actuary that the actuarial schedules are complete and accurate to the best of the actuary's knowledge, that each assumption and method used in preparing the schedules is reasonable, that the assumptions and methods in the aggregate are reasonable, and that the assumptions and methods in combination offer the actuary's best estimate of anticipated experience;

(xii) A description of any material interest, other than the interest in the retirement program itself, held by any public employer participating in the system or any employee organization

representing employees covered by the system in any material transaction with the system within the last three (3) years or proposed to be effected;

(xiii) A description of any material interest held by any trustee, administrator or employee who is a fiduciary with respect to the investment and management of assets of the system, or by a related person, in any material transaction with the system within the last three (3) years or proposed to be effected;

(xiv) A schedule of the rates of return, net of total investment expense, on assets of the system overall and on assets aggregated by category over the most recent one (1), three (3), five (5) and ten (10) year periods, to the extent available, and the rates of return on appropriate benchmarks for assets of the system overall and for each category over each period;

(xv) A schedule of the sum of total investment expense and total general administrative expense for the fiscal year expressed as a percentage of the fair value of assets of the system on the last day of the fiscal year, and an equivalent percentage for the preceding five (5) fiscal years; and

(xvi) A schedule of all assets held for investment purposes on the last day of the fiscal year aggregated and identified by issuer, borrower, lessor or similar party to the transaction stating, if relevant, the asset's maturity date, rate of interest, par or maturity value, number of shares, cost and fair value and identifying any asset that is in default or classified as uncollectible.

§ 9-3-450. Annual report.

(a) An annual report shall contain:

(i) The name and business address of each trustee and each member of a trustee board;

(ii) The financial statements, but not the notes, required by W.S. 9-3-449(a)(viii);

(iii) For defined benefit plans, the actuarial schedules, but not the notes, required by W.S. 9-3-449(a)(x);

(iv) The schedules described in W.S. 9-3-449(a)(xiv) and (xv);

(v) A brief description of and information about how to interpret the statements and schedules;

(vi) Other material necessary to summarize fairly and accurately the annual disclosure of financial and actuarial status; and

(vii) Notice of the availability of additional information pursuant to W.S. 9-3-445(b) and (c), 9-3-446(b) and (c) and 9-3-447.

§ 9-3-451. Enforcement.

(a) An action may be maintained by:

(i) A public employer, participant, beneficiary or fiduciary for any one (1) or more of the following purposes:

(A) To enjoin an act, practice or omission that violates this act;

(B) For appropriate equitable relief for a breach of trust under W.S. 9-3-443;

(C) For other appropriate equitable relief to redress the violation of or to enforce this act; or

(ii) The retirement system to enjoin any violation of W.S. 9-3-447.

(b) In an action under this section by a participant, beneficiary or fiduciary, the court may award reasonable attorney fees and costs to either party.

§ 9-3-452. Alienation of benefits.

Benefits of a retirement program may not be assigned or alienated and shall be exempt from claims of creditors, except as otherwise provided by state law.

§ 9-3-453. Public employee retirement plans; funding; legislative findings; required determinations for benefit increases.

(a) The legislature finds:

(i) Wyoming public employee retirement plans' actuarial funding levels are higher than many public employee retirement plans in other states, but as constructed by statute, the Wyoming plans were not intended to and cannot support cost of living or other benefit increases. Numerous indicators support this conclusion;

(ii) The ratio of the actuarial value of assets to the actuarial accrued liability, or the "funded ratio" is a standard measure of a plan's funded status at a given point in time. Funded ratios of the various retirement plans were as follows:

(A) The public employee retirement plan administered by the Wyoming retirement board under W.S. 9-3-401 through 9-3-430 had a funded ratio of eighty-four and six-tenths percent (84.6%) as of January 1, 2011, down from eighty-seven and five-tenths percent (87.5%) on January 1, 2010. On a market value of assets basis, the plan's funded ratio was eighty and one-tenth percent (80.1%) as of January 1, 2011, an improvement from seventy-five and seven-tenths percent (75.7%) as of January 1, 2010;

(B) The Wyoming state highway patrol, game and fish warden and criminal investigator retirement plan administered by the Wyoming retirement board under W.S. 9-3-601 through 9-3-

620, had a funded ratio of eighty-four and one-tenth percent (84.1%) as of January 1, 2011, down from eighty-seven and four-tenths percent (87.4%) on January 1, 2010. On a market value of assets basis, the funded ratio was seventy-nine and four-tenths percent (79.4%) as of January 1, 2011, an improvement from seventy-five and three-tenths percent (75.3%) as of January 1, 2010;

(C) The law enforcement plan administered by the Wyoming retirement board under W.S. 9-3-401 through 9-3-432, had a funded ratio of ninety-nine and nine-tenths percent (99.9%) as of January 1, 2011, down from one hundred two and two-tenths percent (102.2%) as of January 1, 2010. On a market value of assets basis, the plan's funded ratio was ninety-five and three-tenths percent (95.3%) as of January 1, 2011, an improvement from eighty-nine percent (89.0%) as of January 1, 2010;

(D) The judicial retirement plan administered by the Wyoming retirement board under W.S. 9-3-701 through 9-3-713, had a funded ratio of one hundred eight and five-tenths percent (108.5%) as of January 1, 2011, slightly up from one hundred eight and two-tenths percent (108.2%) on January 1, 2010. On a market value of assets basis, the plan's funded ratio was one hundred four and four-tenths percent (104.4%) as of January 1, 2011 an improvement from ninety-five and one-tenth percent (95.1%) as of January 1, 2010;

(E) The paid firemen plan B, administered by the Wyoming retirement board under W.S. 15-5-401 through 15-5-422, had a funded ratio of one hundred fifteen and seven-tenths percent (115.7%) as of January 1, 2011, down from one hundred sixteen and two-tenths percent (116.2%) as of January 1, 2010. On a market value of assets basis, the plan's funded ratio was one hundred eleven and three-tenths percent (111.3%) as of January 1, 2011, an improvement from one hundred two percent (102.0%) as of January 1, 2010;

(F) The air national guard firefighters plan administered by the Wyoming retirement board under W.S. 9-3-401 through 9-3-431 had a funded ratio of seventy-seven and four-tenths percent (77.4%) as of January 1, 2011. On a market value of assets basis, the plan's funded ratio was eighty and one-tenth percent (80.1%) as of January 1, 2011. 2011 was the first year this plan was isolated for review from the public employees plan under W.S. 9-3-401 through 9-3-430;

(G) The paid firemen plan A administered by the Wyoming retirement board under W.S. 15-5-201 through 15-5-209, had a funded ratio of eighty-five and six-tenths percent (85.6%) as of January 1, 2011 down from ninety-one and two-tenths percent (91.2%) as of January 1, 2010. On a market value of assets basis, the plan's funded ratio was seventy-eight and nine-tenths percent (78.9%) as of January 1, 2011, an improvement from seventy-six and seven-tenths percent (76.7%) as of January 1, 2010;

(H) The volunteer firefighters plan administered by the volunteer fireman's pension board under W.S. 35-9-601 through 35-9-615, had a funded ratio of one hundred four and six-tenths percent (104.6%) as of January 1, 2011, down from one hundred eight and nine-tenths percent (108.9%) as of January 1, 2010. On a market value of assets basis, the plan's funded ratio was

ninety-eight and six-tenths percent (98.6%) as of January 1, 2011, an improvement from ninety-three and five-tenths percent (93.5%) as of January 1, 2010;

(J) The volunteer emergency medical technician's plan, administered by the volunteer emergency medical technician's pension board under W.S. 35-29-101 through 35-29-112, had a funded ratio of one hundred seventeen and eight-tenths percent (117.8%) as of January 1, 2011, up from eighty-three and six-tenths percent (83.6%) as of January 1, 2010. On a market value of assets basis, the plan's funded ratio was one hundred twenty-nine and five-tenths percent (129.5%) as of January 1, 2011, an improvement from ninety and seven-tenths percent (90.7%) as of January 1, 2010. While the funded ratio has increased, reliance on the improvement as an indication of this plan's financial health would be misplaced as the legislation establishing the plan provided a general fund appropriation of nine hundred seventy-eight thousand two hundred dollars ($ 978,200.00) to fund the difference between the actuarially determined premium for participation in the plan and the contributions required by law. The contributions required by law are insufficient to support the stated benefits under the plan and no long term external funding source was provided when the plan was established, nor thereafter.

(iii) All of the funded ratios specified in paragraph (ii) of this subsection, except for the paid firemen's plan A, were calculated with the assumptions of no benefit increases or additional cost-of-living adjustment increases;

(iv) Actuarial funded ratios at any single point in time disclose only a portion of the soundness of the retirement plans. Underlying the ratios is an assumed eight percent (8%) investment return (composed of a three and one-half percent (3.5%) inflation rate and a four and one-half percent (4.5%) net real rate of return) on each of the various funds. The average market value returns for the largest plan under the board's administration has been three and sixty-three hundredths percent (3.63%) for the last five (5) years and four and twenty-three hundredths percent (4.23%) for the last ten (10) years, both well below the assumed eight percent (8%). The retirement system's actuary has stated: "Even seemingly minor changes in the assumptions can materially change the liabilities, calculated contribution rates and funding periods." Investment returns of less than one-half (1/2) of the assumed rate is a major deviation from assumptions;

(v) Where the current actuarial value of assets is higher than the market value of assets, continued recovery in the investment markets will be needed over the next few years, annual returns in excess of the assumed investment return of eight percent (8.0%), to keep the plans' funded ratios and unfunded actuarial accrued liability relatively stable in the short term;

(vi) While investments in markets have been authorized by constitutional amendment for retirement funds and supported by legislative authorization, if annual realized returns are lower than assumed or higher than assumed, the funded ratios are respectively overstated or understated;

(vii) The public employee plan administered under W.S. 9-3-401 through 9-3-430 has by far the largest membership as it contains eighty-eight and six-tenths percent (88.6%) of the membership of all public employee retirement plans administered by the Wyoming retirement board. The actuarial funded ratio for this plan has dropped from one hundred thirteen and seventy-seven hundredths percent (113.77%) in 2001 to eighty-four and fifty-nine hundredths percent (84.59%) in 2011, even though the actuarial accrued liability in 2001 was calculated using the maximum cost-of-living adjustment authorized by statute and the 2011 liability was calculated using no cost-of-living liability. In light of the lower funded ratio, the Wyoming retirement board recommended and the Legislature enacted in 2010 a combined employer and employee contribution increase from eleven and twenty-five hundredths percent (11.25%) to fourteen and twelve hundredths percent (14.12%) effective September 1, 2010;

(viii) Actuarial funded ratios have fallen over the past decade for all other plans identified in this section, other than the judicial retirement plan. The funded ratio of the volunteer firefighter's plan and the firefighter's plan B have dropped by over fifty (50) percentage points. These decreases were incurred in spite of a change in assumptions from a maximum cost-of-living increase allowed by statute to no cost-of-living increase, except for the paid firemen plan A;

(ix) From 1991 through 2008, cost-of-living increases ranging from one percent (1%) to three percent (3%) were provided for eighteen (18) consecutive years in the largest public employee retirement plan, resulting in cumulative increases in an employee's benefit amount ranging from one and three-hundredths (1.03%) for employees first eligible for a cost-of-living adjustment in 2008 to thirty-four percent (34%) for those eligible for a cost-of-living adjustment in 1991;

(x) Other benefit increases have been provided by legislation, including a 2001 enactment of an increased benefit multiplier for each year of service in the largest plan, which resulted in an increased cost of over five hundred twenty-one million dollars ($ 521,000,000.00) through July 1, 2011. An ad hoc increase of three dollars ($ 3.00) per month per year of service made in the same legislation resulted in over two hundred seventeen million dollars ($ 217,000,000.00) in increased costs to the plan over the same period;

(xi) As of January 1, 2011, it is estimated that over forty (40) years will be required until the largest public employee plan currently administered by the Wyoming retirement board meets a one hundred percent (100%) actuarial funded ratio. Other plans administered by the Wyoming retirement board, volunteer firefighters pension board and volunteer emergency medical technician's pension board have higher or lower funded ratios;

(xii) Stability in providing stated benefits is a critical feature of a retirement plan. With large portions of public employee retirement plans invested in markets and with market fluctuations having a significant effect on funded ratios, actuarial funded ratios in excess of one hundred percent (100%) are necessary to maximize stability in providing stated benefits;

(xiii) It is the intent of the legislature that all public employee retirement plans be managed to maintain an actuarial funded ratio of not less than one hundred percent (100%) and that the retirement board determine from time to time an appropriate level of funding sufficient to withstand market fluctuations without experiencing reductions below the desired one hundred percent (100%) funding ratio;

(xiv) It is the intent of the legislature that cost-of-living increases and changes to multipliers be allowed only in the event that the actuarial funded level for the affected plan remains above one hundred percent (100%), plus the additional percentage the retirement board determines is reasonably necessary to withstand market fluctuations. This determination is to be made for the entire amortization period affected by the change using then current actuarial assumptions.

§ 9-3-454. Required determinations for recommended benefit increases.

(a) In accordance with the findings specified in W.S. 9-3-453:

(i) All plans shall be managed to maintain their actuarial funded ratio at or above one hundred percent (100%) throughout the life of the plan. The actual funded ratio recommended by the board shall provide for an appropriate margin above this funding ratio to allow for market fluctuations above the one hundred percent (100%) base;

(ii) No benefit changes, including cost-of-living increases and changes to multipliers, shall be recommended for implementation by the legislature unless the system's actuaries provide an opinion that the funded ratio of the plan will remain above the funding level set out in paragraph (i) of this subsection throughout the life of the benefit change;

(iii) Any analysis upon which a proposed benefit change is proposed shall include a decision matrix which shall include the following minimum elements:

(A) Consideration of the current actuarial value in relation to current market value of assets;

(B) A fully amortized cost over the full applicable term of the benefit increase;

(C) Current and expected actuarial funded ratios with and without the increase;

(D) A review of assumptions made in determining funded ratios and a review of anticipated funded ratios with differing investment return assumptions;

(E) Recognition of potential effects of the increase on plan participants' working and retirement periods;

(F) The potential isolation, by establishment of separate accounts, of the liability incurred as a result of the cost of living or other benefit increase;

(G) The appropriate level of actuarial funding ratio above one hundred percent (100%) needed to buffer the plan from market fluctuations.

(b) Nothing in this section shall affect the authority of the board to grant a cost-of-living adjustment as authorized by W.S. 15-5-204.

DEFERRED COMPENSATION PROGRAM

§ 9-3-501. Definitions
§ 9-3-502. Establishment of program by state; administration by Wyoming retirement board; establishment of separate deferred compensation by political subdivisions; investment permitted; limitation on amount deferred; taxability
§ 9-3-503. Investment of deferred compensation; limitation on approval investment plans; enrolling and servicing fees; holding of funds; limited liability of state and political subdivision
§ 9-3-504. Repealed by Laws 2001, ch. 64, § 2, eff. July 1, 2001
§ 9-3-505. Duties of Wyoming retirement board
§ 9-3-506. Repealed by Laws 2015, ch. 10, § 2.
§ 9-3-507. Special account for administrative expenses; deposits and expenditures; account balance specified; audit required
§ 9-3-508. Amount of state's contribution; qualified annuity plan contributions authorized; estimates submitted to state budget officer
§ 9-3-509. Enrollment of state employees in the plan; notice to employee; contribution rate; investment of funds by retirement system; withdrawal period; plan document to provide for automatic enrollment.

ARTICLE 5. DEFERRED COMPENSATION PROGRAM

§ 9-3-501. Definitions.

(a) As used in this article:

(i) Repealed by Laws 2001, ch. 64, § 2.

(ii) "Board" means the Wyoming retirement board established under W.S. 9-3-404(a);

(iii) "Employee" means any person including any elected official employed by and receiving compensation from the state of Wyoming or a county, city, town or other political subdivision, but does not include any at-will contract employee under W.S. 9-2-1022(a)(xi)(F);

(iv) "Plan document" means the official document recorded with the secretary of state and adopting and establishing a deferred compensation program for Wyoming under Public Law 95-600;

(v) "Program" means the Wyoming deferred compensation program established in accordance with the plan document;

(vi) Repealed by Laws 2015, ch 10 § 2.

(vii) "Provider" means any corporation licensed to do business in this state and providing investment products to program participants under contract and in accordance with this article;

(viii) "This article" means W.S. 9-3-501 through 9-3-508.

§ 9-3-502. Establishment of program by state; administration by Wyoming retirement board; establishment of separate deferred compensation by political subdivisions; investment permitted; limitation on amount deferred; taxability.

(a) The board shall establish and administer the program for employees in addition to any retirement, pension, benefit or other deferred compensation programs established by the governmental entity. Subject to requirements of this article, any county, city, town or other political subdivision may establish and administer a deferred compensation program separate from the program established under this article. A county, city, town or other political subdivision which wishes to enter into the state program established under this article shall adopt the plan document, provide the program to employees in accordance with this article and be subject to program administration by the board. A county, city, town, other political subdivision of the state or an entity or institution of the state which does not utilize the state auditor's office for payroll services may provide for automatic enrollment of new employees into the state program pursuant to W.S. 9-3-509 and pursuant to the requirements of this subsection.

(b) Any employee may enter into a written agreement with the program or a separate deferred compensation program established by a county, city, town or other political subdivision to defer any part of his compensation for investment as provided by this article or an employee may be automatically enrolled as provided in W.S. 9-3-509 and subsection (a) of this section. The total annual amount deferred may at no time exceed the employee's annual salary under applicable salary schedules or compensation plans.

(c) Compensation deferred pursuant to this article shall be included as compensation for the purpose of computing retirement or pension benefits earned by the employee, but the deferred compensation is exempt from state taxation to the same extent as it is exempt from federal income taxes.

§ 9-3-503. Investment of deferred compensation; limitation on approved investment plans; enrolling and servicing fees; holding of funds; limited liability of state and political subdivision.

(a) The board may approve investment of deferred compensation in insurance and annuity contracts or other investment plans upon competitive bidding. No investment plan shall be approved unless the plan is offered by a provider and is subject to rules and regulations of applicable federal and state regulatory agencies. The board may establish an account for the purpose of conducting the daily financial operations of the program and to avoid having to liquidate investments prior to maturity. The funds in this account shall be invested in, and be subject to the same terms and conditions as, the pool for investments established under W.S. 9-1-416, known commonly as "Wyo-Star".

(b) The board may establish by contract the fees for enrolling program participants and servicing participant accounts with providers. Fees shall be established at amounts necessary to maintain the account balance in accordance with W.S. 9-3-507.

(c) All compensation deferred pursuant to this article and all earnings thereon shall be held in trust or pursuant to custodial accounts or contracts meeting the requirements of 26 USC 457(g) and for the exclusive benefit of program participants and their beneficiaries. An account is established to be used by the board for depositing deferred compensation and earnings on deferred compensation as necessary to fulfill the requirements of this article. Funds in the account shall be held separately from all other funds and monies held by the state and shall be expended only as provided by this article and pursuant to written agreements entered into under this article. Notwithstanding the provisions of this subsection, the financial liability of the state, county, city, town or other political subdivision is limited to the value of the investment plan purchased.

§ 9-3-504. [Repealed.]

§ 9-3-505. Duties of Wyoming retirement board.

(a) The board shall:

(i) Invest compensation deferred pursuant to this article;

(ii) Select providers and review and evaluate provider contracts and provider investment plans;

(iii) Repealed by Laws 2015, ch 10 § 2.

(iv) Establish policy governing overall operation of the program.

§ 9-3-506. [Repealed.]

§ 9-3-507. Special account for administrative expenses; deposits and expenditures; account balance specified; audit required.

(a) The board shall deposit all fees paid by providers under the program for enrollment and servicing of accounts of program participants and all amounts deducted from compensation deferred by program participants for administrative and accounting purposes, into an account with a financial institution selected by the board. The board shall account for all deposits into and all authorized payments from the account.

(b) Expenditures from the account established under subsection (a) of this section shall be for the following administrative expenses:

(i) Enrollment of program participants;

(ii) Servicing of accounts established for program participants;

(iii) Necessary accounting, legal and other professional services;

(iv) Per diem and travel expense reimbursement to members and employees of the board for time actually devoted to the administration of and responsibilities imposed under this article; and

(v) Other necessary administrative costs incurred in administering the program.

(c) The account balance shall be an amount sufficient to meet the annual administrative expenses of the program. The board shall conduct contract negotiations with providers to establish enrolling and servicing fees imposed upon the program at an amount necessary to pay administrative expenses from the account while providing the maximum investment earnings and benefits to program participants.

(d) The board shall provide for an independent audit of the account on an annual basis. A summary of the audit and its findings shall be included as part of the annual report by the board as required by law.

§ 9-3-508. Amount of state's contribution; qualified annuity plan contributions authorized; estimates submitted to state budget officer.

(a) The state shall contribute monthly to the program the amount established and appropriated by the legislature for each employee and official contributing to and participating in the program in accordance with subsections (b) and (c) of this section. Any legislative appropriation under any act adopted by the legislature for contributions under this section shall be expended solely for the purposes specified in this section during the budget period for which the appropriation is made and shall not be carried forward for contributions in succeeding budget periods.

(b) Any state agency, department or institution including the University of Wyoming and the community colleges in the state, shall pay monthly to the board the amount established and appropriated by the legislature for each qualified employee or official participating in the program. For purposes of this subsection, "qualified employee or official" means any employee or official contributing monthly to the program through salary deferrals in an amount equal to or greater than the amount specified. To qualify for the state contribution available pursuant to subsection (a) of this section, the employee or official shall contribute monthly to the program from their salary an amount not less than the per person amount established and appropriated by the legislature under subsection (a) of this section.

(c) Each state agency, department and institution shall estimate the amount required for its participation in the program for the next biennium and shall submit the estimate to the state budget officer to be included within the budget request.

(d) For any qualified employee electing contributions under this subsection instead of under subsections (a) and (b) of this section, the University of Wyoming and the community colleges shall contribute monthly to a qualified annuity plan under 26 U.S.C. 403(b) for the qualified employee subject to the following:

(i) The amount computed shall be equal to the amount established and appropriated by the legislature under subsections (a) and (b) of this section;

(ii) "Qualified employee" as used in this subsection means any employee contributing to a qualified annuity plan under 26 U.S.C. 403(b) in an amount equal to or greater than the amount specified under paragraph (d)(i) of this section;

(iii) The university and the Wyoming community college commission shall estimate the amount required for respective participation under this subsection for the next biennium and shall submit the estimate to the state budget officer to be included within the budget request.

§ 9-3-509. Enrollment of state employees in the plan; notice to employee; contribution rate; investment of funds by retirement system; withdrawal period; plan document to provide for automatic enrollment.

(a) On and after July 1, 2015, a person who begins employment, or returns to employment after a break in service, with any state agency, department or institution which utilizes the state auditor's office for payroll services, including the legislature and the judiciary, and who is otherwise eligible to participate in the program, shall be automatically enrolled in the program as provided in this section.

(b) An employee enrolled in the program under this section shall have:

(i) An opt out period in which the employee may elect to not participate in the program. No contribution shall be made to the program by or on behalf of the employee during the pendency of the opt out period. An employee's opt out period shall begin thirty (30) days after enrollment in the program; and

(ii) A ninety (90) day permissible withdrawal period from the program beginning on the date of the employee's first contribution to the program. An employee may withdraw his contribution from the program within the permissible withdrawal period without penalty, however the employee will forfeit any employer contribution made on behalf of the employee under W.S. 9-3-508.

(c) An employee automatically enrolled in the program under this section shall contribute three percent (3%) of the employee's monthly pre-tax includible compensation to the employee's account under the program after the expiration of the employee's opt out period provided in paragraph (b)(i) of this section. An employee automatically enrolled in the program under this section may elect in writing to change the employee's contribution rate pursuant to the plan document as defined in W.S. 9-3-502(a).

(d) After the expiration of an employee's ninety (90) day permissible withdrawal period, the retirement system shall invest all contributions made by or on behalf of an employee enrolled in the program pursuant to this section in an age appropriate investment plan based on the projected retirement date of the employee as determined by the retirement system. During the pendency of an employee's permissible withdrawal period provided in paragraph (b)(ii) of this section, the retirement system shall invest all contributions made by or on behalf of the employee enrolled in an investment plan with limited exposure to market volatilities as determined by the retirement system. An employee enrolled in an investment plan may change investment plans or otherwise invest funds in his account in the same manner as all other participants in the program.

(e) The board shall provide notice in writing to an employee automatically enrolled in the program. Notice under this subsection shall include:

(i) The employee's ability to opt out of the program as provided in paragraph (b)(i) of this section;

(ii) The employee's ninety (90) day permissible withdrawal period from the program provided in paragraph (b)(ii) of this section;

(iii) The employee's automatic level of contribution to the program; and

(iv) The investment plans the employee will be enrolled in within the program during the pendency of the ninety (90) day permissible withdrawal period and following the expiration of the permissible withdrawal period.

(f) An employee enrolled in the program under this section shall have the same rights to participate in the program as all other participants in the program.

(g) The board shall effectuate the purposes of this section in the plan document.

(h) Failure to provide notice under subsection (e) of this section shall not give rise to any additional obligation or liability on the part of the state or the program.

STATE HIGHWAY PATROL, GAME AND FISH WARDEN AND CRIMINAL INVESTIGATOR RETIREMENT

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ARTICLE 6. STATE HIGHWAY PATROL, GAME AND FISH WARDEN AND CRIMINAL INVESTIGATOR RETIREMENT

§ 9-3-601. Short title.

This act is known and may be cited as "The Wyoming State Highway Patrol, Game and Fish Warden and Criminal Investigator Retirement Act".

§ 9-3-602. Definitions.

(a) As used in this article:

(i) "Accumulated contribution" means the sum of all the amounts deducted from the compensation of a member subsequent to the effective date of the Wyoming Retirement Act and credited to his individual account;

(ii) "Board" or "retirement board" means the retirement board of the Wyoming retirement system established by the Wyoming Retirement Act [article 4 of this chapter];

(iii) "Credited service" means service for which contributions were made and not refunded;

(iv) "Criminal investigator" means any full-time special agent employed by the division of criminal investigation of the attorney general's office who is a sworn peace officer;

(v) "Employee" means:

(A) Any person who is employed by the Wyoming state highway patrol division as a sworn law enforcement officer;

(B) Any person who is commissioned as a full time law enforcement officer of the Wyoming state game and fish department;

(C) Any criminal investigator as defined in paragraph (iv) of this subsection; or

(D) Any person designated and appointed as capitol police under W.S. 9-1-612 and qualified pursuant to W.S. 9-1-701 through 9-1-707.

(vi) "Final actual salary" means the gross salary paid to the employee during the last full month of credited service;

(vii) Repealed by Laws 2001, ch. 32, § 2.

(viii) "Fund" or "retirement fund" means the Wyoming retirement account established in the Wyoming Retirement Act;

(ix) "Partial disability" means a medically determined physical or mental impairment which renders the employee unable to function as an employee and which is reasonably expected to last at least twelve (12) months;

(x) "Interest" means interest compounded annually at such rate or rates as shall be determined by the board, not exceeding the average amount of interest actually earned per annum by the fund;

(xi) "Retirement program" means the Wyoming state highway patrol, game and fish warden and criminal investigator retirement program created by this article;

(xii) "Salary" for W.S. 9-3-604 and 9-3-605 means the cash remuneration paid, including contributions required by W.S. 9-3-604, to an employee for his services;

(xiii) "Total disability" means a medically determined physical or mental impairment which renders the employee totally unable to work in any occupation for which he is reasonably suited by training or experience and which is reasonably expected to last at least twelve (12) months;

(xiv) "Service credit" means the credit earned by an employee for benefits and benefits payable under the retirement program. Service credit is earned on the basis of actual years of employment for an employer subject to this article under rules adopted by the board under W.S. 9-3-609;

(xv) "Public law enforcement agency" means a public agency having police power, charged with enforcing state criminal statutes or municipal ordinances and employing law enforcement personnel qualified pursuant to W.S. 9-1-701 through 9-1-707;

(xvi) "Highest average salary" means the employee's average annual salary for the highest paid three (3) continuous years of service;

(xvii) "This act" or "this article" means W.S. 9-3-601 through 9-3-620;

(xviii) "Duty connected disability" means a disability from an illness, injury or disease which results primarily from a specific act or occurrence determinable by a definite time and place,

from a physical or mental trauma which arises from the nature and in the course of a person's law enforcement employment;

(xix) "Eligible retirement plan" means as defined in W.S. 9-3-402(a)(xxvii);

(xx) "Rollover contribution" means as defined in W.S. 9-3-402(a)(xxviii).

§ 9-3-603. Administration.

(a) There is created the retirement program which is for the benefit of the employees defined in W.S. 9-3-602(a)(v).

(b) The administration and responsibility for the operation of the retirement program is under the direction and control of the board. All matters pertaining to the board are applicable to the retirement program created by this article.

§ 9-3-604. Employee contributions.

(a) Except as otherwise provided in this section, every employee covered by this article shall pay into the fund thirteen and fifty-four hundredths percent (13.54%) of his salary from September 1, 2013 through June 30, 2014, and thereafter fourteen and fifty-six hundredths percent (14.56%) of his salary. For the period from September 1, 2013 through June 30, 2014 forty-five hundredths percent (.45%), for the period from July 1, 2014 through June 30, 2016 ninety-six hundredths percent (.96%) and for the period from July 1, 2016 through June 30, 2017, fifty-one hundredths percent (.51%) salary contribution required by this subsection shall be paid by the employer on behalf of the member. To the extent the remaining amount is not paid by an employer on behalf of the member, this payment shall be deducted each pay period from employees' salaries by the respective chief fiscal officers of the employers.

(b) The contributions required by subsection (a) of this section shall be paid by the employer for employees covered under this article in order to be treated as employer contributions for the sole purpose of determining tax treatment under the United States internal revenue code.

(c) The contributions under subsection (b) of this section shall be paid from the source of funds which is used in paying salary to the employee. The employer may pay these contributions by a reduction in cash salary of the employee or by an offset against a future salary increase, or by a combination of a reduction in salary and an offset against a future salary increase, provided:

(i) No such salary reduction or offset, or combination thereof, shall exceed the percentage amount actually being deducted from an employee's salary for contributions to the retirement program; and

(ii) Except as otherwise provided in this paragraph, any employer may pay any amount of an employee's share of retirement contributions without a salary reduction or offset, or combination thereof. For the period from July 1, 2012 through June 30, 2014, at least one and sixty-two hundredths percent (1.62%), for the period from July 1, 2014 through June 30, 2016 at least one and ninety-six hundredths percent (1.96%), for the period from July 1, 2016 through June 30, 2017 at least two and thirty hundredths percent (2.30%) and thereafter at least two and sixty-four hundredths (2.64%) of the employee's share of retirement contributions shall be paid through a reduction in cash salary of the employee unless specified otherwise by legislative act.

§ 9-3-605. Employer contributions.

Each employer subject to this article shall pay into the fund a contribution equal to twelve and ninety-six hundredths percent (12.96%) until June 30, 2014, and for the period from July 1, 2014 through June 30, 2015, thirteen and eighty-six hundredths percent (13.86%) and thereafter fourteen and eighty-eight hundredths percent (14.88%) of all salaries paid to its employees. These contributions, together with the employees' contributions, shall be transferred and credited to the retirement program in a manner the board directs.

§ 9-3-606. Transfer of funds to retirement program.

All employee and matching contributions made to the Wyoming retirement system or other retirement system on behalf of an employee now covered under the retirement program and the accrued interest thereon shall be transferred to the retirement program.

§ 9-3-607. Age of retirement.

(a) Any employee with six (6) or more years of service to his credit is eligible to receive a retirement allowance under this article when he attains age fifty (50).

(b) Effective July 1, 1998, any employee retiring after July 1, 1998, with twenty-five (25) or more years of service may elect to retire and receive a benefit upon attaining age fifty (50) as described in W.S. 9-3-610.

(c) Repealed by Laws 1993, ch. 120, §§ 1, 2.

(d) Any employee in service who has attained age sixty-five (65), shall be retired not later than the last day of the calendar month in which his 65th birthday occurs.

§ 9-3-608. Retirement allowance.

Any employee who has left the service, and who has not withdrawn his accumulated contributions, is eligible to receive a retirement allowance computed according to the terms of this article at the age specified in W.S. 9-3-607.

§ 9-3-609. Determination of years of service by board; credit for time spent in military service.

(a) The board shall determine the total years of service creditable to each employee in determining eligibility for retirement under this article. It may require employees to file detailed statements of all service as a state employee and to give other necessary information as a condition to the receipt of benefits.

(b) The board shall establish in appropriate rules and regulations how much service in any year is the equivalent of one (1) year of service, but in no case shall it allow credit for more than one (1) year of service for all service rendered within one (1) calendar year.

(c) Credit shall be allowed for any period of time after commencement of participation in the retirement program which an employee spends in active military or other emergency service of the United States in accordance with rules adopted by the retirement board, pursuant to the Uniformed Services Employment and Reemployment Rights Act, 38 U.S.C. 4301 et seq.

(d) Effective May 27, 1983, if an employee receives a partial or total disability benefit under this article and that employee subsequently returns to service as a highway patrol, criminal investigator, capitol police or game and fish employee, service credit shall be allowed for the period during which the employee received those benefits.

§ 9-3-610. Amount of benefit.

(a) The service retirement allowance payable to an employee under this article at age fifty (50) shall be equal to two and one-half percent (2.5%) of the employee's highest average salary for each year of credited service in the program, provided the retirement allowance does not exceed seventy-five percent (75%) of the highest average salary.

(b) Subject to subsection (c) of this section, effective July 1, 1991, the amount of allowance being paid under subsection (a) of this section shall be increased as follows:

(i) For persons who retired prior to July 1, 1978, eleven dollars ($ 11.00) per month for each year of service in Wyoming;

(ii) For persons who retired on or after July 1, 1978 but prior to July 1, 1980, six dollars ($ 6.00) per month for each year of service in Wyoming;

(iii) For persons who retired on or after July 1, 1980 but prior to July 1, 1985, three dollars ($ 3.00) per month for each year of service in Wyoming;

(iv) For persons who retired on or after July 1, 1985 but prior to July 1, 1987, one dollar ($ 1.00) per month for each year of service in Wyoming.

(c) The increases specified in subsection (b) of this section apply only if the legislature appropriates the necessary funds and only for persons with full-time service who submit to the board an application for the increase accompanied by an affidavit verifying the applicant's service and retirement.

(d) Repealed by Laws 2012, ch. 107, § 3.

(e) In addition to subsections (a), (b) and (d) of this section, the service retirement allowance payable under this article for persons retired prior to April 1, 1996, shall be increased by five dollars ($ 5.00) per month for each year of service in Wyoming.

(f) Benefits and allowances shall not be payable under this article to the extent that they exceed the limitations imposed by section 415(b) of the Internal Revenue Code.

§ 9-3-611. Eligibility and amount of disability allowance.

(a) Any employee who suffers a partial or total disability resulting from an individual and specific act, the type of which would normally occur only while employed as an employee, is eligible for a duty-connected disability allowance. If the specific act involves a traumatic event which directly causes an immediate cardiovascular condition resulting in partial or total disability, the employee is eligible for a partial or total duty-connected disability allowance.

(b) Any employee with ten (10) years of credited service who suffers a partial or total disability and who is not eligible for a duty-connected disability allowance is eligible for an ordinary partial or total disability allowance.

(c) The determination of disability and its cause shall be made by the board after receiving the recommendation of its medical committee.

(d) Disability allowances shall be fifty percent (50%) of highest average salary for nonduty connected total or partial disability. Disability allowances shall be sixty-two and one-half percent (62.5%) of highest average salary for duty-connected total or partial disability.

§ 9-3-612. Payment of disability allowance.

(a) Disability allowance payments shall be made to an employee for each month beginning with the month in which he becomes eligible to receive such allowance and ending with the month in which he ceases to be eligible or dies.

(b) Any employee receiving a nonduty-connected disability allowance who has not reached age fifty (50) shall report to the board annually, in a form the board prescribes, his total earnings for the preceding calendar year from any gainful employment for wages and any worker's compensation benefits. One-half (1/2) of the excess of such earnings or benefits, or both, over the base pay of the rank held at the time of disability shall be deducted, in a manner the board determines, from that employee's disability allowance beginning ninety (90) days following the day the report is due. If any member received a disability allowance for less than twelve (12) months in the calendar year for which earnings are reported, the deduction, if any, shall be determined on a pro rata basis.

(c) Any member receiving a partial disability allowance whose disability is found to no longer exist, shall continue to receive the disability allowance if he is actively seeking employment as an employee, as defined by W.S. 9-3-602(a)(v), and has not been offered an employee position. In order to qualify under this subsection, the employee shall report to the board annually, in a form the board prescribes. The board shall establish by rule, requirements for meeting the provisions of this subsection. If the member refuses or fails to meet the requirements of this subsection or applicable rules of the board, his disability allowance shall be discontinued.

§ 9-3-613. Payment on death; duty related.

If a member of the retirement program dies as a result of any activity related to official duties as an employee prior to retirement under this article, a monthly death benefit equal to fifty percent (50%) of the member's final actual salary at time of death shall be paid to the surviving spouse. In addition, an amount equal to five percent (5%) of the final actual salary shall be paid as a benefit for each unmarried child under the age of eighteen (18) years, provided the total death benefit paid to the surviving spouse and children in accordance with this section shall not exceed the employee's final actual salary.

§ 9-3-614. Payment on death; not duty-related death of retired member.

(a) If a member dies prior to retirement and his death is not related to his official duties as an employee, a monthly nonduty death benefit shall be paid to the surviving spouse, equal to two percent (2%) of the member's final actual salary at time of death for each year of credited service. The maximum nonduty death benefit payable to the spouse shall not exceed fifty percent (50%) of the member's final actual salary. In addition, an amount equal to five percent (5%) of the final actual salary shall be paid as a benefit for each unmarried child under the age of eighteen (18) years. The total nonduty death benefit paid to the surviving spouse and children in accordance with this subsection shall not exceed sixty percent (60%) of the employee's final actual salary.

(b) If a retired member of the retirement program dies, the spouse of the deceased member shall receive a benefit equal to fifty percent (50%) of the retirement allowance paid in accordance with W.S. 9-3-607 through 9-3-614. In determining the benefit to be paid to the spouse, no reduction due to social security shall be taken into account. In addition, an amount equal to five percent (5%) of the final actual salary shall be paid as a benefit for each unmarried child under the age of eighteen (18) years. The total benefit paid to the surviving spouse and children on the death of the retired member in accordance with this subsection shall not exceed sixty percent (60%) of the employee's final actual salary.

§ 9-3-615. Election of coverage under Wyoming Retirement Act.

(a) Subject to uniform rules and regulations the retirement board prescribes, instead of the service allowance provided in this article and instead of the benefit specified in W.S. 9-3-614(b), a member of the retirement program may elect one (1) of the following forms of service retirement benefits which shall be the actuarial equivalent of the benefit to which he would otherwise be entitled:

(i) A one hundred percent (100%) joint and survivor benefit which provides reduced monthly service retirement benefit payments during the retired member's life and upon his death after retirement continues payments in the same reduced amount to a designated beneficiary during the life of the beneficiary;

(ii) A benefit which provides reduced monthly service retirement payments with provision for the continuance of payments for ten (10) years certain and life thereafter. If the retired member dies within ten (10) years after retirement, the remaining guaranteed payments shall be made to his designated beneficiary. This beneficiary may be changed at any time by written notification to the board as provided in subsection (b) of this section;

(iii) The largest possible benefit for life with no lump sum refund or benefit for anyone else upon the retired member's death;

(iv) Any other modified monthly service retirement benefit, including any other modified joint and survivor monthly service retirement benefit, actuarially determined, which the board approves.

(b) An election of an optional benefit shall be in writing and filed with the system prior to the first benefit payment. The election is final and not subject to change unless a designated beneficiary dies prior to the first benefit payment, in which case the election is void, the member may designate a new beneficiary and may select a different option. As provided in paragraph (a)(iii) of this section, upon written notice to the board, a member may change a beneficiary at any time during the ten (10) year period.

(c) The retirement benefits payable under optional forms available under this section shall be the actuarial equivalent amount of the normal benefit form under W.S. 9-3-610.

§ 9-3-616. Applicability of portions of Wyoming Retirement Act.

Requirements for eligibility for disability retirement under this article, either related or not related to official duties as an employee, shall be in accordance with the disability provisions outlined in the Wyoming Retirement Act [article 4 of this chapter].

§ 9-3-617. Refund of contributions upon termination of employment; redeposit of withdrawn contributions; purchase of service credits.

(a) Except as provided in subsection (c) of this section, any employee covered by this article who terminates his employment and elects not to continue to be covered by the retirement program is entitled to a refund of his contributions together with the regular rate of interest specified by the retirement board. Refunds may be made only upon written request to the board. Any employee who withdraws from the retirement program under this subsection shall forfeit all rights to further benefits, employer contributions and service credit under this article.

(b) Any employee who later returns to service covered under this article may redeposit the amount of the contributions withdrawn, in lump sum, together with interest, and upon earning not less than two (2) years service credit, may reestablish his service credits as of the time of withdrawal of his contributions. Any redeposit payment pursuant to this subsection shall be made not later than ten (10) years following the date of reemployment or prior to retirement, whichever first occurs.

(c) No employee is entitled to a refund of any contributions if he is employed for a salary by an employer subject to this article.

(d) Any employee may elect to purchase up to five (5) years of service credit for full-time employment in law enforcement which is performed for another state or political subdivision of another state, the federal government or for any public law enforcement agency in Wyoming as authorized and limited by section 415(c) and 415(n) of the Internal Revenue Code and if the employee does not vest in any retirement plan of the agency for which the prior service being purchased was earned. Any employee electing to purchase service credit shall pay into the account a single lump-sum amount equal to the actuarial equivalent of the benefits to be derived from the service credit computed on the basis of actuarial assumptions approved by the board and the individual's attained age and average salary for the highest three (3) continuous years of covered service. The lump sum may be paid with personal funds or, subject to rules and regulations established by the board, through rollover contributions. Unless received by the retirement program in the form of a direct rollover, the rollover contribution shall be paid to the program on or before sixty (60) days after the date it was received by the member. Service credit purchased under this subsection shall not be used to determine vested eligibility to receive benefits under this article.

§ 9-3-618. Disposition of funds; designated custodian of monies.

Funds accruing to the retirement program under this article shall be commingled with all money on deposit with the state treasurer in the Wyoming retirement account. The board may designate the state treasurer or a custodial bank approved by the state treasurer as the custodian of the monies and shall administer them in accordance with W.S. 9-3-424.

§ 9-3-619. Payment of employers' contribution from highway fund, game and fish fund and attorney general budget.

Provision for the payment of the employers' contribution under this article shall be made in the budget of the Wyoming highway patrol division as approved by the department of transportation out of the state highway fund, in the budget of the Wyoming game and fish commission out of the game and fish fund and in the budget of the attorney general for the division of criminal investigation and for capitol police.

§ 9-3-620. Exemption of benefits from state and local taxes, execution and attachment; benefits paid under qualified domestic relations order.

(a) Benefits and allowances set forth under this article are exempt from any state, county or municipal tax and are not subject to execution or attachment by trustee process or otherwise, in

law or equity, or under any other process, and are not assignable except as specially provided in this article.

(b) Notwithstanding subsection (a) of this section, benefits and allowances under this article may be paid in accordance with qualified domestic relations orders pursuant to W.S. 9-3-426.

JUDICIAL RETIREMENT

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§ 9-3-713. Election to transfer into the system established under this act

ARTICLE 7. JUDICIAL RETIREMENT

§ 9-3-701. Short title.

This act is known and may be cited as "The Wyoming Judicial Retirement Act".

§ 9-3-702. Definitions.

(a) As used in this act:

(i) "Account" means an account established for the purpose of accounting for funds used to provide benefits to employees covered under this act;

(ii) "Board" or "retirement board" means the retirement board of the Wyoming retirement system established by the Wyoming Retirement Act, article 4 of this chapter 3 [§ 9-3-401 et seq.];

(iii) "Credited service" means service as a justice of the supreme court, as a district judge or a circuit court judge for which contributions were made and not refunded under this act;

(iv) "Disability" means a determination by the supreme court or a special supreme court of mandatory retirement of the employee for a disability as provided in Wyoming Constitution, Article 5, Section 6(g);

(v) "Employee" means any justice of the supreme court, district judge appointed or circuit court judge appointed to any of those 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. "Employee" also includes any justice or judge who elects to participate in the judicial retirement program under this act in accordance with W.S. 9-3-713;

(vi) "Employer" means the Wyoming supreme court, both for justices and circuit court judges, or a district court;

(vii) "Highest average salary" means the average annual salary of a member for the highest paid three (3) years of continuous service;

(viii) "Interest" means interest compounded annually at such rate or rates as shall be determined by the board, not exceeding the average amount of interest actually earned per annum by the account;

(ix) "Retirement program" means the Wyoming judicial retirement program created by this act;

(x) "Salary" means the cash remuneration paid, including contributions required by W.S. 9-3-704, to an employee for his services;

(xi) "This act" means W.S. 9-3-701 through 9-3-713.

§ 9-3-703. Administration.

(a) There is created the retirement program which is for the benefit of the employees defined in W.S. 9-3-702(a)(v).

(b) The administration and responsibility for the operation of the retirement program is under the direction and control of the board. All matters pertaining to the board are applicable to the retirement program created by this act. For the purposes of administration of this act, the Wyoming Retirement Act applies to this act to the extent not inconsistent with this act, or where by the terms of the Wyoming Retirement Act, its provisions can have no application. Specifically, with respect to this act, W.S. 9-3-408 applies with respect to investment of funds and service as custodian of funds in the account and the board has rulemaking authority in accordance with W.S. 9-3-409.

§ 9-3-704. Employee contributions.

(a) Except as otherwise provided in this section, every employee covered by this article shall pay into the account nine and twenty-two one-hundredths percent (9.22%) of his salary. To the extent this contribution is not paid by the employer as authorized in this section, this payment shall be deducted each pay period from employees' salaries by the respective fiscal officers of the employers.

(b) The entire contribution required by subsection (a) of this section shall be paid by the employer for employees covered under this article in order to be treated as employer contributions for the sole purpose of determining tax treatment under the United States Internal Revenue Code.

(c) The contributions under subsection (b) of this section shall be paid from the source of funds which is used in paying salary to the employee. The employer may pay these contributions without offset of the employee's salary in the same salary percentage as provided by state employers under W.S. 9-3-412(c). The employer shall also reduce the cash salary of the employee by three and sixty-five hundredths percent (3.65%).

§ 9-3-705. Employer contributions.

Each employer subject to this act shall pay into the account a contribution equal to fourteen and five-tenths percent (14.5%) of the salary paid to each employee covered by this act. These contributions, together with the employees' contributions shall be transferred and credited to the retirement program in a manner the board directs.

§ 9-3-706. Age of retirement.

(a) An employee is eligible for retirement under this act when he has served as a judge of the supreme court, a district court, a circuit court or service in any combination of those positions after July 1, 1998, if:

(i) He is at least sixty (60) years of age and has at least twenty (20) years of credited service;

(ii) He is at least sixty-five (65) years of age and has at least four (4) years of credited service;

(iii) He has less than four (4) years of credited service but has served continuously from the date of appointment to the age of seventy (70) years;

(iv) He has not less than ten (10) years and is retired for disability;

(v) He has not less than four (4) years of service to his credit and is at least fifty-five (55) years of age, but any benefit received by an employee under this paragraph shall be reduced by five percent (5%) for each year of retirement prior to age sixty-five (65).

§ 9-3-707. Amount of benefit; adjustments.

(a) Any employee who has left service covered under this act, and who has not withdrawn his accumulated contributions, is eligible to receive a retirement allowance computed according to the terms of this act at the age specified in W.S. 9-3-706. The service retirement allowance payable to an employee under this act is subject to the following:

(i) The amount shall be equal to the percentage computed under paragraph (ii) of this subsection times the employee's highest average salary as defined in W.S. 9-3-702(a)(vii);

(ii) For the purposes of making the computation under paragraph (i) of this subsection, the percentage shall be computed based upon the sum of the following for credited service:

(A) Four percent (4%) for each of the first five (5) years of credited service;

(B) Three percent (3%) for each year from and including the sixth year through the fifteenth year of credited service;

(C) Two percent (2%) for each year from and including the sixteenth year through the twentieth year of credited service;

(D) One percent (1%) for each year from and after the twenty-first year of credited service.

(iii) Repealed by Laws 2008, ch. 21, § 2.

(iv) For an employee retired for disability, W.S. 9-3-422(a) and (b) apply with respect to computing the amount of the benefit.

(b) Repealed by Laws 2012, ch. 107, § 3.

(c) W.S. 9-3-430 applies to this act.

(d) Benefits shall not be payable under the program to the extent that they exceed the limitations imposed by section 415(b) of the Internal Revenue Code. The board shall provide any benefits in excess of the limitations under special pay plans authorized under W.S. 9-3-405(b) to the extent the benefits can be provided and the program retain qualified plan status under the Internal Revenue Code.

§ 9-3-708. Death benefits; survivor's benefits.

(a) W.S. 9-3-421 applies to employees and their survivors under this act.

(b) Upon the death of a former employee who is receiving a retirement allowance under this act, the employee's survivor shall receive a monthly retirement allowance during the survivor's life equal to fifty percent (50%) of the allowance received by the former employee under this act at the time of the employee's death.

§ 9-3-709. Refund of contributions upon termination of employment; procedure; redeposit; limitation on refund.

Any employee covered by this act who terminates his employment is entitled to a refund of the amount of the employee's contributions plus interest thereon. The refunds shall be made only upon written request to the board. Any employee who withdraws from the system under this section shall forfeit all rights to further benefits, employer matching contributions and service credit under the system. Any person who later returns to service covered by this act may redeposit the amount of the contributions withdrawn, in lump sum, together with interest, and upon earning not less than two (2) years credited service, may reestablish his service credits as of the time of withdrawal of his contributions. Any redeposit payment pursuant to this section shall be made not later than ten (10) years following the date of reemployment or prior to retirement, whichever first occurs.

§ 9-3-710. Disposition of funds; custodian of monies.

Funds accruing to the account used to fund benefits for the program under this act shall be commingled with all money on deposit with the state treasurer in the Wyoming retirement account. The board may designate the state treasurer as the custodian of the retirement account. Disbursements from the account for purposes as specified in W.S. 9-3-407(c) shall be made only upon warrants drawn by the state auditor upon certification by authorized system employees. All disbursements from the account shall be accounted for in accordance with the uniform state accounting system or in a manner approved by the state auditor or the state treasurer as provided under W.S. 9-4-214. As used in this section, "authorized system employees" means the director and his designees who have authorized signatures on file with the state auditor, "director" means

the director of the Wyoming retirement system, and "system" means the Wyoming retirement system.

§ 9-3-711. Payment of employers' contribution from budgets.

Provision for the payment of the employers' contribution under this act shall be made in the budget of the Wyoming supreme court and the district courts. Provision for the payment of that portion of the employee's contribution authorized to be made by the employer under this act shall be requested in the budget of the Wyoming supreme court and the district courts.

§ 9-3-712. Exemption of benefits from state and local taxes, execution and attachment; benefits paid under qualified domestic relations order.

(a) Benefits and allowances set forth under this article are exempt from any state, county or municipal tax and are not subject to execution or attachment by trustee process or otherwise, in law or equity, or under any other process, and are not assignable except as specially provided in this article.

(b) Notwithstanding subsection (a) of this section, benefits and allowances under this article may be paid in accordance with qualified domestic relations orders pursuant to W.S. 9-3-426.

§ 9-3-713. Election to transfer into the system established under this act.

(a) Any Wyoming supreme court justice, district judge or circuit court judge appointed before July 1, 1998, may elect to be covered under the retirement system established under this act subject to the following terms and conditions:

(i) The election shall be made by providing notice to the board not later than December 31, 1999, or prior to retirement, whichever is earlier, and making any payment required under paragraph (iii) of this subsection. An election made pursuant to this section may be rescinded at any time before the electing judge or justice collects retirement from the retirement system established under this act;

(ii) For county judges, the board shall transfer the funds in the judge's member account in the retirement system as defined in W.S. 9-3-402(a)(i) and the matching employer contributions along with interest on both to the account created in W.S. 9-3-702(a)(i) to fund retirement under this act;

(iii) A circuit court judge making an election under this section shall also pay to the board an amount determined by the board which shall be deposited into the retirement system account used to fund the retirement benefits under this act. The amount shall be equal to three and sixty-five hundredths percent (3.65%) of his salary for each year of service to be credited under this act plus interest, or an amount sufficient to cover the unfunded liability for retirement benefits under this section after the transfer under paragraph (ii) of this section, whichever is less.

Notwithstanding paragraph (i) of this subsection, a circuit court judge appointed before July 1, 1998, may elect to be covered under this act by providing notice to the board not later than December 31, 2003, or prior to retirement, whichever is earlier, and making any payment required under this paragraph.

FIREMEN PENSIONS AND DEATH BENEFITS

§ 15-5-201. Definitions
§ 15-5-202. Pension account; creation; administration; donations; investment; dual participation prohibited
§ 15-5-203. Firemen and employer contributions; imposition at discretion of board; amounts; how and when collected, suspended and reinstated
§ 15-5-204. Pensions; amounts; qualifications; when paid; disability benefits; disqualifications; examinations; disallowance; actions; adjustment
§ 15-5-205. Death benefits to surviving spouse; amounts; limitations; length of payments
§ 15-5-206. Death benefits to dependent father and mother; amounts
§ 15-5-207. Application for benefits; statement filed; determination; review; appeal
§ 15-5-208. Pension application; payments thereafter; when benefits suspended
§ 15-5-209. Payments; when and how made; protections; nonassignability; qualified domestic relations order
§15-5-210. Repealed by Laws 1996, ch. 6, § 2, eff. July 1, 1996

TITLE 15. CITIES AND TOWNS – CHAPTER 5. FIRE AND POLICE DEPARTMENTS
ARTICLE 2. FIREMEN PENSIONS & DEATH BENEFITS

§ 15-5-201. Definitions.

(a) As used in this article:

(i) Repealed by Laws 1981, ch. 41, § 3.

(ii) "Benefit unit" means each of the following:

(A) Each paid fireman;

(B) Each person receiving a monthly pension under W.S. 15-5-204;

(C) Each person receiving a disability pension under W.S. 15-5-204;

(D) Each account of a deceased or retired fireman from which monthly pension payments are being made to any person under W.S. 15-5-205 and 15-5-206.

(iii) "Compensation Act" means the Wyoming Worker's Compensation Act, W.S. 27-14-101 through 27-14-806;

(iv) "Fireman first class" means the highest salary grade which a fireman can obtain within his department without any promotion in rank. The term specifically excludes chiefs, officers, engineers, fire equipment operators, secretaries, mechanics, inspectors and all other specialized grades, ratings and ranks;

(v) and (vi) Repealed by Laws 1981, ch. 41, § 3.

(vii) Repealed by Laws 2009, ch. 90, § 3.

(viii) "Injured, disabled or killed in the line of duty" means that a paid or volunteer fireman is injured or disabled when he meets with bodily or mental injury while actually engaged in the repair, upkeep or care of fire apparatus, or in the performance of duties prescribed in the maintenance and operation of a fire department;

(ix) "Maximum monthly salary of a fireman first class" means the gross monthly salary of a fireman first class, including the greatest longevity or additional monthly salary increase for

length of service, as established by the city, town or county which employed the retired, disabled or deceased paid fireman, and including contributions required by W.S. 15-5-203;

(x) "Minimum annual cash requirement of the account" means the amount of cash needed to meet the known required disbursements from the firemen's pension account during the upcoming fiscal year, reduced by the anticipated cash account balance of the firemen's pension account on hand at the end of the current fiscal year;

(xi) "Paid fireman" means an individual regularly employed and paid by any city, town, county or fire protection district for devoting his entire time of employment to the care, operation and requirements of a regularly constituted fire department;

(xii) Repealed by Laws 1981, ch. 41, § 3.

(xiii) "Twenty years active service" means that an individual's principal means of livelihood for twenty (20) years has been employment by one (1) or more cities, towns, counties or fire protection districts as a member of a regularly constituted fire department and that the individual has been carried on the payrolls thereof for that period of time;

(xiv) "Volunteer fireman" means an individual who devotes less than his entire time of employment to, but who is carried on the rolls of a regularly constituted fire department, the members of which may be partly paid and partly volunteer. Payment of compensation for services actually rendered by enrolled volunteers does not take them out of this classification. Any individual who volunteers assistance but is not regularly enrolled as a fireman is not a volunteer within the meaning of this article;

(xv) "Board" means the retirement board created by W.S. 9-3-404;

(xvi) "Employer" means any incorporated municipality, county or fire protection district offering fire protection or public safety services employing one (1) or more members.

§ 15-5-202. Pension account; creation; administration; donations; investment; dual participation prohibited.

(a) There is created a firemen's pension account for the purpose of paying the awards, benefits and pensions under the provisions of this article. The account shall be administered by the board through the director. The board has full custody and control of the account with full power over its administration. The director of the state department of audit or his designee shall make a biennial audit of the account and the receipts thereto and disbursements therefrom and report his findings to the governor and the legislature. The account shall be administered without liability

on the part of the state beyond the amount of the funds. All expenses of administration shall be paid from the account.

(b) Repealed by Laws 1997, ch. 69, § 2.

(c) The board is empowered to:

(i) Receive and credit to the account any and all gifts, donations and contributions as may be made by individuals and organizations for the benefit of the account;

(ii) Invest all account monies not immediately necessary for disbursements in any of the securities and in any amounts authorized by W.S. 9-3-408.

(d) No paid fireman shall participate as a member of the firemen's pension account established under this article and as a member of the volunteer firemen's pension account established under W.S. 35-9-601 through 35-9-615 if participation is based upon covered service with the same fire department.

§ 15-5-203. Firemen and employer contributions; imposition at discretion of board; amounts; how and when collected, suspended and reinstated.

(a) In addition to the amount appropriated to the firemen's pension account by W.S. 15-5-202, every paid fireman may, at the discretion of the board, be assessed not more than eight percent (8%) of his gross monthly salary for the use and benefit of the account, up to the maximum monthly salary of a fireman first class. Any salary assessment imposed under this subsection shall be withheld monthly from his salary by the treasurer or other disbursing officer of the city, town or county.

(b) and (c) Repealed by Laws 1981, ch. 41, § 3.

(d) Upon a determination by the board in accordance with subsection (g) of this section, every employer shall pay into the account for each paid fireman it employs an amount not to exceed twenty-one percent (21%) of the salary of a fireman first class. Any contributions imposed under this subsection, together with the paid firemen's contributions, shall be transferred and credited to the account in a manner as the board directs. If the contributions are not transferred to the board when due, they may be recovered, together with interest at the rate of ten percent (10%) per annum in an action brought for that purpose in the district court for the county in which the employer has its principal office.

(e) The contributions required by subsection (a) of this section shall be paid by the employer for paid firemen covered under this article in order to be treated as employer contributions for the sole purpose of determining tax treatment under the United States internal revenue code.

(f) The contributions under subsection (e) of this section shall be paid from the source of funds which is used in paying salary to paid firemen covered under this article. The employer may pay these contributions by a reduction in cash salary of the paid firemen or by an offset against a future salary increase, or by a combination of a reduction in salary and an offset against a future salary increase, provided:

(i) No such salary reduction or offset, or combination thereof, shall exceed the percentage amount actually being deducted from an employee's salary for contributions to the firemen's pension account as of July 1, 1983; and

(ii) Any employer may pay any amount of an employee's share of retirement contributions without a salary reduction or offset, or combination thereof.

(g) Based upon findings and recommendations of the Wyoming retirement system actuary, the board shall determine if contributions under subsections (a) and (d) of this section are necessary for the continued payment of benefits under this article. Any contributions imposed by the board upon paid firemen and employers shall bear the ratio provided for the maximum contribution rates authorized under subsections (a) and (d) of this section. If contributions are reinstated at any time following suspension of contributions, the board shall provide notice of reinstated contributions to firemen and employers not less than six (6) months prior to the date of imposition.

§ 15-5-204. Pensions; amounts; qualifications; when paid; disability benefits; disqualifications; examinations; disallowance; actions; adjustment.

(a) Any person qualifying may retire from active service and receive a monthly pension of seventy-five percent (75%) of the maximum monthly salary of a fireman first class. Any benefit increases which may occur shall not subsequently be withdrawn. This benefit accrues to any paid fireman who has completed twenty (20) years of active service in regularly constituted fire departments of any cities, towns, counties or fire protection districts and to any paid fireman suffering from a mental or physical disability rendering him unfit for active duty. Any paid fireman covered under this article may continue service beyond twenty (20) years and receive an additional benefit of one and one-half percent (1.5%) of the maximum salary of a fireman first class for each year of service beyond twenty (20) years.

(b) Any fireman with less than ten (10) years of service upon terminating his employment for any reason shall receive in a lump sum a refund of all the money he has contributed to the firemen's pension account. Refund of such contributions extinguishes all rights to any benefits under this article.

(c) After ten (10) years as a full time paid fireman, any fireman upon terminating his employment for any reason may have his choice of:

(i) A refund, in a lump sum, of all the money he has contributed into the firemen's pension account, less one-half percent (1/2%) for bookkeeping costs; or

(ii) Upon the twentieth anniversary of the date of his employment as a full time paid fireman he may draw a monthly pension computed as follows:

Number of years service x 75% of the maximum
Monthly salary of a firemen first class

(d) No fireman is entitled to draw a disability pension if the primary cause of the mental or physical disability which renders him unfit for active duty is alcoholism, substance abuse or addiction or an injury incurred as a result of the commission of a crime of a voluntary nature, or a mental or physical condition which existed at the time of his employment.

(e) The board may require firemen applying for or drawing a disability pension to submit periodically to a physical or mental examination by a physician it selects and to furnish relevant information it requests. If the physician's report, or other evidence available to the board, shows that the fireman is not qualified for the disability pension, or that he is fit for active duty, the board shall disallow or discontinue the payment of the monthly disability pension. Examining physicians selected by the board shall be paid from the account in accordance with existing worker's compensation schedules for examinations.

(f) Any applicant or beneficiary of the firemen's pension account aggrieved by a disallowance or discontinuance of pension benefits has a right to commence an action in the district court of the county in which the applicant resides, naming the board, as custodian of the firemen's pension account, as the party defendant, to have his rights to pension benefits determined before a judge of the district court.

(g) Any pension benefit, survivor benefit or disability benefit received by an eligible individual under this article, and the fireman for whom the benefit is generated has been retired for a period of not less than one (1) year, shall be increased each year by at least three percent (3%). In the event the most 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 in no case shall the total increase be greater than five percent (5%) of the benefit. Any increase under this subsection shall be added to the pension benefit, survivor benefit or disability benefit and compounded for purposes of determining the total benefit amount in subsequent years.

(h) The board shall adopt rules to allow service for any period of time, after commencement of participation under this article, which an employee spends in active military or other emergency service of the United States as required by the Uniformed Services Employment and Reemployment Rights Act, 38 U.S.C. 4301 et seq.

§ 15-5-205. Death benefits to surviving spouse; amounts; limitations; length of payments.

(a) If any paid fireman dies from any cause, the board shall pay to the surviving spouse a monthly pension equal to the greater of the monthly benefit payable to the fireman under W.S. 15-5-204 or the monthly benefit payable under W.S. 15-5-204(a) for twenty (20) years of active service. Benefits payable under this subsection shall be paid out of the firemen's pension account and shall continue for the spouse's life.

(b) If the fireman is a retired fireman drawing his pension at the time of his death, the board shall pay to the surviving spouse a monthly pension equal to the monthly benefit payable to the fireman under W.S. 15-5-204. Benefits payable under this subsection shall be paid out of the firemen's pension account and shall continue for the spouse's life.

(c) Repealed by Laws 2001, ch. 36, § 2.

§ 15-5-206. Death benefits to dependent father and mother; amounts.

If any paid fireman dies, leaving no surviving spouse or children, but leaves a surviving dependent father or mother or both, the board shall pay to the mother if there is no father, to the father if there is no mother or to both, out of the firemen's pension account, a monthly amount equal to the pension the retired fireman was receiving if retired at the time of his death, or if in active service at the time of death, a monthly amount equal to the greater of the monthly benefit payable to the fireman under W.S. 15-2-204 at the time of his death or the monthly benefit payable under W.S. 15-2-204(a) for twenty (20) years of active service. If either the surviving mother or father dies after the payments have started, the board shall pay to the surviving parent the full amount as computed under this section.

§ 15-5-207. Application for benefits; statement filed; determination; review; appeal.

If any fireman, his surviving spouse, dependent children or dependent parents are entitled to any pension or benefits under this article, the fireman, or in the event of his death, the chief of the fire department of which he was a member, or some other proper person, shall apply by filing a complete and concise statement of the facts necessary to entitle the fireman or the fireman's surviving spouse or children or parents to the benefits or pension. The application shall be filed with the board upon forms it provides. The board is empowered to investigate the application and determine whether or not it should be granted and to hear evidence as to the justice of the application, or to require and receive affidavits as to the truth of the statements made in the application. If the application is refused, the matter may be taken, by petition, before the district court of the county in which the applicant resides. The court shall notify the board of the date set for hearing. The decision of the district court is binding upon the board and applicant unless appealed from according to the procedure provided under the Worker's Compensation Act [§ 27-14-101 et seq.].

§ 15-5-208. Pension application; payments thereafter; when benefits suspended.

Application for pension may be made prior to actual retirement upon statement of the intention to retire, but payment shall not begin until the applicant has actually retired and his name is stricken from the payroll of the city or town. No fireman or any of his survivors is entitled to any of the benefits of this article while the fireman or his survivors are receiving payments under the Worker's Compensation Act [§ 27-14-101 et seq.], but when the payments under the Worker's Compensation Act terminate, his or their rights to the benefits of this article attach. Any fireman who is entitled to the benefits of insurance paid for from the general fund of any city or town is not entitled to any of the benefits of this article until the insurance payments cease.

§ 15-5-209. Payments; when and how made; protections; nonassignability; qualified domestic relations order.

(a) Payments made under this article shall be made to the beneficiaries on or before the fifth day of each month and shall be made by voucher approved by the board or its designee drawn against the firemen's pension account and paid by the board out of the account. No payments made under this article are subject to judgment, attachment, execution, garnishment or other legal process and are not assignable nor shall the board recognize any assignment nor pay over any sum assigned.

(b) Notwithstanding subsection (a) of this section, payments under this article may be made in accordance with qualified domestic relations orders pursuant to W.S. 9-3-426.

§ 15-5-210. [Repealed.] Repealed by Laws 1996, ch. 6, § 2.

FIREMEN'S PENSION REFORM ACT OF 1981

§ 15-5-401. Citation
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§ 15-5-403. Eligibility for service pension
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§ 15-5-408. Payment of disability pension
§ 15-5-409. Amount of service pension
§ 15-5-410. Repealed by Laws 1998, Sp. & Bud. Sess., ch. 75, § 2, eff. July 1, 1998
§ 15-5-411. Amount of disability pension
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§ 15-5-413. Optional forms of benefits
§ 15-5-414. Death benefit
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TITLE 15. CITIES AND TOWNS – CHAPTER 5. FIRE AND POLICE DEPARTMENTS FIREMEN'S PENSION ACCOUNT REFORM ACT OF 1981

§ 15-5-401. Citation.

This article is known as the "Firemen's Pension Account Reform Act of 1981".

§ 15-5-402. Definitions.

(a) As used in this article:

(i) "Account" means the firemen's pension account established by W.S. 15-5-202;

(ii) "Board" means the retirement board established by W.S. 9-3-404 and includes all the powers and duties enumerated in W.S. 9-3-401 through 9-3-429;

(iii) "Compensation" means all salary or wages payable to a member for service including contributions required by W.S. 15-5-420. For purposes of computing benefits under this article, compensation shall include only compensation on which contributions have been paid pursuant to W.S. 15-5-420 and 15-5-421;

(iv) "Credited service" means for any member, service as an employee;

(v) "Dependent" means a dependent child or dependent parent;

(vi) "Dependent child" means a person who is unmarried and either:

(A) Has not attained age eighteen (18); or

(B) Has attained age eighteen (18) but not age twenty-three (23) and is attending school on a full-time basis; or

(C) Has attained age eighteen (18) and is permanently disabled as the result of a disability which began before he attained age eighteen (18).

(vii) "Disability" means a medically determined physical or mental impairment which renders the member unable to function as a paid firefighter and which is reasonably expected to last at least twelve (12) months;

(viii) "Employee" means any individual regularly employed and paid by any city, town, county or fire protection district for devoting his entire time of employment to the care, operation and requirements of a regularly constituted fire department;

(ix) "Employer" means any incorporated municipality, county or fire protection district offering fire protection or public safety services employing one (1) or more members;

(x) "Final average compensation" means one thirty-sixth (1/36) of the compensation paid to an employee during any period of thirty-six (36) consecutive months in his years of credited service in which his compensation was highest;

(xi) "Inactive member" means a member who:

(A) Has terminated service;

(B) Is not eligible to begin receiving a service or disability pension; and

(C) Has neither applied for nor received a refund of his contributions.

(xii) "Member" means an employee whose compensation is not subject to the federal old-age, survivors and disability insurance tax and who either is first hired on or after July 1, 1981 or who elects coverage under the provisions of W.S. 15-5-418;

(xiii) "Pension system" means the retirement and disability plans for employees covered under the provisions of this article or W.S. 15-5-201 through 15-5-209;

(xiv) "Primary survivor" means any person in the following order of priority, unless the priority is changed by the member on a form prescribed by the board and filed with the board at the time of the member's death:

(A) The surviving spouse; or

(B) If there is no eligible surviving spouse, a dependent child, or with the survivor's pension divided among them in equal shares, all such children, including any resulting from a pregnancy prior to the member's death.

(xv) "Retired member" means any member who has terminated service, other than an inactive member, who is eligible to receive a service or disability pension under this article.

§ 15-5-403. Eligibility for service pension.

(a) A member is eligible to receive a service pension after he has terminated employment beginning with the month when he has four (4) years of credited service and has attained age fifty (50).

(b) Repealed by Laws 1998, ch. 75, § 2.

(c) An inactive member with a vested right to a service pension is eligible to receive such pension, computed in accordance with the provisions of this article in effect when he ceased to be an employee, beginning with the first month after his attainment of age fifty (50).

(d) For purposes of this section, credited service includes any period during which a member is receiving a disability pension as provided by this article.

§ 15-5-404. Vesting rights; return to service.

(a) A member who has four (4) years of credited service has a vested right to a service pension payable as provided in W.S. 15-5-403(c).

(b) If a member who has less than four (4) years of credited service ceases to be an employee, his service credits to the date of termination shall be cancelled unless:

(i) He again becomes an employee within four (4) months after his cessation of employment; or

(ii) He subsequently acquires four (4) years of credited service; and

(iii) If he has withdrawn his contributions he repays them with interest at a rate determined by the board and remains employed for not less than two (2) continuous years following the date or reemployment.

(c) For purposes of this section, credited service includes any period during which a member is receiving a disability pension under this article.

(d) The board shall adopt rules to allow service for any period of time, after commencement of participation under this article, which an employee spends in active military or other emergency service of the United States as required by the Uniformed Services Employment and Reemployment Rights Act, 38 U.S.C. 4301 et seq.

§ 15-5-405. Eligibility for disability pension.

(a) A member, not otherwise eligible for a service pension, who suffers a disability is eligible for a disability pension.

(b) The determination of disability shall be made by the board in accordance with rules and regulations adopted by the board for this purpose. The board may require physician reports, medical examinations, psychological examinations, functional capacity evaluations, vocational examinations and other necessary reports and examinations in determining a disability under this subsection and in reviewing any disability under subsection (c) of this section. The cost of any functional capacity evaluation, vocational examination or other specialized test incurred pursuant to this section shall be paid from the account.

(c) The board may annually review the status of any member receiving a disability benefit under this article and may require any member receiving a disability benefit who is not eligible for normal retirement benefits under W.S. 15-5-403, to submit to any examination, test or evaluation by a physician or other appropriate professional designated or approved by the board, as necessary for conducting a review under this subsection. If a member refuses to submit to an examination, test or evaluation required under this subsection, benefit payments under this article shall be discontinued.

§ 15-5-406. Survivor benefits.

The eligible surviving spouse or dependents of a member shall receive a survivor's pension if the member dies from any cause while in service.

§ 15-5-407. Payment of service or early retirement pensions.

Service or early retirement pensions shall be made to a retired member for each month beginning with the month in which he is eligible to receive such pension and ending with the month in which he dies, unless an optional form has been elected in accordance with W.S. 15-5-413.

§ 15-5-408. Payment of disability pension.

(a) Disability pension payments shall be made to a member for each month beginning with the month in which he is eligible to receive such pension and ending with the month in which he ceases to be eligible or dies, unless an optional form has been elected in accordance with W.S. 15-5-413.

(b) If a member who is disabled recovers and is no longer totally or partially disabled, his disability pension shall be discontinued unless he has reached normal retirement age.

§ 15-5-409. Amount of service pension.

(a) The amount of the monthly service pension payable to a retired member is:

(i) Two and eight-tenths percent (2.8%) of his final average compensation multiplied by the number of years in his first twenty-five (25) years of his period of credited service.

(ii) Repealed by Laws 2000, ch. 43, § 2.

(iii) Repealed by Laws 2008, ch. 112, § 2.

(b) For purposes of this section, credited service shall be measured in years taken to the nearest twelfth (1/12) of a year.

(c) Benefits shall not be payable under the pension system to the extent that they exceed the limitations imposed by section 415(b) of the Internal Revenue Code.

§ 15-5-410. [Repealed.]

Repealed by Laws 1998, ch. 75, § 2.

§ 15-5-411. Amount of disability pension.

(a) The disability pension shall be the greater of:

(i) Fifty percent (50%) of final average compensation; or

(ii) The service pension based on credited service accrued to the date of disability.

§ 15-5-412. Amount of survivor's pension.

(a) The monthly survivor's pension payable to a member's eligible primary survivor or, if there is no eligible surviving spouse, then to his eligible surviving dependents, shall be equal to the greater of:

(i) Fifty percent (50%) of final average compensation; or

(ii) The service pension based on credited service accrued to the date of the member's death.

(b) If the primary survivor is the surviving spouse, that person shall have been married to the deceased member for at least one (1) year before the date of death, unless the death was the result of an accident.

(c) A survivor's pension shall begin with the month following the month in which the member dies. If the pension is payable to a surviving spouse who subsequently dies, it is then payable in

the following month to the next primary survivor as defined in W.S. 15-5-402(a)(xiv) or ceases with that month in the absence of eligible dependents. If payable to a child who dies or fails to meet the conditions of eligibility in W.S. 15-5-402(a)(vi), the pension shall cease with that month.

§ 15-5-413. Optional forms of benefits.

(a) Any member eligible for a service or disability pension may elect to receive one (1) of the following optional forms, in lieu of the pension computed in W.S. 15-5-409 through 15-5-411, which shall be the actuarial equivalent of the benefit to which he would otherwise be entitled:

(i) A reduced pension payable to the retired member and upon his death all of the reduced pension to be paid to his surviving spouse;

(ii) A reduced pension payable to the retired member and upon his death one-half (1/2) of the reduced pension to be paid to his surviving spouse;

(iii) A benefit which provides reduced monthly service retirement payments with provision for the continuance of payments for ten (10) years certain and life thereafter. If the retired member dies within ten (10) years after retirement, the remaining guaranteed payments shall be made to his designated beneficiary. This beneficiary may be changed at any time by written notification to the board as provided in subsection (b) of this section;

(iv) The largest possible benefit for life with no lump sum refund or benefit for anyone else upon the retired member's death;

(v) Any other modified monthly service retirement benefit, including any other modified joint and survivor monthly service retirement benefit, actuarially determined, which the board approves.

(b) An election of an optional benefit shall be in writing and filed with the board prior to the first benefit payment. After an election of any of the options provided in subsection (a) of this section has been made and the member has cashed his first pension check, or sixty (60) days from the date of issuance of the check have elapsed, the election is irrevocable unless a beneficiary dies prior to the occurrence of either such event, in which case the election is void and the member may, by written notice to the board, designate a new beneficiary and may select a different option. As provided in paragraph (a)(iii) of this section, upon written notice to the board, a member may change a beneficiary at any time within the ten (10) year period.

(c) The retirement benefits payable under optional forms available under this section shall be the actuarial equivalent of the normal benefit form under W.S. 15-5-409.

§ 15-5-414. Death benefit.

Except as may otherwise be provided in any of the options under W.S. 15-5-413, upon the death of a member, inactive member, retired member or individual receiving a survivor's pension, there shall be paid to the designated beneficiary or beneficiaries or, in the absence of a designated beneficiary, to the estate of the member, inactive member, retired member or survivor, a lump sum equal to the excess, if any, of the accumulated member contributions without interest over the aggregate of all pension payments made.

§ 15-5-415. Withdrawal benefit.

(a) The accumulated contributions without interest of a member who is neither eligible for a service nor disability pension, nor has a vested right to a service pension, shall be refunded upon his withdrawal from service. There shall be a rebuttable presumption that a former member who fails to apply for a withdrawal benefit within five (5) years after the date of withdrawal has waived his right to such benefit.

(b) If a member has a vested right to a service pension and withdraws from service and is not immediately eligible for a service or disability benefit, he may request a refund of his accumulated contributions without interest. Refund of such contributions extinguishes all rights to any benefits under this article.

§ 15-5-416. [Repealed.]

Repealed by Laws 2012, ch. 107, § 3.

§ 15-5-417. Application of benefits.

(a) A service pension, disability pension, survivor's pension, death benefit or withdrawal benefit shall be paid only upon the filing of an application in a form prescribed by the board. A monthly benefit shall not be payable for any month earlier than the second month preceding the date on which the application for such benefit is filed.

(b) The board may require any member, inactive member, retired member or eligible survivor to furnish any information as may be required for the determination of benefits under this article, if the determination of the pension is dependent upon that information. The board may withhold payment of any benefit, if the determination of the benefit is dependent upon the information and the member, inactive member, retired member or eligible survivor does not cooperate in the furnishing or procuring thereof.

§ 15-5-418. Election of membership.

(a) A "paid fireman" as defined in W.S. 15-5-201(a)(xi) may elect to become a member, as defined in this article by filing an election with the board not later than December 31, 1981, or

within thirty (30) days of return to service, if later, for any paid fireman who leaves service prior to July 1, 1981.

(b) Commencing January 1, 1982, or thirty (30) days after return to service, if later, an electing member is covered by the provisions of this article, and all rights to a pension under W.S. 15-5-201 through 15-5-209 are extinguished. The member shall receive credited service for all prior service, not to exceed ten (10) years, which was recognized under W.S. 15-5-201 through 15-5-209. However, that credit may be reinstated only by payment of any contributions previously refunded with interest at the rate of eight percent (8%) per annum from the date of refund.

§ 15-5-419. Dual membership prohibited.

(a) Any employee hired before July 1, 1981 is covered by the pension system specified in W.S. 15-5-201 through 15-5-209 unless he elects to become a member pursuant to W.S. 15-5-418. Any employee hired on or subsequent to July 1, 1981 is covered by the pension system specified in this article. No employee may be covered by the pension systems of both W.S. 15-5-201 through 15-5-209 and this article.

(b) No paid employee shall participate as a member of the firemen's pension system established under this article and as a member of the volunteer firemen's pension fund established under W.S. 35-9-601 through 35-9-615 if participation is based upon covered service with the same fire department.

§ 15-5-420. Member contributions.

(a) Each employer shall deduct monthly from the compensation of each member participating in the account a sum equal to eight and seven hundred twenty-five thousandths percent (8.725%) of the member's compensation until June 30, 2014, and thereafter nine and two hundred forty-five thousandths percent (9.245%) of his compensation, and that amount shall be paid by the employer to the account.

(b) The contributions required by subsection (a) of this section shall be paid by the employer for employees covered under this article in order to be treated as employer contributions for the sole purpose of determining tax treatment under the United States internal revenue code.

(c) The contributions under subsection (b) of this section shall be paid from the source of funds which is used in paying salary to the employee. The employer may pay these contributions by a reduction in cash salary of the employee or by an offset against a future salary increase, or by a combination of a reduction in salary and an offset against a future salary increase, provided:

(i) No such salary reduction or offset, or combination thereof, shall exceed the percentage amount actually being deducted from an employee's salary for contributions to the account as of July 1, 1983; and

(ii) Any employer may pay any amount of an employee's share of retirement contributions without a salary reduction or offset, or combination thereof.

§ 15-5-421. Contribution by employer.

Each employer shall make monthly contributions to the account in an amount equal to the percentage contribution rate multiplied by the salaries paid to members of the account. The contribution rate, expressed as a percentage, shall be based on the results of actuarial valuations made at least every three (3) years. The city's contribution rate shall be comprised of the normal cost plus the level percentage of salary payment required to amortize the actuarial liability over a period of forty (40) years from January 1, 1983, calculated on the basis of an acceptable actuarial reserve funding method approved by the board.

§ 15-5-422. Payments; when and how made; protections; nonassignability; qualified domestic relations order.

(a) Payments made under this article shall be made to the beneficiaries on or before the fifth day of each month and shall be made by voucher drawn against the firemen's pension account and paid by the state auditor out of the account. No payments made under this article are subject to judgment, attachment, execution, garnishment or other legal process and are not assignable nor shall the board recognize any assignment nor pay over any sum assigned.

(b) Notwithstanding subsection (a) of this section, payments under this article may be made in accordance with qualified domestic relations orders pursuant to W.S. 9-3-426.

VOLUNTEER FIREFIGHTER & EMT PENSION FUND

§ 35-9-601. through **§ 35-9-615.** [Repealed.] [Repealed by Laws 2015, Ch. 124, § 6.]
§ 35-9-616. Definitions
§ 35-9-617. Volunteer firefighter and EMT pension account; merger with other pension accounts; membership.
§ 35-9-618. Annual audit; state's liability.
§ 35-9-619. Authority to receive donations; investment of monies; employment of actuary; actuarial reports.
§ 35-9-620. Contributions on behalf of volunteer firefighters and EMTs; collection; dual participation prohibited.
§ 35-9-621. Benefits enumerated; death of participant or spouse; amount and payment of contributions; death benefits; withdrawal from pension account.
§ 35-9-622. Death benefits in addition to other benefits.
§ 35-9-623. Board; established; nomination; appointment; terms and qualification of members; first members.
§ 35-9-624. Board; chairman; compensation of members; powers and duties.
§ 35-9-625. Board; hearings; appeals.
§ 35-9-626. Adjustment of benefits in case of impairment of funds.
§ 35-9-627. Purchase of service credit.
§ 35-9-628. Deposit of tax on fire insurance premiums into account.

TITLE 35. PUBLIC HEALTH AND SAFETY - CHAPTER 9. FIRE PROTECTION
ARTICLE 6. VOLUNTEER FIREFIGHTER AND EMT PENSION ACCOUNT

§ 35-9-601 through 35-9-615. [Repealed.]

[Repealed by Laws 2015, Ch. 124, § 6.]

§ 35-9-616. Definitions.

(a) As used in this act:

(i) "Account" or "pension account" means the volunteer firefighter and EMT pension account created pursuant to W.S. 35-9-617(a);

(ii) "Board" means the volunteer firefighter and EMT pension account board created pursuant to W.S. 35-9-623(a);

(iii) "Children" means all natural children and adopted children of the participating member, born or conceived at the time of his death or retirement;

(iv) "Eligible retirement plan" means as defined in W.S. 9-3-402(a)(xxvii);

(v) "Participating member" means any volunteer firefighter or volunteer EMT for whom payments are received by the volunteer firefighter and EMT pension account as prescribed in W.S. 35-9-621(e);

(vi) "Rollover contribution" means as defined in W.S. 9-3-402(a)(xxviii);

(vii) "Spouse" means the lawful spouse of a participating member who was married to the volunteer firefighter or volunteer EMT at the time of the volunteer firefighter or volunteer EMT's entry into the account, or who although married after the date of entry, is recognized as the spouse covered by the benefits of the account as a result of special action of the board;

(viii) "Volunteer emergency medical technician" or "EMT" means as defined by W.S. 33-36-102(a)(x), and a person who performs EMT services as an attendant with a state licensed ambulance service and who devotes less than his entire time of employment to, but is carried on the rolls of, a regularly constituted Wyoming ambulance service, the members of which may be partly paid and partly volunteer. Persons performing EMT services for an industrial ambulance service as defined in W.S. 33-36-102(a)(vi) or a privately owned, for profit ambulance service shall not be considered a volunteer emergency medical technician or EMT. Payment of

compensation for services actually rendered by enrolled volunteers does not take them out of this classification. Any individual who volunteers assistance but is not regularly enrolled as an EMT is not a volunteer within the meaning of this chapter;

(ix) A "volunteer fire department" means any duly constituted and organized firefighting unit:

(A) Recognized by the appropriate local government with jurisdiction of the area the unit services and which provides fire protection services to the community as a whole pursuant to a contract or agreement with, or as sponsored by, a governmental entity;

(B) Operating under duly adopted bylaws;

(C) All or a portion of the members of which are volunteers;

(D) Holding monthly meetings to conduct business and training; and

(E) The membership of which is not comprised exclusively of employees of a sponsoring nongovernmental entity.

(x) "Volunteer firefighter" or "firefighter" means any individual who may or may not receive compensation for services rendered as a volunteer firefighter and who:

(A) Is carried on the regular rolls of, but devotes less than his entire time of employment to, activities of a volunteer fire department, all or a portion of the members of which are volunteer; and

(B) During the course of any one (1) year, attends not less than fifty percent (50%) of the monthly volunteer fire department meetings.

(xi) "This act" means W.S. 35-9-616 through 35-9-628.

§ 35-9-617. Volunteer firefighter and EMT pension account; merger with other pension accounts; membership.

(a) The volunteer firefighter and EMT pension account is created. All awards, benefits and pensions established under this article shall be paid from the account.

(b) The account established under subsection (a) of this section shall be controlled by the board and administered by the director of the Wyoming retirement system. All expenses of administration shall be paid from the account. Disbursements from the account shall be made

only upon warrants drawn by the state auditor upon certification by authorized system employees.

(c) The account shall be comprised of all funds and liabilities of the volunteer firemen's pension account created pursuant to W.S. 35-9-602, the volunteer emergency medical technician pension account created pursuant to W.S. 35-29-102, funds directed into the account as provided by W.S. 26-4-102(b), 35-9-619(a), 35-9-621(e) and 35-9-628 and all other funds as directed by this article and the legislature for the benefit of the account, or the volunteer firemen's pension account or volunteer emergency medical technician pension account, respectively.

(d) All members and retirees of the volunteer emergency medical technician pension account created pursuant to W.S. 35-29-101 through 35-29-112, including those members who are no longer participating or contributing members of the volunteer emergency medical technician pension account, but who have not withdrawn their funds as provided by W.S. 35-29-106(f) on or before June 30, 2015, shall become members or retirees of the pension account created pursuant to this section.

(e) All members and retirees of the volunteer firemen's pension account created pursuant to W.S. 35-9-601 through 35-9-615, including those contributing members who are no longer active but who have not withdrawn their funds as provided by W.S. 35-9-608(f) on or before June 30, 2015, shall become members or retirees of the pension account created pursuant to this section.

(f) The director of the retirement system shall determine by rule and regulation a benefit level for all members joining the pension account under subsections (d) and (e) of this section equal to or greater than the benefits the member would have received under the volunteer firemen's or volunteer emergency medical technician pension accounts, respectively.

§ 35-9-618. Annual audit; state's liability.

(a) The director of the Wyoming retirement system shall hire an independent audit firm to perform an annual audit of the account established under W.S. 35-9-617 and shall report audit findings to the board and the governor.

(b) Nothing in this article shall be construed to:

(i) Except for obligations transferred pursuant to W.S. 35-9-617(c), acknowledge any past, present or future liability of or obligate the state of Wyoming for contribution except the employer's contributions provided for in this article, to either the volunteer firefighter and EMT pension system provided by this article or any other retirement system previously existing in the state of Wyoming; or

(ii) Constitute a contract or binding obligation of any kind whatsoever or, except as provided in subsection (c) of this section, to create or grant any vested right or interest in any individual, corporation or body politic.

(c) If the account is terminated, all affected members have a nonforfeitable interest in their benefits that were accrued and funded to date. The value of the accrued benefits to be credited to the account of each affected member shall be calculated as of the date of termination.

§ 35-9-619. Authority to receive donations; investment of monies; employment of actuary; actuarial reports.

(a) In addition to contributions from the state, volunteer fire departments and licensed ambulance services, the board may receive and credit to the account any gifts, donations and other contributions made by individuals, organizations and cities, towns, counties and other political subdivisions for the benefit of the account. The board may invest monies within the account not immediately necessary to pay benefits, awards or pensions under this article, in investments authorized under W.S. 9-3-408(b).

(b) The board shall employ a consulting actuary to review the account annually to determine its solvency and to make recommendations as to revisions and modifications to the pension account. The board may employ legal and other consultants as necessary. Actuarial reports are public records and available for inspection by all participating members of the account.

§ 35-9-620. Contributions on behalf of volunteer firefighters and EMTs; collection; dual participation prohibited.

(a) The county, city, town, fire district, volunteer fire department or licensed ambulance service for whom a participating volunteer firefighter or EMT performs firefighting or EMT services shall pay to the pension account the amount required under W.S. 35-9-621(e). Payments shall be collected upon terms and conditions established by the board under W.S. 35-9-621(e) and shall be forwarded by each collecting officer to the state retirement director for deposit in the account. Any entity listed in this subsection may elect to provide for a member's contribution or any portion thereof provided that any payment of a contribution is made on behalf of a member. Whether an entity makes a contribution for a member shall be at the discretion of the entity as an incentive to improve their local volunteer fire department or emergency medical services.

(b) No volunteer firefighter member of the pension account shall participate as a member of the firemen's pension accounts under W.S. 15-5-201 through 15-5-209 or 15-5-401 through 15-5-422 if participation is based upon covered service for the same fire department.

§ 35-9-621. Benefits enumerated; death of participant or spouse; amount and payment of contributions; death benefits; withdrawal from pension account.

(a) For any participating member attaining the retirement age and service requirements as specified under subsection (d) of this section, the board shall authorize a monthly payment to the member during the member's remaining lifetime of an amount equal to sixteen dollars ($ 16.00) per year of service for the first ten (10) years of service and nineteen dollars ($ 19.00) per year of service over ten (10) years of service.

(b) When any participating member or retired member dies, the board shall immediately authorize payment monthly to the member's surviving spouse during the spouse's remaining lifetime of an amount equal to sixty-six percent (66%) of the member's monthly benefit as provided in this section, if the deceased member had at least five (5) years of active participation in the pension account. If a participating member dies with less than five (5) years of active participation in the pension account, the board shall immediately authorize payment monthly to the member's spouse, during the spouse's remaining lifetime, of an amount equal to sixty-six percent (66%) of the equivalent of the deceased member's benefit as if the member had attained five (5) years of active participation in the pension account.

(c) When any participating member or retired member and the participating member's or retired member's spouse die with children who have not attained the age of twenty-one (21) years, the board shall immediately authorize payment monthly to the lawful guardians of the children of an amount equal to a proportional share of thirty-three percent (33%) of the member's benefit as provided in this section, if the deceased member had at least five (5) years of active participation in the pension account. If a participating member or retired member and the participating member's or retired member's spouse die with children who have not attained the age of twenty-one (21) years, and the deceased member had less than five (5) years of active participation in the pension account, the board shall immediately authorize payment monthly to the lawful guardians of the children of an amount equal to a proportional share of thirty-three percent (33%) of the equivalent of the deceased member's benefit as if the member had attained five (5) years of active participation in the pension account.

(d) Members who begin to participate in the pension account prior to attaining the age of fifty-five (55) years shall be eligible for retirement at sixty (60) years of age, if the member has at least five (5) years of active participation in the pension account. Members who begin participation in the pension account after attaining the age of fifty-five (55) years shall be eligible for retirement after participating in the pension account for at least five (5) years.

(e) A volunteer firefighter or volunteer EMT is a participating member under this article for each month a contribution of fifteen dollars ($ 15.00) is made by or on behalf of the member. For

purposes of eligibility for benefits under subsections (b) and (c) of this section, a volunteer firefighter or EMT is a participating member beginning the first month following the month in which the required monthly payment and any required application for participation is actually received by the Wyoming retirement system. To continue as a participating member, subsequent monthly payments shall be received by the Wyoming retirement system not later than three (3) months following the close of the calendar month for which the payments are applicable. With the consent of and upon any terms and conditions established by the board, payments may be accepted at an earlier or later date. The board shall maintain full and complete records of the contributions made on behalf of each participating member and on request, shall furnish any participating member a statement of the contribution amounts and the dates for which contributions were received. If contributions have varied in amount, the board may make appropriate adjustments in the benefits awarded. In making any adjustment, the board shall be guided by actuarial practice to afford substantial equity to members of the pension account. No penalty shall be imposed upon any participating member transferring employment in Wyoming if required payments are made on a timely basis.

(f) A participating member may withdraw from the pension account and upon withdrawal shall be paid an amount equal to the amount contributed into the member's account together with interest at the rate of three percent (3%) per annum compounded annually.

(g) If a member with less than five (5) years of active participation in the pension account fails to provide contributions to the account as provided in subsection (e) of this section, the member's account shall be deemed delinquent. No interest shall accrue on delinquent accounts. A member's account that remains delinquent for nine (9) months shall be closed and the associated funds shall revert into the pension account. A member whose account is closed pursuant to this subsection who subsequently reenrolls in the pension account shall be entitled to a refund equal to the amount that was reverted into the pension account upon the closing of the member's delinquent account.

(h) The board shall authorize benefit payments from the account in accordance with qualified domestic relations orders pursuant to W.S. 9-3-426.

(j) Any participating member with at least five (5) years of participation in the pension account who retires from active service as a volunteer firefighter or EMT before reaching retirement age and does not withdraw from the pension account as provided in subsection (f) of this section shall be entitled to a monthly benefit payment as provided in subsection (a) of this section upon reaching the retirement age specified in subsection (d) of this section. A member with ten (10) or more years of active participation in the pension account may choose to remove himself from active service as a volunteer firefighter or EMT and continue to contribute to the pension account for an amount of time not to exceed the total number of years the member was an active

participant in the pension account, as provided in subsection (e) of this section and rules promulgated by the board.

(k) The board shall adopt rules to allow service for any period of time, after commencement of participation under this article, which a participating member spends in active military or other emergency service of the United States as required by the Uniformed Services Employment and Reemployment Rights Act, 38 U.S.C. 4301 et seq. to count towards a member's years of active participation.

(m) Upon the death of any participating member, a death benefit shall be paid from the deceased member's account in the following manner and amount:

(i) A lump sum payment of five thousand dollars ($ 5,000.00) or the amount in the deceased member's account, whichever is greater, to the estate of a deceased member without a survivor eligible for a benefit under subsection (b) or (c) of this section;

(ii) If a spouse who is eligible to receive a benefit under subsection (b) of this section dies, an amount equal to five thousand dollars ($ 5,000.00) less the total amount of benefits received under subsection (b) of this section or the amount remaining in the deceased member's account, whichever is greater, shall be paid to the spouse's estate unless the spouse is survived by a person eligible to receive a benefit under subsection (c) of this section;

(iii) When the last person under the age of twenty-one (21) years who is eligible for the benefit provided by subsection (c) of this section dies or attains the age of twenty-one (21) years, an amount equal to five thousand dollars ($ 5,000.00) less the total amount of benefits received under subsections (b) and (c) of this section or the amount remaining in the deceased member's account, whichever is greater, shall be paid in equal shares to each of the children alive on that date;

(iv) For former members of the volunteer firemen's account created pursuant to W.S. 35-9-602(a) who contributed five dollars ($ 5.00) per month before July 1, 1989, the appropriate benefit shall be determined by substituting two thousand five hundred dollars ($ 2,500.00) for five thousand dollars ($ 5,000.00) in paragraphs (i) through (iii) of this subsection.

(n) Cost of living increases may be recommended by the board for retirees of the pension account pursuant to W.S. 9-3-454(a).

(o) Retired recipients of the account and their survivors shall receive any benefit increases provided to members of the account.

§ 35-9-622. Death benefits in addition to other benefits.

Death benefits received under this article shall be in addition to, and are payable after the application of, worker's compensation benefits which are payable to volunteer firefighters or volunteer EMTs under the Wyoming Worker's Compensation Act.

§ 35-9-623. Board; established; nomination; appointment; terms and qualification of members; first members.

(a) The volunteer firefighter and EMT pension board is created. The board shall control the account.

(b) The board shall consist of seven (7) members who shall be appointed by the governor to staggered terms of three (3) years. The governor may remove any board member as provided in W.S. 9-1-202. Of these board members:

(i) Six (6) members shall be volunteer firefighters who have a minimum of five (5) years service as a volunteer firefighter in the state. Appointments under this paragraph shall be made from nominees recommended to the governor by the Wyoming state firemen's association; and

(ii) One (1) member shall be a volunteer EMT who has a minimum of five (5) years service as a volunteer EMT in the state. Appointments under this paragraph shall be made by the governor.

(c) The members of the initial board shall be comprised of the volunteer firemen members of the volunteer firemen's pension board created pursuant to W.S. 35-9-610 serving on June 30, 2015 and one (1) member of the volunteer emergency medical technician pension board created pursuant to W.S. 35-29-108 serving on June 30, 2015, as selected by the governor. The volunteer firefighter members and volunteer EMT member of the initial board shall serve for the same term to which they were appointed to the volunteer firemen's pension board or volunteer emergency medical technician pension board, respectively.

§ 35-9-624. Board; chairman; compensation of members; powers and duties.

(a) Members of the board shall serve without compensation, but actual and reasonable expenses incurred by members for attending meetings and representing the board shall be reimbursed from the account.

(b) The board may:

(i) Adjust claims made by participating members under this article and may waive or alter specific requirements relating to benefits under this article, but shall not have authority to make a general increase in benefits;

(ii) Promulgate rules and regulations governing its operation;

(iii) Investigate claim applications, conduct hearings, receive evidence and otherwise act in a quasi-judicial capacity in accordance with the Wyoming Administrative Procedure Act;

(iv) Permit the suspension of payments in certain cases deemed appropriate by the board, with a commensurate reduction in benefits paid under this article.

§ 35-9-625. Board; hearings; appeals.

(a) The board shall provide an opportunity for hearing to any person petitioning the board for a hearing with or without counsel or witnesses. The board shall provide petitioners the power to subpoena witnesses to testify in their behalf. The taking of evidence shall be summary, giving a full opportunity to all parties to develop the facts. The board shall provide a written transcript of all testimony received at any hearing conducted by the board to any requesting party.

(b) The decision of the board upon hearing is a final administrative decision and is subject to judicial review in accordance with the Wyoming Administrative Procedure Act.

§ 35-9-626. Adjustment of benefits in case of impairment of funds.

If at any time the net assets of the account become actuarially impaired, the board may adjust the benefits provided, pro rata, until the impairment is removed.

§ 35-9-627. Purchase of service credit.

Any member who has been a participating member for at least five (5) years may elect to make a one (1) time purchase of up to five (5) years of service credit as authorized and limited by section 415(c) and 415(n) of the Internal Revenue Code and as established in rules promulgated by the board. Any member electing to purchase service credit shall pay into the account a single lump sum amount equal to the actuarial equivalent of the benefits to be derived from the service credit computed on the basis of actuarial assumptions approved by the board, the individual's attained age and the benefit structure at the time of purchase. A member may purchase service credit with personal funds or, subject to rules and regulations established by the board, through rollover contributions. Unless received by the pension account in the form of a direct rollover, rollover

contributions shall be paid to the pension account on or before sixty (60) days after the date the rollover contribution was received by the member.

§ 35-9-628. Deposit of tax on fire insurance premiums into account.

(a) As provided in this subsection, the state treasurer shall deposit into the account an amount not to exceed seventy percent (70%) of the gross tax levied upon fire insurance premiums paid to insurance companies for fire insurance in the state of Wyoming for the preceding calendar quarter, as computed under W.S. 26-4-102(b)(ii) and provided by W.S. 26-4-103(k). The sum specified shall be calculated by the Wyoming retirement system:

(i) Before giving effect to any premium tax credits which may otherwise be provided by law; and

(ii) To achieve one hundred seven percent (107%) funding of the account, taking into account the benefits and employee contribution specified in W.S. 35-9-621 and actuarial assumptions adopted by the Wyoming retirement board;

(iii) After the account achieves one hundred seven percent (107%) actuarial funding, the board shall recommend a funding amount of not less than sixty percent (60%) of the gross tax levied upon fire insurance premiums. A recommended funding amount under this section in an amount greater than sixty percent (60%) which results in an actuarial funding level greater than one hundred seven percent (107%) requires approval of the legislature.

TITLE 35. PUBLIC HEALTH AND SAFETY - CHAPTER 29. VOLUNTEER EMERGENCY MEDICAL TECHNICIAN PENSION FUND

§ 35-29-101 through 35-29-112. [Repealed.]

[Repealed by Laws 2015, Ch. 32, § 3.]

POLICEMEN PENSIONS AND DEATH BENEFITS

§ 15-5-301. Pension fund; establishment; separate accounts
§ 15-5-302. Pension fund; contributions; salary deductions; unfunded liability; city or town and state responsibilities; adjustment of contributions
§ 15-5-303. Pension board; composition; election and term of police members
§ 15-5-304. Pension board; officers; reports; information
§ 15-5-305. Pension board; meetings; record and quorum; list of entitled pensioners; vouchers
§ 15-5-306. Board powers and duties
§ 15-5-307. Retirement age; length of service; pension amounts; leaving service early; benefit adjustment
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§ 15-5-309. Death benefits; surviving spouse and children; amounts; length of payments; benefit adjustment
§ 15-5-310. Examination of disabled retiree
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§ 15-5-312. Application for benefits; statement filed; determination; review
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§ 15-5-314. Penalties

TITLE 15. CITIES AND TOWNS – CHAPTER 5. FIRE AND POLICE DEPARTMENTS
ARTICLE 3. POLICEMEN PENSIONS AND DEATH BENEFITS

§ 15-5-301. Pension fund; establishment; separate accounts.

The governing body of any city or town maintaining a paid police department and having a population of more than four thousand (4,000), after ten (10) days published notice and a public hearing thereon, may establish a policemen pension fund. Any such fund established prior to July 1, 1981 shall be divided into two (2) separate accounts to be known as the existing account and the new account. The existing account shall consist of contributions from police officers employed prior to July 1, 1981 and city or town contributions made in those officers' behalf. The new account shall consist of contributions made from police officers employed after June 30, 1981 and city or town contributions made in those officers' behalf.

§ 15-5-302. Pension fund; contributions; salary deductions; unfunded liability; city or town and state responsibilities; adjustment of contributions.

(a) The city or town shall contribute annually to the existing account an actuarially determined amount which combined with the police officers' contributions, or contributions made on his behalf, will be sufficient to meet the normal costs of the account. The proceeds from the contribution shall be placed with the city treasurer in the existing account within the policemen pension fund. In addition, in accordance with subsection (f) of this section, the city treasurer may deduct from the salary of each police officer employed prior to July 1, 1981, an amount not to exceed eight percent (8%) of the monthly compensation payable to that officer and, if deducted, shall place it in the existing account within the policemen pension fund. In lieu of deducting from the salary of each police officer the amount specified in this subsection, the city treasurer may, upon approval by the governing body of the city or town, contribute a like amount into the policemen pension fund.

(b) Notwithstanding the provisions of subsection (a) of this section, the city treasurer may deduct from the salary of each police officer employed after June 30, 1981 an amount specified by the board, which shall be actuarially determined. Each city or town shall contribute an amount equal to the amount contributed by each police officer, or by the city or town on behalf of the police officer, under this subsection. All contributions under this subsection shall be deposited in the new account within the policemen pension fund.

(c) and (d) Repealed by Laws 2010, ch. 69, § 204.

(e) In addition to other contributions imposed under this section, each city or town and each police officer shall contribute an equal amount to the account, specified by the board, which shall be actuarially determined, to meet the costs to the account for providing benefits under W.S. 15-5-309.

(f) Annually, not later than November 1, based on an actuarial determination in writing, the board shall notify the city treasurer in writing of the amount of contributions to deduct from the salary of each police officer specified in subsection (a) of this section. Contributions shall be adjusted effective January 1 following, and in accordance with, the board's notice to the city treasurer. The contributions shall remain in effect for the next succeeding calendar year. In no case shall contributions be less than eight percent (8%) in any year, if the fund is not funded one hundred percent (100%) on an actuarial basis as certified to the board in writing by an enrolled actuary.

§ 15-5-303. Pension board; composition; election and term of police members.

If a policemen pension fund is established, the governing body and three (3) members elected from the police department constitute the policemen pension board to manage the fund as provided in this article. The police department shall elect three (3) regular qualified members to the board every two (2) years. The election shall be held in the police headquarters on a date fixed by the secretary of the board, but not more than thirty (30) nor less than fifteen (15) days before the regular municipal election. Written notice of the nomination of any member of the department for membership on the board shall be filed with the secretary of the board. Each notice of nomination shall be signed by not less than three (3) members of the department, and any member may sign more than three (3) notices of nomination. Notice of the dates upon which notices of nomination may be filed and for the election shall be given by the secretary of the board by posting a written notice in a prominent place in the police department headquarters. The secretary shall furnish printed or typewritten ballots containing the names of all persons nominated for membership and a ballot box for the election. The chief of the department shall appoint two (2) members of the department to act as officials of the election, and they shall receive their regular wages for the day, but no additional compensation. The polls shall open at 8:00 a.m. and remain open as long thereafter, not exceeding twelve (12) hours, as will afford each member of the department an opportunity to vote. Each member of the police department is entitled to vote for three (3) persons as board members. The three (3) nominees receiving the highest number of votes are elected as members of the board, and their terms commence on the same date as does the term of the mayor of the city or town.

§ 15-5-304. Pension board; officers; reports; information.

The mayor is ex officio chairman of the board, and the members of the board shall elect the other necessary officers. The secretary of the board shall make annual reports to the governing body on the condition of the fund, the receipts and disbursements thereto, together with a complete list of the beneficiaries of the fund, and the amount paid to each. The city treasurer, from the records of his office, shall furnish the secretary with any pertinent information needed to compile the reports or to furnish the board with necessary information.

§ 15-5-305. Pension board; meetings; record and quorum; list of entitled pensioners; vouchers.

(a) The board shall meet at least once each month as scheduled by the board and otherwise upon the call of the chairman. It shall keep a record of its proceedings, which is a public record. A majority of all the members of the board constitutes a quorum with the power to transact business.

(b) At each monthly meeting the board shall send to the treasurer of the city or town a list of all persons entitled to payment from the fund, stating the amount and purpose of the payments. The list shall be certified to and signed by the chairman and secretary of the board, attested under oath, and shall be filed by the treasurer in his office as a permanent record. The treasurer of the city or town shall then make out a regular city voucher for each of the persons named in the list, or a city voucher in the manner payrolls are handled in cities with the commission form of government, for the amounts specified, showing the purpose for which it is granted. The vouchers, without further individual certification, shall be approved by the governing body for payment from the available funds of the pension fund at the next meeting at which vouchers are handled. The vouchers shall be paid in the same manner in which other claims against the city or town are paid.

§ 15-5-306. Board powers and duties.

(a) The board has the power to compel witnesses to attend and testify before it upon all matters connected with the operation of this article in the same manner as provided by law for the taking of testimony in courts of record in this state. The chairman or any member of the board may administer oaths to witnesses.

(b) The board may provide for the payment from the fund of all necessary expenses and printing not to exceed five percent (5%) of the annual revenue. However, no compensation or emolument may be paid to any member of the board for any duty required or performed under this article.

(c) The board may make all necessary rules and regulations for its guidance in conformity with the provisions of this article.

(d) Upon recommendation of the board the governing body of each city or town may hire a professional investment counselor or management firm to make recommendations on the investment of monies in the fund, which may be invested in any securities specified in W.S. 9-3-408(b). The cost of such counselor or firm shall be paid from the fund.

(e) The board shall:

(i) At least once in every six (6) year period cause an actuarial valuation of the accounts within the fund to be made;

(ii) At least every two (2) years cause an actuarial investigation of all the experience under the accounts within the fund to be made;

(iii) Pay out of funds which shall be provided by the cities or towns the cost of the valuations and investigations under paragraphs (i) and (ii) of this subsection;

(iv) Reduce employee and employer contribution rates under W.S. 15-5-302(b), in an amount to be actuarially determined, if at any time the assets in the existing or new accounts of the fund exceed the liabilities in those accounts.

§ 15-5-307. Retirement age; length of service; pension amounts; leaving service early; benefit adjustment.

(a) When any person duly appointed or selected and sworn as a member in any capacity or rank, other than department chief, of the police department of any city or town subject to the provisions of this article becomes sixty (60) years of age, the board shall order that person retired from further service. When any person has served twenty (20) years with the same police department, he may retire at that time, although not sixty (60) years of age, except that any person employed after June 30, 1981 shall serve for twenty (20) continuous years with the same department in order to be eligible for retirement prior to age sixty (60). When the board issues an order of retirement, it terminates the service of the person in the police department, except as provided in cases of emergency, and that person during his lifetime shall be paid a yearly pension equal to two and one-half percent (2 1/2%) of the average annual salary received during his highest paid five (5) year period, multiplied by the number of years service. However, no pension may exceed sixty-two and one-half percent (62 1/2%) of the average salary for the five (5) year period.

(b) If for any reason the person leaves the service before completion of ten (10) years of service he shall receive in one (1) sum the amount without interest he has paid into the pension fund. After the completion of ten (10) years service he has the option of drawing out the money paid in or leaving it until he reaches the age of sixty (60) years and then being eligible to retire under the provisions of this section.

(c) In addition to any other benefit provided by this section, each retired person shall receive a benefit of three percent (3%) per year for each full year that person has received retirement payments under this article prior to July 1, 1981.

§ 15-5-308. Retirement age; physical disability; pension amounts; reinstatement.

(a) If any person, while serving as a policeman is physically disabled as a result of any bodily injury received in the immediate or direct performance or discharge of his duties, the board, upon his written request filed with the secretary of the board, or without the written request if it deems it to be for the benefit of the public, shall retire that person from the department and order that he be paid from the fund during his lifetime a monthly pension equal to sixty-two and one-half percent (62 1/2%) of the amount of his regular monthly salary, effective at the time of his retirement. If the officer's disability is off-duty related, the officer shall receive a monthly pension equal to fifty percent (50%) of his monthly salary effective at the time of his retirement. If the disability ceases, the pension shall cease, and the person shall be restored to active service at the existing salary of his position or rank at the time he is reinstated.

(b) Repealed by Laws 1991, ch. 71, § 2.

§ 15-5-309. Death benefits; surviving spouse and children; amounts; length of payments; benefit adjustment.

(a) Upon the death from any cause, of any person appointed or selected and sworn as a member in any capacity or rank of the police department of any city or town subject to the provisions of this article, the board shall pay a monthly pension of fifty percent (50%) of the deceased officer's monthly salary out of the funds to his surviving spouse. The pension shall continue during her life or until she remarries. In addition, the board shall pay to the surviving spouse out of the fund six percent (6%) of the deceased officer's monthly salary per month for the support and maintenance of each child of the deceased officer who is under eighteen (18) years of age and was supported by him prior to his death. The payments shall continue until the child becomes eighteen (18) years of age or marries.

(b) If the police officer is retired and drawing his pension at the time of his death, and leaves a wife surviving, the board shall pay a monthly pension out of the fund to his surviving spouse

equal to two-thirds (2/3) of the pension the retired police officer was receiving at the time of his death. In addition, the board shall pay to the surviving spouse or legal guardian sixty dollars ($ 60.00) per month out of the fund for the support and maintenance of each child of the deceased, retired officer who is under eighteen (18) years of age and was supported by him prior to his death. The payments shall continue until the child becomes eighteen (18) years of age or marries.

(c) In addition to any other benefit provided by this section, each surviving spouse of a person who died while receiving retirement payments under this article shall receive a benefit of three percent (3%) for each full year that payments were made under this article prior to July 1, 1981 to both the retired person before death and the surviving spouse.

(d) Effective July 1, 1987, any surviving spouse and any surviving child of any officer who died prior to July 1, 1979 while a sworn member of the police department of any city or town subject to this article shall receive a benefit in an amount as provided in subsection (a) of this section.

§ 15-5-310. Examination of disabled retiree.

Any person retired for disability may be summoned by written notice to appear before the board at any time thereafter for examination as to his fitness for duty, and he shall abide by the decision and order of the board with reference thereto.

§ 15-5-311. Benefits terminated upon felony conviction.

If any person receiving any benefit from the fund is convicted of a felony, the board shall order that the pension granted to that person immediately cease, and he shall receive no further pension allowance or benefit under this article.

§ 15-5-312. Application for benefits; statement filed; determination; review.

If any policeman, his surviving wife, dependent children or dependent parents are entitled to any pension or benefits under this article, the policeman, or in the event of his death the dependent, shall apply for benefits or pension by filing a complete and concise statement of facts necessary to entitle the applicant to the benefits or pension. The application shall be filed with the board upon forms it provides. The board may investigate each application and determine whether benefits or pension should be granted. The board may also hear evidence as to the justice of the application, or require and receive affidavits as to the truth of the statements made therein. If the application is refused, the matter may be reviewed by the district court of the county in which the applicant resides pursuant to Rule 12 of the Wyoming Rules of Appellate Procedure.

§ 15-5-313. Pension application; when payments made and benefits suspended; pension protections.

(a) Application for pension may be made prior to actual retirement upon statement of the intention to retire, but payment shall not begin until the applicant has actually retired and his name is stricken from the payrolls of the city or town. Payments under this article shall be made to the pensioner or to his beneficiaries on or before the fifth day of each month by voucher drawn against the policemen pension fund as provided in W.S. 15-5-305.

(b) No policeman or any of his survivors is entitled to any benefits of this article while the policeman or his survivors are receiving payments under the Worker's Compensation Act [§ 27-14-101 et seq.], but when payments under the Worker's Compensation Act terminate, the pensions of this article attach.

(c) The cash and securities while in the account created by this article are exempt from any state, county or municipal tax of this state, and are not subject to execution or attachment by trustee process or otherwise, in law or equity, or under any other process whatsoever, and are not assignable.

§ 15-5-314. Penalties.

Any person who violates any provision of this article is guilty of a misdemeanor and upon conviction shall be punished by a fine of not more than one hundred dollars ($ 100.00), or imprisonment for not more than thirty (30) days, or both.

HIGHER EDUCATION RETIREMENT

§ **21-19-101.** Short title.
§ **21-19-102.** Authorization of supplemental retirement plan; conditions for participation.
§ **21-19-103.** Contributions generally.
§ **21-19-104.** Retirement annuity policies.
§ **21-19-105.** Rules and regulations; further provisions as to contributions.
§ **21-19-106.** Qualification of participating insurance companies.

TITLE 21. EDUCATION - CHAPTER 19.
HIGHER EDUCATION RETIREMENT

§ 21-19-101. Short title.

This act shall be known and cited as "The Wyoming Higher Education Retirement Act".

§ 21-19-102. Authorization of supplemental retirement plan; conditions for participation.

(a) Except as provided in subsections (b), (c) and (d) of this section, the governing body of any lawfully established community college or of the University of Wyoming may establish and administer a retirement plan for the benefit of certain employees of its institution by the use of a portion of the employer and employee contributions required under the provisions of the Wyoming Retirement Act.

(b) Except for participation on and after January 1, 1994, pursuant to subsection (d) of this section, any employee who is initially employed by an institution after June 30, 1985, shall elect to participate in either the institution's retirement plan or the Wyoming retirement system but shall not participate in any manner in both retirement plans.

(c) Prior to January 1, 1994, any employee participating in a retirement plan pursuant to this chapter but who is not a member of the Wyoming retirement system, by written notice to his employer, may elect to discontinue participation under the institution's plan and become a member of the Wyoming retirement system, or if an employee is participating in the Wyoming retirement system as a limited member, he may elect to transfer his limited contributions and matching employer contributions, plus regular interest, from the Wyoming retirement system to one (1) of the plans authorized by this section.

(d) Prior to January 1, 1994, any employee of an institution shall elect to participate in either the retirement plan offered by the employing institution or the Wyoming retirement system. Each employee shall prior to January 1, 1994, provide written notice to the employing institution and the Wyoming retirement board of his election under this subsection. If an employee fails to notify the employing institution which retirement plan he selects, the institution shall notify the retirement board of this omission and the retirement board shall serve notice on the employee by registered mail return receipt requested that participation in the retirement system shall be cancelled effective January 1, 1994. All retirement contributions made on and after January 1, 1994 by any employee, together with matching employer contributions on his behalf, shall be made to the elected plan. An election pursuant to this subsection is irrevocable during the remainder of an employee's working career as a public employee.

§ 21-19-103. Contributions generally.

(a) Except as provided under W.S. 21-19-102(d), the terms and conditions of the Wyoming Retirement Act shall remain effective as to all employees of the institution except that any required employer and employee contributions thereunder which are based upon an employee's annual salary rate in excess of six thousand six hundred dollars ($6,600.00) may be

paid for the benefit of the employee in accordance with the institution's retirement plan. The payments of employer and employee contributions shall be in lieu of a portion of payments to the Wyoming retirement account, and the full amount of payments is subject to management and disposition in accordance with contractual rights and obligations of the institution's retirement plan. Any retirement plan shall provide that:

(i) Any employee whose annual salary rate is less than eight thousand six hundred dollars ($8,600.00), or who is sixty (60) years of age or more at the time an institutional retirement plan becomes effective or his annual salary rate exceeds eight thousand six hundred dollars ($8,600.00), shall have the option to have all employer and employee contributions paid to the Wyoming retirement account;

(ii) All employees whose annual salary rate exceeds eight thousand six hundred dollars ($8,600.00) shall have all employer and employee contributions based upon an annual salary rate in excess of six thousand six hundred dollars ($6,600.00) paid in accordance with the institution's retirement plan.

§ 21-19-104. Retirement annuity policies.

Any retirement plan established pursuant to W.S. 21-19-102 shall provide for the purchase of retirement annuity policies for the contributing employees. Rights and benefits of the annuity contracts shall vest in the employee. Annuity contracts may be made transferable from one (1) institution to another and provide acceptance of service of process by the issuer of the policy within the home state of the policyholder.

§ 21-19-105. Rules and regulations; further provisions as to contributions.

The governing body shall make rules and regulations necessary and appropriate for administration of the plan and for the performance of its functions under W.S. 21-19-101 through 21-19-106. Except as provided under W.S. 21-19-102(d), a retirement plan may require a minimum dollar contribution by employees whose annual salary rate is less than eight thousand six hundred dollars ($8,600.00), and may permit employees to make voluntary additional contributions to be withheld from salary payments and paid into the retirement plan for the employee's benefit. In no event shall the total employer contribution to the Wyoming retirement account and the institution's retirement plan exceed the amount that may be authorized by the Wyoming Retirement Act.

§ 21-19-106. Qualification of participating insurance companies.

All insurance companies participating in retirement plans under this act shall be in all ways qualified to do business as an insurance company in the state of Wyoming.

RETIREMENT SYSTEM

PARTNERING TO BUILD FINANCIAL SECURITY FOR MEMBERS AND THEIR FAMILIES

Wyoming Retirement Board Rules

CHAPTER 1

GENERAL PROVISIONS

Section 1. **Authority.** The Wyoming Retirement Board, pursuant to W.S. § 9-3-409(a), is authorized to adopt rules and regulations for the administration of the Wyoming Retirement System. Additionally, W.S. § 16-3-102(a) requires each agency to adopt rules of practice setting forth the nature and requirements of all formal and informal procedures available in connection with contested cases.

Section 2. **Definitions.**

(a) The following terms apply throughout these rules and are defined as follows:

(i) "Disability Administrator" – Means the Wyoming Retirement System staff member responsible for administration of disability applications;

(ii) "Disability Applicant" – Means any Member, who at the time of disability, is actively contributing to any of the pension plans administered by the Wyoming Retirement System, and who has applied for disability benefits;

(iii) "In service" – Means a Member who is actively contributing to the System, is receiving worker's compensation payments, is receiving disability payments under an employer's disability insurance policy, or is on sabbatical or other leave authorized by the Member's employer;

(iv) "Presiding Officer" – Means any person designated by the Board chairman to preside over any hearing provided for under these rules and regulations. Such persons may include, but are not limited to, a Member of the Board, an employee of the System, an employee of another state agency or an outside hearing officer qualified by reason of W.S. § 16-3-112; and

(v) "System" – Means the Wyoming Retirement System established by W.S. § 9-3-403.

Section 3. **Contested Case Proceedings.**

(a) Any Member who receives notification from the System of a decision which adversely affects the Member shall be entitled to a hearing before the Board or before a hearing officer designated by the Board, if the Member requests a hearing in writing within thirty (30) days from the date of receipt of such notice.

(b) The uniform rules for contested case practice and procedure adopted by the Office of Administrative Hearings shall govern all contested case proceedings.

Section 4. **Incorporation by Reference.**

(a) The following code, standard, rule, or regulation is incorporated by reference:

(i) Chapter 2 - Uniform Rules for Contested Case Practice and Procedure, adopted by the Office of Administrative Hearings and effective on October 17, 2014, found at: http://soswy.state.wy.us/Rules/RULES/9644.pdf.

(b) No later amendments to a code, standard, rule, or regulation listed in subsection (a) are incorporated by reference.

CHAPTER 2
DIRECT ROLLOVERS

Section 1. **Direct Rollovers.**

(a) Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Chapter, a distributee may elect, at the time and in the manner prescribed by the Board, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

Section 2. **Definitions.**

(a) The following definitions shall apply for purposes of the words and phrases used in this Chapter:

(i) "Eligible rollover distribution" means any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include any distribution which, under the Internal Revenue Code or any regulations thereunder, may not be rolled over, such as:

A. Any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more;

B. Any distribution to the extent such distribution is required under Section 401(a)(9) of the Internal Revenue Code; or

C. After-tax amounts unless such amount is rolled over or transferred (i.e., directly rolled over) to an individual retirement account described in Section 408(a) of the Internal Revenue Code, an individual retirement annuity described in Section 408(b) of the Internal Revenue Code, or a Roth individual retirement account described in Section 408A of the Internal Revenue Code; or such amount is transferred (i.e., directly rolled over) to either (1) a qualified trust which is part of a plan which is a under Section 401(a) of the Internal Revenue Code or (2) an annuity plan described in Section 403(b) of the Internal Revenue Code provided that either such type of plan will separately account for the distribution, including the taxable and non-taxable portions of the distribution, in a direct trustee-to-trustee transfer.

(ii) "Eligible retirement plan" is any program defined in Section 402(c)(8)(B) of the Internal Revenue Code, that accepts the member or contributor's eligible rollover distribution, as follows:

A. An individual retirement account described in Section 408(a) of the Internal Revenue Code;

B. An individual retirement annuity described in Section 408(b) of the Internal Revenue Code (other than an endowment contract);

C. A qualified trust;

D. An annuity plan described in Section 403(a) of the Internal Revenue Code;

E. An eligible deferred compensation plan described in Section 457(b) of the Internal Revenue Code that is maintained by an eligible employer described in Section 457(e)(1)(A) of the Internal Revenue Code (so long as the plan agrees to separately account for amounts rolled into the plan);

F. An annuity contract described in Section 403(b) of the Internal Revenue Code; and

G. A Roth individual retirement account described in Section 402A of the Internal Revenue Code, subject to the limitations set forth in the Internal Revenue Code provision.

(iii) Notwithstanding the foregoing, with respect to a non-spouse beneficiary described in paragraph (iv)(D) below, an eligible retirement plan means an individual retirement annuity described in Section 408(b) of the Internal Revenue Code or a Roth individual retirement account described in Section 408A(b) of the Internal Revenue Code provided in either case that it is established on behalf of the non-spouse beneficiary and will be treated as an inherited individual retirement account pursuant to the provisions of Sections 402(c)(11) and 408(d)(3)(C)(ii) of the Internal Revenue Code.

(iv) "Distributee" means:

A. An employee or former employee;

B. The employee's or former employee's surviving spouse;

C. The employee's or former employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order as defined in Section 414(p) of the Internal Revenue Code, with respect to the interest of the spouse or former spouse; and

D. The employee's or former employee's designated non-spouse Beneficiary.

(v) "Direct rollover" means a payment by the Plan to the eligible retirement plan specified by the distributee.

CHAPTER 6

QUALIFIED DOMESTIC RELATIONS ORDERS

Section 1. Rules Established. In cases of domestic relations orders affecting the assets of the Wyoming Retirement System, rules are established to provide for compliance with court orders while protecting the actuarial soundness of the System. The rule making authority for this chapter is provided by W.S. 9-3-409(a). The Wyoming Retirement System will make an effort to abide by the conditions set forth in domestic relations orders affecting the division of retirement assets of a member of the Wyoming Retirement System pursuant to W.S. 9-3-426(b). If the Wyoming Retirement Board determines the order is ambiguous, lacks sufficient information, or needs further clarification, the order will be declared not qualified and will be returned to the parties involved to petition the court and amend the order so that it will be qualified.

Section 2. Minimum Requirements for Qualification. The Qualified Domestic Relations Order must provide enough information for the System to make an unambiguous determination of the rights of the parties specified in the order.

(a) The order must be a judgment, order decree, or approval of a property settlement agreement made under a valid domestic relations law;

(b) The order must relate to the provision of child support, spousal support, or marital property rights to a spouse, former spouse, child, or dependent of the System member;

(c) The order must create or recognize the existence of the eligible alternate payee's right, or must assign to the alternate payee the right to receive all or part of the member's benefits under the plan;

(d) The order may not require the payment of any type, form, option, or amount of benefit other than that allowed by Wyoming Retirement Statutes or by these rules.

(e) The order must specify:

(i) the name, birth date, social security number, and last known mailing address of the System member and the name, birth date, social security number, and mailing address of each alternate payee;

(ii) the percentage of the member's accrued annuity benefits or account, and the percentage of pre-retirement death benefits;

(iii) the number of payments or period to which the order applies; and

(iv) each retirement plan to which the order applies.

Section 3. Policy Provisions. The following rules are promulgated to reflect the policy of the Wyoming Retirement Board on Qualified Domestic Relations Orders. These are intended to provide the courts with a means of determining what divisions of assets are acceptable to the System.

(a) The Wyoming Retirement System provides a monthly benefit at retirement. A Qualified Domestic Relations Order will divide that benefit by a percentage determined by the court. A Qualified Domestic Relations Order will specify a division of the pre-retirement death benefit of the member. In the absence of the order specifying a division of the member's pre-retirement death benefit, such division will not be allowed for the alternate payee.

(b) In accordance with W.S. 9-3-426(c), upon request of the alternate payee, a lump sum refund of the alternate payee's percentage of the member's account shall be paid pursuant to the qualified domestic relations order. Acceptance by the alternate payee of the lump sum refund terminates his right to any further payment or benefit provided by the retirement system. If a member is separated from service and is eligible for retirement but has not yet applied for retirement the alternate payee is considered eligible and can receive a benefit.

(c) In lieu of the order specifying another form of payment allowed under the plan, the benefit for the alternate payee will be based on the life expectancy of the alternate payee. All options available to the member <u>except</u> joint and survivor options will be available to the alternate payee when the benefit is based on the life expectancy of the alternate payee.

(d) An actuarial reduction will be made to the benefit amount of the alternate payee in cases where the alternate payee is younger than the member and the benefit is based on the life expectancy of the alternate payee.

(e) If the alternate payee dies before retirement benefits have begun then all benefits awarded by the order will revert back to the member.

(f) If the member dies prior to retirement, the alternate payee will have the option to receive the proportion of the death benefit available as awarded by the court, or the retirement benefits determined available to the alternate payee at the retirement age of the alternate payee.

(g) In the event the Legislature awards an improvement in retirement benefits, the alternate payee's benefits will be increased to the extent the increase is attributable to years of service during the marriage.

(h) Subsidized early retirement benefits will not be provided to an alternate payee in cases where the alternate payee receives benefits prior to the member reaching age 60 if the member is not yet retired.

(i) The Wyoming Retirement System will not accept a division of a Disability Award when the disabled member is not of retirement age. If the member is of retirement age the distribution will be based on a reduced amount according to the age of the member.

(j) Any payment by the retirement system to an alternate payee in conjunction with a qualified domestic relations order is not subject to the provisions of W.S. 9-3-424 and cannot be redeposited by the member.

Section 4. Definitions.

(a) "Alternate Payee" means a spouse, former spouse, child, or other dependent of a member or retiree who is recognized by a domestic relations order as having a right to receive all or a portion of the benefits payable by the Wyoming Retirement System with respect to such member or retiree.

(b) "Domestic Relations Order" means any judgment, decree, or order, including approval of a property settlement agreement, which relates to the provision of child support, spousal support, or marital property rights to a spouse, former spouse, child, or other dependent of a member of the Wyoming Retirement System, is made pursuant to a valid domestic relations law, and which creates or recognizes the existence of an alternate payee's right to, or assigns to an alternate payee the right to, receive all or a portion of the benefits payable to the member of the Wyoming Retirement System.

(c) "Qualified Domestic Relations Order" means a domestic relations order which creates or recognizes the existence of an alternate payee's right, or assigns to an alternate payee the right, to receive all or a portion of the benefits payable with respect to a member or retiree under the Wyoming Retirement System,
which directs the Wyoming Retirement System to disburse benefits to the alternate payee, and which meets the requirements of Chapter VI of these rules.

(d) "Account" or "member account" means the member's contributions paid by an employer under W.S. 9-3-412 and any amounts transferred to the system from a terminated system on behalf of the member, plus interest compounded annually at a rate determined by the board not to exceed the average annual investment yield earned on the assets of the system.

CHAPTER 7
MILITARY SERVICE CREDIT

Section 1. Purchase of Qualified Military Service. A member may elect to purchase qualified military service credit under the Veterans' Reemployment Rights Act [Pub. L. 93-508; 88 Stat. 1594; 38 U.S.C. 2021 et seq.] (VRRA) by submitting a valid application and paying the required member contributions and any applicable interest. It is the responsibility of the applicant to supply any documentation required by the board.

Section 2. Definitions. "Qualified military service credit" means military service of a member who is inducted into the armed forces of the United States for training and service and who leaves employment (other than a temporary position) with a participating employer in the system to perform such service or who performs such service because of any obligation as a member of a reserve component of the armed forces of the United States.

Section 3. Eligibility. A member is eligible to receive qualified military service credit upon satisfying the requirements of the VRRA. Specifically, and without limitation, the member must:

(a) leave employment with a participating employer with the intent to enter into eligible military service;

(b) must serve no longer than the maximum period specified under 38 U.S.C. 2024;

(c) must be discharged or released from service under honorable conditions;

(d) must apply for reemployment with the former or another participating employer in the System within ninety (90) days of discharge or release from the military service or from eligible hospitalization under the VRRA incident to such military service.

(e) the member must pay in full the member's contributions plus interest as established by the Board for each year or portion thereof of military service to be credited.

Section 4. Member Contribution Requirements. A member may elect to pay the required member contributions plus interest as established by the Board for qualified military service credit at any time prior to retirement. A member may pay the required member contributions and interest after retirement upon a determination by the Board that the failure to make such payments was not unreasonable and does not result in undue cost or expense to the System, or is required under the VRRA.

Section 5. Employer Contribution Requirements. The former participating employer must pay the required employer contributions plus interest as established by the Board for each year or portion thereof of military service to be credited. Qualified military service credit will be granted notwithstanding the failure of the former participating employer to pay the required employer contributions plus interest for the military service credit.

CHAPTER 8

CASH REMUNERATION

Section 1. Definition.

(a) "Cash remuneration", as used in W.S. 9-3-402(a)(xvi) for the purposes of contributions to the system and the determination of an employee's "highest average salary", means the compensation paid for services rendered to a participating employer, and includes: contributions required by W.S. 9-3-412; any salary reduction or salary deferral amounts under federal Internal Revenue Code Sections 125, 401(k), 403(b) or 457; any pay for administrative, sabbatical, annual, sick, vacation, or personal leave; any pay for compensatory time, provided that any such pay for compensatory time is made during the same calendar year in which the compensatory time is earned, and any retroactive compensation payments pursuant to court orders, arbitration awards, or litigation and grievance settlements. "Cash remuneration" does not include: fringe benefits such as payments for unused sick, personal, or vacation leave; housing allowances; transportation expenses; early retirement incentive pay; severance pay; bonuses; medical insurance; workers' compensation benefits; disability insurance premiums or benefits; payments received by a member in lieu of previously employer-provided fringe benefits under an agreement between the member and participating employer entered into within sixty months before retirement; any other payment which may reasonably be construed to be a fringe benefit; or any payment made during any three-year period of employment which is deemed to increase highest average salary for the primary purpose of increasing a retirement benefit.

Section 2.

All contractual relationships entered into prior to November 19, 1992, are "grandfathered", thus accepting any current "Option 3" as currently effective in Natrona County School District One and other similar options as currently in effect.

Section 3.

(a) If a member employee receives increases in compensation during any three (3) years of service which are not related to promotion and which exceed the average increase received by other employees of the same employer holding comparable positions, the excess shall be excluded when computing the highest average salary if the board finds, after consideration of all circumstances, that the primary purpose of the compensation increase was to increase the retirement benefit of the employee. If there are no employees of the same employer holding comparable positions, the increases may be excluded from the highest average salary if they exceed the average percentage increase received by all other employees of the same employer during the period involved. In making a determination under this section the board may also consider:

(i) The extent of annual compensation increases made to an employee over the employee's working career;

(ii) Any pattern of an employer providing unusual or extraordinary employee compensation increases during an employee's final years of employment; or

(iii)Any other factors which may indicate that payments were made to an employee during the final three years of employment or any other three years of employment for the primary purpose of increasing highest average salary and, thereby, increasing the employee's retirement benefit.

CHAPTER 10

MEMBER ACCOUNT RECORDS

Section 1. Authority. As established by W.S. 9-3-403, the Wyoming Retirement System is a body corporate with all of the powers and privileges of a corporation. All of the monies, securities, and other property of the Wyoming Retirement System is held in trust for the purpose of providing retirement benefits to qualified members. Pursuant to W.S. 9-3-409(a) the Wyoming Retirement Board has the authority to make rules and regulations for the administration of the retirement system.

Section 2. Administration. The Wyoming Retirement Board is responsible for the administration of the Wyoming Retirement System, the Firemen's Pension Account created by W.S. 15-5-202 and The Wyoming State Highway Patrol, Game and Fish Warden and Criminal Investigator Retirement Program created by W.S. 9-3-603.

Section 3. Public Inspection. The member account records of any member of any retirement plan specified in Section 2 of this Chapter are held in trust and are not available for public inspection or release unless:

(a) the individual whose records are being requested authorizes the inspection or release of such records in writing; or

(b) a court order directs that the records be made available for inspection or release.

Section 4. Location of Public Inspection. Inspection of records pursuant to Section 3 of this Chapter shall be made only in the offices of the Wyoming Retirement System, during normal business hours, and in the presence of a Wyoming Retirement System staff member.

Section 5. Charge for Copies of Records. If copies of records are authorized pursuant to Section 3 of this Chapter, there shall be a charge of $.25 per copy, with a minimum charge of $1.00, plus any required postage. Fees under this section are payable in advance.

CHAPTER 12
REEMPLOYMENT OF A RETIREE

Section 1. **Authority.** This Chapter is promulgated under the authority of W.S. § 9-3-415(g).

Section 2. **Applicability.** This Chapter applies to any Retired Member of the Public Employee Plan, the Law Enforcement Plan and the Air Guard Firefighter Plan.

Section 3. **Definitions.**

(a) "Retired Member" means a member of the System who has terminated his working career for a salary as an employee of an Employer covered by this Chapter and fulfilled the requirements for eligibility to receive a retirement benefit. In order for a member to be eligible to receive a retirement benefit and be considered a "Retired Member," the System shall have received applicable termination notification from each Employer in a particular plan and shall have received final contributions on behalf of the member from all Employers.

(b) "Rehired Retiree" means a Retired Member who becomes employed by an Employer into a Vacant Full-time position of a regularly contributing employee within the same pension plan in which the retirement benefit of the Retired Member is based.

(c) "Vacant Full-time" means a position for which a full month of service credit is earned.

(d) "Retirement Date" means the date identified on a member's retirement application as the date upon which retirement benefits shall commence.

(e) "Break in Service" means the period of severance of employment that begins upon a member's Retirement Date.

Section 4. **Bona Fide Break in Service.**

(a) In order to satisfy Internal Revenue Service requirements that a retirement is bona fide and results in a legitimate termination of employment, and to protect the actuarial integrity of the System, a bona fide Break in Service must occur before a Retired Member becomes eligible for reemployment as a Rehired Retiree. A bona fide Break in Service shall be deemed to have occurred when:

(i) The member has severed the employment relationship with all Employers within a particular plan and the System has received all applicable termination notifications;

(ii) The member has not resumed the employment relationship with an Employer;

(iii) The Employer and member did not have an agreement, whether formal or informal, prior to the member's Retirement Date indicating that the member would become reemployed by the Employer; and

(iv) The Employer and member reasonably did not anticipate that the member would perform any further services for the Employer subsequent to the member's Retirement Date.

(b) Upon a determination by the System that a bona fide Break in Service did not occur prior to the date of reemployment, the System shall cancel a Retired Member's benefit and reinstate the member as a contributing member of the System retroactive to the member's Retirement Date. Any benefit payments received by the member prior to reinstatement shall be deducted from future benefit payments.

Section 5. **Rehired Retiree Election.**

(a) A Retired Member reemployed by an Employer into a vacant full-time position of a regularly contributing employee following a bona fide Break in Service of not less than thirty (30) days shall make an irrevocable election to either:

(i) Continue receiving a retirement benefit and not be reinstated as a contributing member of the System. Any member who makes this election shall not accrue any service credit under the System during the period of reemployment; or

(ii) Discontinue retirement benefits and be reinstated as a contributing member of the System. Any member making this election shall accrue service credit from the date the election is made in accordance with applicable provisions of the Wyoming Retirement Act. The accrual of credit shall continue during the period of reemployment.

(b) Any Employer of a Rehired Retiree electing to continue receiving retirement benefits shall pay into the System an amount equal to both the member's and employer's contributions required by law based upon the Rehired Retiree's salary.

Section 6. **Subsequent Retirement.**

(a) For a Rehired Retiree who elected to discontinue retirement benefits and be reinstated as a contributing member of the System, the subsequent retirement benefit shall be calculated by combining both employment histories and applying an actuarial adjustment based upon the amount of benefits the member was paid during the first period of retirement.

(b) The retirement benefit option and beneficiary designated by a member upon initial retirement is irrevocable and shall not be changed for any reason, including reinstatement as a contributing member of the System or a subsequent retirement.

(c) For a Rehired Retiree who elected to discontinue retirement benefits and be reinstated as a contributing member of the System, the highest average salary factor applied as a matter of law to calculate the member's initial retirement benefit shall apply to the subsequent retirement unless the period of reemployment is long enough to supersede and replace the initial factor.

(d) If the monthly retirement benefit amount calculated upon a Rehired Retiree's subsequent retirement is less than the benefit amount calculated upon the member's initial Retirement Date, the System shall apply the higher benefit effective upon the subsequent Retirement Date. In no case shall retroactive retirement benefits be paid for the period of reemployment. No cost of living adjustments that may have been awarded prior to the member's subsequent Retirement Date shall be applied to the final benefit.

(e) No Rehired Retiree shall be entitled to a refund of any contributions and interest paid during the period of reemployment.

Section 7. **Elected Officers; Status upon Expiration of Term; Reelection; Resignation; Retirement; Continuous Service.**

(a) Any member who holds an elective office ceases to be an active member of the System by virtue of that office upon expiration of the term for which elected, if that member is not reelected to either the office then held or another covered office.

(b) If a member retires from elective office under the System and is subsequently reelected to a covered office, the elected officer is considered a Rehired Retiree and is required to provide the notification and designation specified in this Chapter.

(c) Reelection to the same office or another covered office without any intervening Break in Service is considered to be continuous service.

(d) If an elected officer resigns or retires from office subsequent to an election at which the officer is elected to another term for that office or another covered office and if the elected officer assumes the duties of office upon commencement of the term for which elected, the period of such resignation or retirement is not considered a bona fide Break in Service nor is the commencement of the new term following such resignation or retirement considered reemployment for the purpose of making a designation pursuant to this Chapter.

CHAPTER 13

OPTIONAL WRS MEMBERSHIP

Section 1. Authority. This rule is adopted pursuant to authority granted under W.S. 9-3-409 and 9-3-402(a)(vii)(D) and (E).

Section 2. Definitions.

(a) As used in this chapter:

(i) "Board" means the Wyoming Retirement Board established pursuant to W.S. 9-3-404;

(ii) "Employee" means a permanent employee of the legislature;

(iii) "Employer" means the Legislative Service Office of the Wyoming Legislature;

(iv) "WRS" or "System" means the Wyoming Retirement System established pursuant to W.S. 9-3-403.

Section 3. Permanent employees of the legislature.

(a) Pursuant to W.S. 9-3-402(a)(vii)(D), a permanent employee of the legislature is not a member of the WRS unless that employee elects in writing to become a member. Any permanent employee of the legislature who desires to become a member of the WRS shall notify the Board in writing as to the employee's intent to become a contributing member. The notice shall be in substantially the following form:

WYOMING RETIREMENT SYSTEM

MEMBERSHIP NOTICE

I hereby give notice to the Board of my intent to become a contributing member of the Wyoming Retirement System. I agree to furnish the Board with necessary information to complete the membership process. I certify that I am a permanent employee of the Wyoming Legislature and pursuant to W.S. 9-3-402(a)(vii)(D), I am eligible for membership in the System.

_____
NAME (Print)

_____
SIGNATURE

_____
SOCIAL SECURITY NO.

(b) The notice specified in subsection (a) of this section shall be accompanied by a WRS registration form (WRS No. 1). A copy of the notice shall be retained by the employer in the employee's personnel file.

(c) Any permanent employee of the legislature who is making contributions to the WRS as of the effective date of this rule is considered a member notwithstanding that a written election was not filed with the System. A written election shall be filed with the System by each contributing employee not later than ninety (90) days from the effective date of this rule. The Board shall send a written notice to the employer not later than fifteen (15) days following the effective date of this rule requesting submission of a written membership notice for any employee who has not provided the Board with such a notice.

Section 4. State board or commission members.

(a) Pursuant to W.S. 9-3-402(a)(vii)(E), any member of any state board or commission who is not otherwise employed by the state is not a member of the WRS if that board or commission member elects in writing not to become a member. If such person has not made the election and is making contributions, that person is considered to be a member of the System. If a board or commission member elects not to become a member of the WRS, the board or commission member shall notify the Board in writing not later than ninety (90) days from the date of appointment to the board or commission. The notice shall be in substantially the following form:

WYOMING RETIREMENT SYSTEM

MEMBERSHIP DECLINATION NOTICE

I hereby give notice to the Board of my intention to decline membership in the Wyoming Retirement System. I understand that by giving this notice, I forfeit any right to participate in the System pursuant to my current appointment and any subsequent reappointment to the _____ board/commission.

_____
NAME (Print)

_____
NAME OF BOARD/COMMISSION

_____
SIGNATURE

(b) The notice specified in subsection (a) of this section shall be filed with the Board not later than ninety (90) days following the date of appointment or in the case of board/commission members serving as of the effective date of this rule, the notice shall be filed within ninety (90) days of such effective date. Failure to file the required notice together with a failure to make contributions to the WRS within the time periods specified in this subsection shall be construed as a renunciation of the board/commission member's right to participate in the System in the same manner as if the board/commission member had filed the MEMBERSHIP DECLINATION NOTICE.

c) If any board/commission member who is serving on the effective date of this rule and who has neither declined to become a WRS member pursuant to W.S. 9-3-402(a)(vii)(E) nor made contributions to WRS, that member may elect in writing within ninety (90) days from the effective date of this rule to become a contributing member of the System. Membership in the System is effective on the date of Board receives the election, and no board or commission member shall receive service credit for service on such board or commission prior to the effective date of the election.

CHAPTER 14

EARLY RETIREMENT BENEFIT REDUCTION

Section 1. Authority. This rule is adopted pursuant to authority granted under W.S. 9-3-409 and 9-3-415(b).

Section 2. Definitions.

(a) as used in this chapter:

(i) "Early retirement" means retirement prior to the normal retirement age of sixty (60) but does not mean or include retirement under W.S. 9-3-415(a)(ii) ("Rule of 85").

(ii) "Member" means and includes any full-time or regular part-time employee as specified in W.S. 9-3-402(a)(vii);

(iii)"WRS" or "System" means the Wyoming Retirement System established pursuant to W.S. 9-3-403.

Section 3. Early retirement eligibility; benefit discount.

(a) Any member may elect early retirement under the System if that member has at least:

(i) Four (4) years of service and is at least fifty (50) but not yet sixty (60) years of age; or

(ii) Twenty-five (25) years of service and is not yet fifty (50) years of age.

(b) Any member who takes early retirement shall have his benefit discounted by five percent (5%) for each year of retirement prior to age sixty (60) as provided in Section 2, Chapter 31, Session Laws of Wyoming, 1990.

CHAPTER 15

DISABILITY RETIREMENT

Section 1. **Eligibility Determination.**

(a) Any Member may contact the System to determine whether they are eligible to apply for disability retirement benefits, and shall be evaluated in accordance with the provisions of the applicable plan to determine eligibility using current employment information.

(b) An eligibility determination of an applicant shall be made without regard to sex, race, age, creed, color, or national origin.

(c) No Member is entitled to a disability benefit if the disability is the direct or indirect result of an intentional self-inflicted injury, while sane or insane; the commission of, or attempt to commit a felony or other illegal act; a substance abuse condition, unless a Member is receiving ongoing treatment which prevents the Member from working; bodily injury, mental illness, disease or condition which pre-existed membership in the System.

(d) The System shall deliver to any Member determined to be eligible to apply for disability retirement benefits disability claim forms and instructions.

Section 2. **Application Procedure.**

(a) All applicants shall be informed in writing of their rights at the time of application. Such rights include, but are not limited to, the following:

(i) The client's medical records are confidential;

(ii) An explanation of the methods of obtaining and releasing client information, including the necessity of client consent;

(iii) The availability of and methods of requesting administrative review and a fair hearing;

(b) Any Member determined to be eligible to apply for disability retirement benefits pursuant to Section 1 of this Chapter, must complete and sign the disability application and all related release forms and return the completed application to the System or its designee within one (1) year of the date the Member asserts the disability rendered the Member unable to perform the occupation for which he or she is reasonably suited by training and experience.

Section 3. **Evaluation Procedure.**

(a) Upon receipt of a completed application, the System shall contact the employer for proof of employment, official job title and position description.

(b) The System or its designee shall conduct a comprehensive assessment of an application filed by a Disability Applicant. Upon conclusion of the assessment, the Disability Administrator shall render an initial System decision regarding the disability. The Disability Administrator may require the applicant to submit further evidence of the disability and may require the applicant to undergo subsequent examinations or tests, medical or otherwise, deemed necessary and relevant to making a determination. The System shall pay the cost of any additional examination or test required pursuant to this subsection.

(c) The Disability Administrator shall notify the Disability Applicant of the decision by certified mail, return receipt requested, and in accordance with the Wyoming Administrative Procedures Act.

(d) The Disability Administrator may require a Member awarded disability benefits to obtain an evaluation from the Wyoming Department of Health, Division of Vocational Rehabilitation. Upon a recommendation from the Division, the Disability Administrator may require the Member to enter into a program of rehabilitation and provide the Disability Administrator with progress reports at such intervals as specified.

Section 4. **Review of Disability Status.**

(a) The following procedure shall be used to evaluate the status of each recipient of disability retirement benefits from the System and to establish whether further action is required:

(i) The System or its designee shall keep on file a record of each disability recipient's date of birth, date of disability, address, age, medical background and type and amount of benefit;

(ii) Unless otherwise noted in the disability award letter, the System shall require, at a minimum, disability award recipients to provide annual updates of their medical records to the System or its designee from the recipient's primary physician. The System or its designee shall conduct annual reviews of each disability benefit recipient's file to establish whether or not the recipient has the potential for recovery, what type of physical review is necessary and what process is needed for that review;

(iii) The System may require the recipient to submit to a functional capacity evaluation, physical examination, or other examination performed by a qualified evaluator as selected by the System at the System's expense;

(iv) If the result of any procedure specified in this section indicates that the recipient is no longer disabled, all records of the evaluation and those of the original disability discovery shall be sent to the Disability Administrator for review and advisement;

(v) Not less than quarterly, the System shall notify the Board of all reviews commenced and completed during the immediately preceding quarter and the outcome of each such review.

(b) In addition to the disability reviews specified in subsection (a) of this section, any disability benefit recipient who has been granted a disability conditioned upon further review at a future date shall be scheduled for review by the System or its designee in accordance with the condition specified in the disability award.

(c) No review shall be conducted of any disability recipient who has attained age sixty (60) years old (or normal retirement age, whichever is later), or who, by virtue of the medical record, is deemed by the Disability Administrator to have a terminal condition.

Section 5. **Cancelation of Benefit.**

(a) If the review of a disability results in cancellation of a disability retirement benefit, the recipient shall be informed by certified mail, return receipt requested, of the reason for the cancellation and the options available for appeal. The benefit shall be canceled beginning the month following the determination.

(b) If a benefit recipient fails or refuses to either provide required medical information or submit to any procedure specified in this Chapter within sixty (60) days from the date the System or its designee requests such information or procedure, the recipient's benefit shall be canceled beginning the month following the 60 day period, and the recipient shall be notified of the cancellation by certified mail, return receipt requested.

CHAPTER 16

SERVICE CREDIT

Section 1. Purpose. The purpose of this Chapter is to carry out the directive of W.S. 9-3-417(b) requiring the Board to adopt appropriate rules and regulations defining how much service in any year is the equivalent of one (1) year of service.

Section 2. Definitions.

(a) As used in this chapter:

(i) "Board" means the Wyoming Retirement Board established by W.S. 9-3-404;

(ii) "Credit", "service" or "service credit" means the amount of service creditable to each member for the purpose of determining eligibility for retirement;

(iii) "Member" means and includes any full-time or regular part-time employee of an employer as defined in W.S. 9-3-402(a)(vii);

(iv) "Service credit equivalent of one (1) year of service" means any service as determined by the System pursuant to Section 3 of this Chapter which results in a member being credited with one full year of service;

(v) "System" means the Wyoming Retirement System established by W.S. 9-3-403.

Section 3. Service Credit.

(a) When determining the service credit equivalent of one (1) year of service, the System shall consider:

(i) The nature and type of member employment and the employer's full-time requirements;

(ii) The number of hours worked during a calendar year based on the schedule specified in W.S. 9-3-417(b); and

(iii) Any other relevant information to enable the System to make a determination.

(b) In no case shall a member receive one (1) full year of credit if the member has worked less than one thousand thirty-two (1,032) hours in any calendar year nor shall any member be given more than one (1) year of credit for all service rendered during any calendar year.

CHAPTER 18

REFUNDS

Section 1. Authority. This rule is adopted pursuant to authority granted under W.S. 9-3-409.

Section 2. Purpose. The purpose of this rule is to establish greater System efficiency and economy by processing member refunds once each month.

Section 3. Definitions.

(a) As used in this chapter:

(i) "Employer" means a participating employer as defined in W.S. 9-3-402(a)(vi);

(ii) "Member" and employer contributions' means retirement contributions pursuant to W.S. 9-3-412 and W.S. 9-3-413 remitted by an employer;

(iii) "Member" means any participant in the System as specified in W.S. 9-3-402(a)(vii);

(iv) "WRS" or "System" means the Wyoming Retirement System established pursuant to W.S. 9-3-403.

Section 4. Refunds. WRS will process refunds of member contributions once each month. Refund checks will be available for distribution to members on the first Monday following the seventeenth (17th) day of each month if the requirements specified in Section 5. of this Chapter have been fulfilled.

Section 5. Refund Requirements.

(a) In order for WRS to process a refund, the following conditions must be satisfied:

(i) The member must submit to WRS a signed Special Tax Notice Regarding Refund Payments (WRS-8A);

(ii) If vested, the member must submit to WRS a signed vested response form;

(iii) WRS must have on file a Notice of Termination (WRS 7) from the member's employer;

(iv) All member and employer contributions must have been received by WRS and credited to the member's account;

(v) WRS must have written authorization from the financial institution in any case where the member requests that the refund be rolled over to a financial institution.

(b) Forms specified in subsection(a) of this section received after WRS completes refund processing during any month, will not be processed until the next succeeding month.

(c) Depending upon the time necessary to complete all requirements specified in this section, distribution of a refund check may take as long as sixty (60) days. In no case shall any member receive a refund of any contributions if that member is employed for a salary by an employer as provided in W.S. 9-3-424(b).

CHAPTER 19

SPOUSAL INFORMED CONSENT

Section 1. Authority. This rule is adopted pursuant to authority granted under W.S. 9-3-409.

Section 2. Purpose.

(a) The purpose of this rule is to require spousal express written consent when a married member:

(i) Requests a refund of contributions;

(ii) Requests a change of beneficiary; or

(iii) Elects any retirement benefit pursuant to W.S. 9-3-418 or 9-3-420.

Section 3. Definitions.

(a) As used in this chapter:

(i) "Member" means any participant in the system as specified in W.S. 9-3-402 (a) (vii);

(ii) "Spouse" means the legal husband or wife of a member;

(iii) "WRS" or "system" means the Wyoming Retirement System established pursuant to W.S. 9-3-403.

Section 4. Spouse's signature; member affidavit; notary; action.

(a) If a member is married, a spouse's written consent and signature is required on the WRS form in any case when the member:

(i) Requests a refund of member contributions;

(ii) Requests a change of beneficiary; or

(iii) Elects any retirement benefit pursuant to W.S. 9-3-418 or 9-3-420

(b) In any case involving any of the requests specified in subsection (a) of this section by a member who is not married, that member must furnish a signed affidavit verifying his or her unmarried status in the manner specified on the WRS form.

(c) Any signature required under subsection (a) or (b) of this section shall be notarized and the necessary information completed on the WRS form.

(c) WRS will not take action on any request under this section until it receives the appropriate notarized signature.

CHAPTER 20
DEMINIMIS ACCOUNTS

Section 1. Authority. This rule is adopted pursuant to authority granted under W.S. 9-3-409(a).

Section 2. Purpose. The purpose of this rule is to establish greater system efficiency and economy by requiring the withdrawal of a member's account in certain circumstances.

Section 3. Definitions.

(a) As used in this chapter:

(i) "Member contributions and interest" means retirement contributions pursuant to those required of any member and the accumulated interest on those contributions under any system under the jurisdiction of the Wyoming Retirement Board.

(ii) "Member" means any participant in any system under the jurisdiction of the Wyoming Retirement Board.

(iii) "Vested or Vesting" means the minimum service requirements needed to establish a lifetime benefit for any member under any system under the jurisdiction of the Wyoming Retirement Board.

(iv) "WRS" or "System" means the Wyoming Retirement System established pursuant to W.S. 9-3-403 and any other retirement system under the jurisdiction of the Wyoming Retirement Board.

Section 4. Refunds. WRS shall refund to any member who has terminated employment the member contributions and interest in the event the member is not vested in the system if the member contributions and interest are less than one thousand dollars ($1000). The refund will be subject to the requirements under Chapter 18 Refunds.

Section 5. Current Non-vested Accounts. Any current member who has terminated employment and is not vested in the system, and the member contributions and interest are less than one thousand dollars ($1000), shall be contacted and refunded those contributions and interest. In the event such a member cannot be located after a period of three years from the date of termination the contributions and interest shall revert to the system in which the contributions and interest reside.

In the event a member, whose contributions and interest reverted to the system under this section, is reemployed in the system, his account shall be reinstated with interest up to the date of reinstatement and service credit for the prior employment period.

RULES GOVERNING THE VOLUNTEER FIREFIGHTER AND EMT PENSION ACCOUNT BOARD

CHAPTER 1

GENERAL PROVISIONS

Section 1. Authority. These rules are promulgated under the authority of W.S. §§ 35-9-624(b)(ii), 35-9-617(f), 35-9-620(a), 35-9-621(e, j and k), 35-9-624(b)(iv), 35-9-627, and 16-3-102(a).

Section 2. Benefits for Members and Retirees of Pre-existing Plans.

(a) For retirees and beneficiaries of either the Volunteer Firemen's Pension Account created pursuant to W.S. §§ 35-9-601 through 35-9-615 (repealed by Laws 2015, Ch. 32 § 3), or the Volunteer EMT Pension Fund created pursuant to §§ W.S. 35-29-101 through 35-29-112 (repealed by Laws 2015, Ch. 32 § 3), receiving a benefit from one of those plans on or before June 30, 2015, the Wyoming Retirement System shall recalculate the benefit using the methodology authorized by the Volunteer Firefighter and EMT Pension Account in W.S. § 35-9-621 and compare that amount to the current benefit. The retiree or beneficiary shall be entitled to the higher of the two benefits.

(b) For members with service prior to July 1, 2015 in either the Volunteer Firemen's Pension Account created pursuant to W.S. §§ 35-9-601 through 35-9-615, or the Volunteer EMT Pension Fund created pursuant to §§ W.S. 35-29-101 through 35-29-112, the Wyoming Retirement System shall, upon the member's application for benefits, calculate the benefit using both the methodology authorized by the Volunteer Firefighter and EMT Pension Account in W.S. § 35-9-621 and the methodology that would have been used under the pre-existing plan. The member shall be entitled to the higher of the two benefits.

(c) For members beginning service on or after July 1, 2015, benefits shall be calculated using the methodology authorized by the Volunteer Firefighter and EMT Pension Account in W.S. § 35-9-621.

Section 3. Military Service Credit.

(a) In accordance with the Uniformed Services Employment and Reemployment Rights Act, 38 U.S.C. 4301 et seq., and the Wyoming Military Service Relief Act, W.S. §§ 19-11-101 through 19-11-124, any participating member called to active duty in the armed forces of the United States or in the Wyoming

National Guard shall not be required to withdraw contributions and interest while on active duty, whether contributing to the fund or not.

(i) Any participating member may elect to continue to make the required contributions to the fund during a period of active military service. The member shall notify his *volunteer fire department or volunteer EMT ambulance service* of his election to continue to make the required contributions at the time he enters active military service and arrange to submit timely contributions. The *department* shall remit the contributions to the retirement system with the regular monthly member contributions.

(ii) Any participating member who elects not to make pension contributions during active military service, and who rejoins the regular rolls of a duly constituted volunteer fire department or volunteer EMT ambulance service in Wyoming within the time frame outlined in federal law, shall be permitted to make a lump-sum payment to the fund equal to the amount of the missed contributions without interest. Upon such payment, the member shall be credited with service as though no break in service occurred.

(iii) Any participating member who elects not to make pension contributions during active military service, and who rejoins the regular rolls of a duly constituted volunteer fire department or volunteer EMT ambulance service in Wyoming after the time frame outlined in federal law, shall be permitted up to five (5) years from the date of rejoining the regular rolls to make a lump-sum payment to the fund equal to the amount of the missed contributions with interest. Upon such payment, the member shall be credited with service as though no break in service occurred.

Section 4. Contributions.

(a) Contributions for participating members are due monthly to the Wyoming Retirement System.

(b) A participating member who withdraws from the pension account is entitled to the account balance together with interest.

(c) For a member with less than five (5) years of active participation in the pension account who ceases contributions but does not withdraw, the member's account shall be designated as delinquent if no contribution has been received three (3) months following the close of the calendar month for which the contribution was due.

(d) A member's account that remains delinquent for nine (9) months shall be closed and the associated funds shall revert into the pension account.

(e) A member whose account was closed pursuant to this section and who subsequently reenrolls in the plan shall be entitled to a refund of the amount that had previously reverted into the pension account but shall be deemed to have forfeited any prior service credit.

(f) A member with at least five (5) years of active participation in the pension account who terminates active service as a member and does not withdraw may leave their account on deposit and be eligible to receive the applicable benefit upon reaching retirement age.

(g) Upon discovery that contributions have been submitted on behalf of a member during a period of time in which the member did not qualify for participation in the plan, for any reason, the Board may authorize that the contributions be returned through the contributing agency and the member's account be amended to reflect accurate service credit accrual.

(i) A member with at least five (5) years of active participation in the pension account who leaves service without withdrawing his account and later returns to service as a volunteer shall be entitled to resume participation in the plan and begin accruing service credit after his account has been amended to reflect accurate prior service credit accrual if contributions continued during a period of time in which the member did not qualify for participation in the plan.

(ii) A member with less than five (5) years of active participation in the pension account who leaves service without withdrawing his account and who later returns to service as a volunteer shall be entitled to a refund of his account pursuant to this section after his account has been amended to reflect accurate prior service credit accrual if contributions continued during a period of time in which the member did not qualify for participation in the plan.

(h) A member with ten (10) or more years of active participation in the pension account may choose to remove himself from active service as a volunteer firefighter or EMT and continue to contribute to the pension account for an amount of time not to exceed the total number of years the member was an active participant in the pension account.

(i) Any member who was enrolled in the Volunteer Firemen's Pension Fund on or before June 30, 2015, and had not refunded his contributions to

that plan, and had begun to make continuing contributions after terminating active service as a volunteer fireman pursuant to the terms of that plan, shall be permitted to continue to make those contributions until the member reaches retirement age.

(ii) A service purchase made pursuant to Section 6(a) of these rules shall not qualify as years of active participation in the pension account required for a member to continue contributions to the pension account after withdrawing from active service as a volunteer.

Section 5. Termination of Active Service due to Disability.

The Board may permit a disabled member to continue contributing to the fund if termination as a volunteer firefighter or EMT is due to disability, regardless of the member's years of service. Application for disability shall be made to the Board and supported by at least one medical doctor attesting that the member's disability prevents the member from continuing to serve as an active volunteer firefighter or EMT.

Section 6. Purchase of Service Credit.

(a) A member with at least five (5) years of active participation in the pension account may elect to make a one-time purchase of up to five (5) years of service credit pursuant to W.S. 35-9-627. Such purchase may be made through direct rollover contributions in accordance with Chapter 2 of the Wyoming Retirement Board's administrative rules and regulations related to direct rollovers.

(b) Pursuant to W.S. § 35-9-617(f), any member who was enrolled in the Volunteer Firemen's Pension Fund on or before June 30, 2015, and had not refunded his contributions to that plan, and not made a service purchase under the terms of that plan, may elect to make a one-time purchase of either up to five (5) years of service credit pursuant to subsection (a) of this section or an amount equal to the time of actual service as a volunteer fireman in Wyoming prior to enrollment in that plan, whichever is greater.

(c) A service purchase under subsection (a) of this section shall not qualify as years of active participation in the pension account required for a member to continue contributions to the pension account after withdrawing from active service as a volunteer.

Section 7. Board Governance.

(a) The Board shall annually elect a chair and a vice chair to preside over Board meetings. The Executive Director of the Wyoming Retirement System shall serve as a non-voting liaison to the Board.

(b) The Board shall review member qualification material, including meeting attendance logs, licenses and certifications, submitted by participating agencies on a schedule of the Board's determination in order to verify membership qualification.

Section 8. Contested Case Practice and Procedure.

(a) Any member who receives notification from the Board or the Wyoming Retirement System of a decision which adversely affects the member shall be entitled to a hearing before the Board or before a hearing officer designated by the Board, if the member requests a hearing in writing within thirty (30) days from the date of receipt of such notice.

(b) The Uniform Rules for Contested Case Practice and Procedure adopted by the Wyoming Office of Administrative Hearings shall govern all contested case proceedings.

Section 9. Incorporation by Reference.

(a) The following codes, standards, rules or regulations are hereby incorporated by reference:

(i) Chapter 2 - Uniform Rules for Contested Case Practice and Procedure, adopted by the Wyoming Office of Administrative Hearings and effective on October 17, 2014, found at http://soswy.state.wy.us/Rules/RULES/9644.pdf.

(ii) Chapter 2 - Direct Rollovers, adopted by the Wyoming Retirement Board and effective on July 24, 2014, found at http://soswy.state.wy.us/Rules/RULES/9583.pdf.

(b) No later amendments to codes, standards, rules or regulations listed in subsection (a) are incorporated by reference.

Rules Governing the Volunteer Firefighter and EMT Pension Account Board Intent to Adopt New Administrative Rules and Repeal Superseded Chapters

AMENDED STATEMENT OF PRINCIPAL REASONS

Pursuant to the authority granted by W.S. 35-9-624(b)(ii), the Volunteer Firefighter and EMT Pension Account Board (Board) has decided to adopt new administrative rules to govern the pension account it administers. The Board is also proposing to repeal Chapter 1 of the Volunteer Firemen's Pension Fund's current rules and regulations and Chapters 1 through 3 of the Volunteer Emergency Medical Technician Pension Plan's current rules and regulations. Emergency rules are currently in effect until regular rules can be promulgated.

The Wyoming State Legislature created the new pension account during the 2015 legislative session and the new plan went into effect July 1, 2015. The new plan replaced the Volunteer Firemen's Pension Fund (Wyo. Stat. §§ 35-9-601 through 35-9-615; repealed) and the Volunteer EMT Pension Fund (Wyo. Stat. §§ 35-29-101 through 35-29-112; repealed). A new board of trustees was created to replace the two boards associated with the old plans. Because the old plans and the administrative rules chapters associated with each have now been superseded by the new plan, new administrative rules are required to enable WRS and the Board to administer the new plan appropriately. Further, the current rules and regulations associated with those repealed plans are no longer applicable.

These are new administrative rules. Because the Board did not have administrative rules in place to administer the pension account, the Board adopted emergency rules, which became effective Oct. 1, 2015.

While WRS did not receive any substantive comment from the public during the public comment period, the Legislative Services Office proposed several formatting changes to be made to Chapter 1 prior to finalizing the rule. Additionally, WRS staff suggested an amendment to the rule language that would better clarify how service purchases are to be treated in the plan.

LSO made the following editing recommendations which have been incorporated into the rule:

- Page 1-3, Section 3(g)(i) & (ii): were indented properly to delineate between the sections.
- Page 1-3, Section 3(h)(i) & (ii): were indented properly to delineate between the sections.
- Page 1-4, Section 6(b): added a dash between the 9 and 6 on Wyoming Statute 35-9-617(f).
- Page 1-5, Section 9(a)(ii): website reference was added for Chapter 2 – Direct Rollovers, adopted by the Wyoming Retirement Board.
- Page 1-5, Section 9(b): the unnecessary "a" was removed prior to the word "codes." The text was amended to read: "No later amendments **to codes**, standards, rules or regulations listed in subsection (a) are incorporated by reference."

WRS staff made the following clarifications:

- Page 1-4, Section 4(h)(ii): text was amended to read: "A service purchase made pursuant to **Section 6(a)** of these rules shall not qualify as years of active participation in the pension account required for a member to continue contributions to the pension account after withdrawing from active service as a volunteer." This change is a reflection of the changes made to Section 6(b) & (c).
- Page 1-4, Section 6(b): the text was amended to read: "Pursuant to W.S. § 35-9-617(f), any member who was enrolled in the Volunteer Firemen's Pension Fund on or before June 30, 2015, and had not refunded his contributions to that plan, and not made a service purchase under the terms of that plan, may elect to make a one-time purchase of either up to five (5) years of service credit pursuant to **subsection (a) of this section** or an amount equal to the time of actual service as a volunteer fireman in Wyoming prior to enrollment in that plan, whichever is greater."
- Page 1-4, Section 6(c): the text was amended to read: "A service purchase under **subsection (a) of this section** shall not qualify as years of active participation in the pension account required for a member to continue contributions to the pension account after withdrawing from active service as a volunteer."

Explanation of staff recommendation: The limitation articulated in Section 6(c) that precludes service purchases from counting towards the 10 year requirement in Section 4(h) should only apply to service purchases made in accordance with the provisions articulated in Section 6(a), not to service purchases made of actual service time articulated in Section 6(b). The changes made to the language in Sections 4(h)(ii), 6(b) and 6(c) are a logical outgrowth of the originally proposed rule language. The changes clarify that members who participated in the old Volunteer Fire Plan and had actual demonstrable service as a volunteer prior to joining the plan and purchase service up to an amount equal to that actual service, can apply that purchased service to the 10 year provision articulated in Section 4(h). Members purchasing up to five years of "air time" are not entitled to apply that purchased time to the 10 year provision. These changes do not negatively impact any member of the plan or public, are in character with the original scheme, and are in keeping with the statutory requirements of the new Volunteer Plan.

Proposed new rules:

Chapter 1 – Rules Governing the Volunteer Firefighter and EMT Pension Account Board.

- **Section 1 – Authority.** These rules are promulgated under the authority of Wyo. Stat. 35-9-624(b)(ii).

- **Section 2 – Benefits for Members and Retirees of Pre-existing Plans.** These provisions are proposed to address the various situations and benefits that apply to members of the two pre-existing plans that have been replaced by the new plan.

- **Section 3 – Military Service Credit.** These provisions are proposed to address the rights and benefits of members of the plan that leave for qualified military service.

- **Section 4 – Contributions.** These provisions are proposed to address how contributions are to be received by WRS, when members must withdraw funds upon termination, when members can leave accounts on deposit after termination and when members can continue making contributions after termination.

- **Section 5 – Termination of Active Service Due to Disability.** This provision is proposed to address circumstances related to a member who leaves service as a volunteer due to disability.

- **Section 6 – Purchase of Service Credit.** These provisions are proposed to address the circumstances related to a member who elects to make a service purchase.

- **Section 7 – Board Governance.** These provisions are proposed to establish that a board chair and vice chair should be elected annually by the Board and that the Board is responsible for reviewing member qualification information from the various participating employers of the plan.

- **Section 8 – Contested Case Practice and Procedure.** This section is proposed to address the circumstances in which a member is entitled to appeal a decision of the Board.

- **Section 9 – Incorporation by Reference.** This section is proposed to identify that the Board intends to incorporate by reference the Uniform Rules for Contested Case Practice and Procedure adopted by the Wyoming Office of Administrative Hearings and the direct rollover rules adopted by the Wyoming Retirement Board.

Proposed rules to be repealed:

Chapter 1 – Volunteer Firemen's Pension Fund - General Provisions: This chapter of the rules is proposed to be repealed because the Volunteer Firemen's Pension Fund has been legislatively repealed. The fund and the board that administered the fund have been superseded by the Volunteer Firefighter and EMT Pension Account Fund and board.

Chapters 1 through 3 – Volunteer Emergency Medical Technician Pension Plan – General Provisions; Member Account Records; Rules of Practice and Procedures for Contested Cases: This chapter of the rules is proposed to be repealed because the Volunteer Firemen's Pension Fund has been legislatively repealed. The fund and the board that administered the fund have been superseded by the Volunteer Firefighter and EMT Pension Account Fund and board.

Rules Governing Volunteer Firefighter and EMT Pension Account Board

Summary of Comments

Pursuant to the authority granted by W.S. 35-9-624(b)(ii), the Volunteer Firefighter and EMT Pension Account Board (Board) has decided to adopt new administrative rules to govern the pension account it administers. The Board is also proposing to repeal Chapter 1 of the Volunteer Firemen's Pension Fund's current rules and regulations and Chapters 1 through 3 of the Volunteer Emergency Medical Technician Pension Plan's current rules and regulations. Emergency rules are currently in effect until regular rules can be promulgated. A public comment period of 47 days was held from October 19th 2015 through December 4th 2015. This document serves as a summary for the public comment requests.

There were no public comments received.

While WRS did not receive any substantive comment from the public during the public comment period, the Legislative Services Office proposed several formatting changes to be made to Chapter 1 prior to finalizing the rule. Additionally, WRS staff suggested an amendment to the rule language that would better clarify how service purchases are to be treated in the plan.

LSO made the following editing recommendations which have been incorporated into the rule:

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Explanation of staff recommendation: The limitation articulated in Section 6(c) that precludes service purchases from counting towards the 10 year requirement in Section 4(h) should only apply to service purchases made in accordance with the provisions articulated in Section 6(a), not to service purchases made of actual service time articulated in Section 6(b). The changes made to the language in Sections 4(h)(ii), 6(b) and 6(c) are a logical outgrowth of the originally proposed rule language. The changes clarify that members who participated in the old Volunteer Fire Plan and had actual demonstrable service as a volunteer prior to joining the plan and purchase service up to an amount equal to that actual service, can apply that purchased service to the 10 year provision articulated in Section 4(h). Members purchasing up to five years of "air time" are not entitled to apply that purchased time to the 10 year provision. These changes do not negatively impact any member of the plan or public, are in character with the original scheme, and are in keeping with the statutory requirements of the new Volunteer Plan.

WYOMING RETIREMENT SYSTEM (WRS) BOARD POLICY MANUAL

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WRS GOVERNANCE POLICY

POLICY TYPE: OUTCOMES

POLICY TITLE: *INVESTMENTS*

Approved December 4, 2009
Revised August 21, 2013
Revised May 22, 2014
Revised February 25, 2016

THE INVESTMENT "OUTCOMES"

This policy defines the desired outcome of the investment program for the investment of funds for the legislatively created defined benefit plans. It will be the Board's responsibility to carry out the following duties with the assistance of staff:

RETURN OBJECTIVE

Based on actuarial assumptions adopted by the Board effective 2/22/2013, it is estimated that the portfolio must generate the compound annual return on invested assets shown in Appendix I in order for WRS to accumulate the assets needed to meet benefit obligations.

INVESTMENT PHILOSOPHY & CORE BELIEFS

WRS' investment philosophy is based upon a set of factors that have a widely accepted theoretical basis.

1. The Board recognizes that strategic asset allocation has the most significant impact on investment results and will develop and maintain a strategic asset allocation that strives to optimally fulfill investment objectives.

    - Strategic asset allocation sets the amount of resources (risk) spent on each asset class.
    - Strategic allocation determines downside risk and portfolio volatility.

2. Some markets are efficient while others are less so, or inefficient. As such, investment strategies will reflect a mix of active and passive investments.
3. Costs have a meaningful impact on returns. Investment strategies will utilize the most cost effective approaches.
4. Performance measurement and monitoring activities provide an assessment of the success of WRS investment strategies and implementation of those strategies. Clear benchmarks will be selected for each investment strategy.
5. Use of tactical or Risk Overlays adjusts the portfolio (based on fundamental and/or economic theory), making tilts explicit versus implicit.

6. WRS believes the fund should be invested for the future and not rely solely on historical investment data to structure the portfolio. There is value in forecasting and making an effort to determine the most critical factors that will affect assets and liabilities in the coming years. This forecasting will be part of the discussion and asset allocation process.
7. Diversification is critical because the future is unknown.
8. WRS believes that, over the long term, there is a relationship between the level of investment risk taken and the rate of expected investment return. It believes the assumption of a moderate level of risk is reasonable and justified to enhance potential long-term returns, understanding that it will produce a wider range of expected returns than more conservative asset mixes.

STRATEGIC ASSET ALLOCATION (SAA)

It will be the Board's responsibility to carry out the following duties in consultation with staff and the external investment consultant:

1. Develop a Return Objective (RO) with a goal to:

    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.

2. Establish a Strategic Asset Allocation that is expected to meet the RO while minimizing the impact of the fund's volatility on the contribution rate. Secondary considerations include, but are not limited to, the expected rate of return for each asset class, the expected risk of each asset class, the correlation between rates of return among the asset classes, liquidity of the fund, and the investment objectives and risk constraints of the fund.

3. Monitor costs associated with the efficient implementation of the Strategic Asset Allocation through the use of internal and external resources.

The Board has adopted the SAA as shown in Appendix I. This table outlines the Board authorized Strategic Asset Allocation investment categories and the Strategic Asset Allocation weights which will be used to measure performance. This asset allocation is expected to fulfill WRS' need to meet its Return Objective. These are strategic allocations. As investments in non-public markets can take some time to implement, the Board recognizes that this asset allocation is a long term goal, and that short term positions may represent an intermediate point in the process of attaining these targets.

TACTICAL ASSET ALLOCATION (TAA)

The Board has granted the Chief Investment Officer (CIO), subject to approval by the Executive Director, the authority for establishing the Tactical (sub-asset class) Asset Allocation (TAA) of the portfolio within broad ranges approved by the Board. The CIO will make Tactical Asset

Allocation decisions away from the Target Asset Allocation only in consultation with the external investment consultant and Executive Director and with approval from the Executive Director that the change is in compliance with the Board's policy. Occasionally, the CIO may elect to deviate from the allowed allocation bands by +/- 10% in a particular asset class. If this occurs, the Executive Director must approve the deviation and the variance must not last for more than one year. The minimum and maximum allocations are meant to serve as guidelines for allowing the assets to fluctuate before the CIO must consider re-allocation of assets from one asset class to another and to allow for tactical asset allocation, when deemed appropriate.

Based on a variety of considerations, the Board has selected the Tactical Asset Allocation ranges that are allowable. These ranges are outlined in the table shown in Appendix I.

COMPONENTS OF INVESTMENT RETURN:

The approved Strategic Asset Allocation categories and their Tactical Asset Allocation sub-sectors are:

1. TACTICAL CASH

2. FIXED INCOME

Fixed Income may include the following sub-asset classes among others, and may at times include exposure to any such sub asset class opportunistically:

a. U.S. Treasury and non-U.S. Government bonds

This sub-asset class is designed to provide a source of current income and to reduce overall fund volatility. It addition, investments in this category will maintain the highest correlation with the value of the plan liabilities. Investments in this category may include, but are not limited to, U.S. Treasuries, agencies and highly rated securities issued by other non-U.S. sovereign nations.

b. Investment Grade bonds

This sub-asset class is expected to generate current income and have limited risk of principal loss. Bonds in this category will be issued by corporations with strong balance sheets and adequate debt coverage ratios. The rating agencies will generally rate securities in this category at BBB or better.

c. High Yield bonds

This sub-asset class seeks to provide capital appreciation within the portfolio through investment in below investment grade debt instruments and debt considered to be "opportunistic" in nature. Generally, it is expected that securities in this asset class will be in "current pay" status with superior coupon cash flow because of the lower credit

quality bias. Investments in this portfolio may include non-investment grade debt of both U.S. and non-U.S. issuers.

d. Mortgages

This sub-asset class will generally consist of securities that represent an interest in a pool of mortgage loans. These instruments may be issued by a wide variety of financial institutions, including several government sponsored agencies. While they usually have some income producing features, mortgages contain prepayment risk thus making cash flows less predictable than other fixed income securities.

e. Emerging Market debt

This sub-asset class encompasses bonds issued by less developed countries. It does not include borrowing from government, supranational organization such as the IMF, or private sources, though emerging market loans that are securitized and issued to the markets would be included. Emerging market debt tends to have a lower credit rating than other sovereign debt because of the increased economic and political risks. For these reasons this sub-sector will generally have higher coupons and higher potential capital appreciation than other sub-sectors of fixed income.

f. TIPS

This sub-asset class is designed to provide a source of current income to the portfolio, while providing a hedge for the inflation sensitivity of the system's liabilities. TIPS are fully guaranteed by the full faith and credit of the U.S. government and are highly liquid. Additionally, the specific guidelines for the TIPS portfolio allows for the inclusion of a small portion (a maximum of 10%) of non-guaranteed securities that must also be structured to provide inflation protection but may be of agency quality or corporates of AAA or AA credit quality. Other instruments which are allowable holdings may include international inflation protected securities, nominal treasuries, swaps, forward contracts, and inflation futures.

3. EQUITY

a. Domestic Equity

This sub-asset class seeks to provide a combination of long-term capital appreciation and dividend income that in aggregate is expected to exceed the rate of inflation. It is expected that investments in this class will perform well during periods of rising economic growth. Investments in this sub-asset class may include a variety of U.S. stock investments with varying characteristics related to market capitalization and investment style, including long/short hedged equity.

b. International Equity - Developed Markets

Like the Domestic Equity sub-asset class, International Equity – Developed Markets seeks to provide long-term capital appreciation and dividend income that in aggregate are expected to exceed the rate of inflation. Investments in this category will be made through a diverse group of strategies varying in size, investment style, and exposure to opportunities in a large group of developed countries. It is expected that investments in this sub-asset class will perform well during periods of rising economic growth; however, because of the non-US nature of these investments, they will also include non-dollar currency exposure not found within the US equity portfolio. This currency exposure during periods of dollar weakness will improve this portfolio's performance, and to the contrary, during periods of dollar strength it is more likely that these investments will lag the US equity sub-asset class

c. Emerging Markets

This sub-asset class seeks to provide long-term capital appreciation in excess of inflation primarily through non-U.S. equity investments in countries outside of those included in the MSCI EM Index.

4. MARKETABLE ALTERNATIVES

The purpose of employing Marketable Alternatives is to provide incremental diversification with the goal of targeting opportunistic investments and attractive risk adjusted strategies. .

a. Absolute Return

This sub-asset class provides diversification to the total portfolio and strives to reduce total fund volatility. This area will include investments in a group of skill-based managers using a variety of strategies such as: Global Macro, Long/Short Equity (net exposure <50%), Managed Futures, Event Driven Risk Arbitrage, Market Neutral, and Dedicated Short Bias. Please see Appendix IV for detailed descriptions of the strategies. At any given point in time, the number of managers and types of investments and strategies being utilized may include the entire universe of available investment options. In addition, a variety of marketable alternative strategies may be utilized within this sub-asset class including, but not limited to hedged equity, convertible arbitrage, event driven, relative value, global fixed income/currencies, managed futures, and commodities.

b. Opportunistic/Directional

This sub-asset class provides exposure to investment opportunities that will not typically be targeted by traditional managers. These funds will typically have a higher risk/return profile than more heavily hedged funds such as market neutral funds. Fund strategies in this subclass may include: Long/Short (net exposure>50%), Multi-strategy, Distressed Equity, Activist Equity and Convertible Arbitrage.

c. Enhanced Fixed Income

This sub-asset class provides exposure to fixed income investments that will not typically be targeted by traditional managers, such as marketable distressed fixed income securities. Fund strategies in this subclass may include: Distressed Credit and Fixed Income Arbitrage.

d. Global Asset Allocation (GAA)

This sub-asset class represents a diversifying core liquid asset allocation approach designed to generate an asymmetric return profile and limit exposure to drawdowns. Portfolios have the ability to depart from traditional benchmark constraints and express "best ideas" across a global opportunity set. This strategy provides a more timely exploitation of market opportunities with both top-down asset class selection and security selection. These multi-asset strategies are a core allocation that improves the risk balance for the entire portfolio by providing meaningful exposures to risks under-represented in traditional allocations. Portfolios can be designed around different benchmarks and return goals. More traditional allocations tend to have a traditional 60% global stocks/40% global bonds benchmark. Strategies include dynamic allocation funds and risk parity.

5. PRIVATE MARKETS

a. Private Real Assets

This sub-asset class is expected to perform well in periods of rising inflation. There are several types of real asset investments that may be included in this sub-asset type. The most common are outlined below and comprise our blended benchmark. However, from time to time other real assets may be identified that do not fit nicely into one of these buckets. In these instances it is expected that the investment will be assessed based upon its risk, return, and diversification characteristics relative to the buckets identified and only made if it is expected that the asset improves the overall risk adjusted return of the portfolio.

1) *Infrastructure*: The infrastructure portfolio will be comprised primarily of investments in public assets which enjoy semi-monopoly positions such as toll roads, electricity generators and distributors, seaports and airports, pipelines, rail links, royalties, public/private partnerships and similar assets. The primary investment vehicle is expected to be commingled funds. The long run objective of this asset class is to provide returns in excess of investment grade bonds with volatility substantially less than the equity markets.

2) *Natural Resources/Commodities*: would be expected to provide superior returns during periods of unexpected inflation. Investments in this category might include a variety of derivative instruments including futures, total return swaps, options, and

forward contracts, as this is how most commodities exposure is obtained. It is also possible that this category might include limited partnerships and/or commodity trading advisors (CTAs) who seek exposure to various types of commodities and commodity-related investments, including oil, gas, and other energy investments.

b. Private Real Estate

Private real estate is expected to provide a relatively high level of income and provide diversification to the overall fund. Real estate includes real estate investment trusts (REITS), opportunistic real estate funds, and direct real estate holdings.

c. Distressed/Private debt

This sub-asset class is expected to generate high returns with commensurately high risk. Generally, private investments are long term and illiquid in nature.

Private debt would be expected to provide equity-like returns by purchasing debt securities to gain controlling interest in companies at a significant discount to fair value. Investments include debt instruments of U.S. and international companies which may be publicly traded or privately held that are financially distressed and are either in bankruptcy or likely candidates for bankruptcy. Typical holdings are senior and subordinated debt instruments and bank loans. Equity exposure is acceptable in this sub-asset class as debt positions are often converted to equity during the bankruptcy reorganization process.

d. Private Equity

This sub-asset class is expected to generate high returns with commensurately high risk. Generally, private investments are long term and illiquid in nature.

Private Equity would be expected to provide high real returns over long periods of time while providing additional diversification to the fund even though it is understood that the diversification benefit is likely due to the lack of market pricing on these investments as opposed to a “true” diversification characteristic of these investments. Investments in this category are expected to be very illiquid and long term in nature. Investments in this category include corporate buyout, venture capital, and opportunistic/special situations. These opportunities may be identified domestically or on a global basis.

6. OVERLAY

The overlay program is an overarching approach to total plan portfolio management using systems and analysis to operate an array of investments to achieve a desired effect of portfolio rebalancing, risk management, and tactical flexibility (including cash flow management). Asset allocation is a key component of an overlay program that consists of investment decisions, tactical expression of asset class opportunities that arise through an

investment cycle and risk management. Additionally, an overlay program's allocation expresses the logistical aspects of portfolio management, i.e. rebalancing and cash flow management. The use of an overlay manager to adjust any under or over exposure of an asset class to its strategic allocation should, under normal circumstances, keep the portfolio within the minimum and maximum allocations of each class. The CIO will review the asset allocation levels and the overlay positions regularly and report to the Board. Should the value of an asset class exceed the minimum or maximum range of the policy before the adjustments by the overlay, the CIO may rebalance the portfolio by moving assets either into or out of the identified asset class by half of the deviation from target to restore the asset class allocation to within guidelines. At all times the cost, timeliness and liquidity of the rebalancing shall be a consideration. The CIO shall report to the Board any rebalancing actions taken.

Periodically payroll needs require the liquidation of assets from the portfolio. The CIO shall identify the most appropriate asset to liquidate to provide the cash needed. The CIO shall report to the Board any liquidation action taken.

PERFORMANCE OBJECTIVES

WRS' success in achieving the Return Objective (RO) shown in Appendix I will be evaluated over reasonably long time periods (5 to 10 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 SAA and TAA benchmarks which help to evaluate the Board's broad asset allocation decisions and the staff and external investment consultant's tactical and implementation decisions.

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 tactically deviate from the midpoint of the SAA within each sub-asset class. The returns of the tactical benchmarks are determined based upon the actual weight of the asset class multiplied by the appropriate benchmark.

The SAA and TAA benchmarks are used in the following manner to evaluate decisions made by the Board and the CIO:

- Board Decisions - The value added through Board policy decisions is measured by the difference between the Strategic Asset Allocation return and the RO. This difference

captures the value added by the Board through their broad asset allocation decisions relative to the required rate of return objective necessary to meet the actuarial assumptions. A SAA return greater than the RO reflects value added through Board decisions. A SAA return less than the RO reflects losses or shortfalls in performance in funding the liabilities of the system. These policy decisions are measured over long periods of time (5-10 years).

- CIO Decisions - There are two components to decisions made by the CIO that are monitored by the Board on an ongoing basis. These include 1) Tactical Asset Allocation decisions made by the CIO with the approval of the Executive Director and, 2) implementation decisions which include manager hiring and termination decisions made by the CIO with the approval of the Executive Director.

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 TAA benchmark return and the SAA benchmark return. This difference captures the value added by the CIO through sub-asset class Tactical 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 tactical decisions. Tactical 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 portfolio return and the Tactical Asset Allocation return. This difference captures the value added through these manager hiring decisions. An actual portfolio return greater than the TAA benchmark return reflects value added through these manager selection decisions. An actual portfolio return less than the TAA 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.

At the broad asset class level, Strategic and Tactical benchmarks have been established to measure Board, tactical, and implementation decisions. At the manager level, performance is measured against appropriate benchmarks for each particular investment mandate. Investment guidelines have been established for each manager outlining specific expectations for each portfolio. In addition, many managers are employed with performance-based fee structures which help to align the managers' interests with the total fund's objectives.

MANAGER ASSET POLICY

WRS has adopted the following general policies to be used in limiting exposure to any single manager or product. The Board may override these policies under special circumstances:

1. The maximum allocation to a single active manager in its own investment products is 15%. This implies that a single active manager could manage up to 15% of the aggregate market value of the Fund. The maximum allocation to a single passive manager in its own products is 25%. This implies that a single passive manager could manage up to 25% of the aggregate market value of the Fund. In the event that an investment manager is used for both active and passive mandates, the maximum exposure for that manager is 25% of the aggregate market value of the Fund with no more than 15% of the aggregate market value of the Fund allocated to active strategies.

The maximum allocation to a single active management product is 10%. This limitation applies to any non-index investment product. Therefore, the WRS portfolio will not account for greater than 10% of an investment manager's investment product when hiring an investment manager. This will be monitored over time to make sure that changes to assets under management within the investment manager's product do not result in the WRS portfolio growing to more than 10% of the asset base in the manager's product.

INVESTMENT MANAGER GENERAL GUIDELINES

Scope

1. The manager shall have full discretion to direct and manage the investment and reinvestment of assets in accordance with this document, applicable federal and state statutes and regulations, and the executed contract. Guidelines will be detailed in each individual manager contract.

2. The manager will adhere to the style concepts and the investment principles that were in use at the time WRS appointed the firm to manage WRS assets.

Proxy voting is a function and duty of the investment manager which shall be executed in accordance with WRS guidelines.

Communication

The firm must provide notification to WRS within two (2) days of any changes in the firm's organizational relationships, professional staff, or services that impact or could be reasonably expected to impact the service of the account.

Derivatives Policy

A derivative is a security or contractual agreement which derives its value from some underlying security, commodity, currency or index. WRS's investment managers may be permitted to use derivative instruments as set forth in each Investment Management Agreement (IMA) or other investment contract to control portfolio risk, implement asset allocation changes in a cost-effective manner or reduce transaction costs or taxes. WRS's exposure to economic risk through the use of derivatives must be consistent with Wyoming law, this Investment Policy and the individual manager's specific investment guidelines.

Where appropriate, investment managers may be given permission to use derivative securities for the following reasons:

- *Hedging.* To the extent that the portfolio is exposed to clearly defined risks and there are derivative contracts that can be used to reduce those risks, the investment managers may be permitted to use such derivatives for hedging purposes, including cross-hedging of currency exposures.
- *Creation of Market Exposures.* Investment managers may be permitted to use derivatives to replicate the risk/return profile of an asset or asset class provided that the guidelines for the investment manager allow for such exposures to be created with the underlying assets themselves.
- *Management of Country and Asset Allocation Exposure.* Managers charged with tactically changing the exposure of their portfolio to different countries and/or asset classes may be permitted to use derivative contracts for these purposes.

The types of derivatives that a separate account manager may employ shall be identified in WRS's contracts with those managers. Managers shall notify the CIO and obtain approval prior to modifying the types of derivatives used for a particular investment strategy.

Managers are specifically prohibited from using derivative or synthetic securities that expose WRS to potentially high price volatility or are either speculative or leveraged, or whose marketability may become severely limited.

Managers are required to measure and monitor exposure to counterparty credit risk. All counterparties contracting directly with WRS must have commercial paper credit ratings of at least "A2" or its equivalent by at least one nationally recognized rating agency at the time the related derivative is entered into. If the term of the derivative contract exceeds one year, an analysis shall be conducted to determine the counterparty's long-term rating and risk exposure. Documentation relating to each derivative shall require that upon the downgrade to a specified level or withdrawal of the rating of such counterparty, the CIO or an external manager acting on behalf of WRS, as applicable, may elect to terminate the derivative or to cause the related counterparty to collateralize its obligations under such derivative with cash or securities acceptable to WRS. Counterparty exposure should be evaluated with respect to concentration and diversification.

Ineligible Investments

No transactions shall be approved which are prohibited by law, including any federal law or Wyoming Statute.

Additionally, unless specifically approved by the CIO and the Executive Director or elsewhere in this Investment Policy, the following securities or strategies shall not be purchased for or employed by the Plans and Trust:

- Derivative instruments except as permitted in the Derivatives Policy or as specifically provided in the investment management agreement ("IMA") for a particular external investment manager that is approved by the Executive Director and the CIO.
- Non-taxable municipal securities, unless pricing anomalies in the marketplace suggest the likelihood of near-term capital gains when normal spread relationships resume.

Liquidity Requirements

External investment managers will be given adequate notice of WRS' cash needs and an estimation of liquidity requirements. External investment managers will be expected to manage their funds to provide for anticipated withdrawals without impairing the investment process.

Commingled Funds

Mutual funds and other types of commingled investment vehicles (such as commingled investment funds ("CIFs"), private equity funds, hedge funds, and ETFs), can provide lower costs and better diversification than can be obtained with a separately managed fund pursuing the same investment objectives. However, mutual funds and commingled investment funds cannot customize investment policies and guidelines to the specific needs of individual clients. WRS is willing to accept the policies of such funds in order to achieve the lower costs and diversification benefits of commingled funds. Therefore, mutual funds and commingled investment vehicles shall be exempt from the policies and restrictions specified herein but shall otherwise satisfy all requirements imposed by law.

REVIEW PROCESS

- On a quarterly basis, the CIO will review and report to the Board the actual results achieved to determine whether the managers have performed in accordance with this Investment Policy and the return objectives as set forth herein.
- Annually, the Board will review the asset allocation guidelines and make any necessary Strategic Asset Allocation changes.
- Annually, the Board will review each asset class, its role in the portfolio, the strategic objectives and any planned changes for the asset class.
- Annually, the CIO, in conjunction with the external investment consultant, will perform a comprehensive review of the suitability of its managers.

- The Board through the investment committee will periodically invite managers to Board and/or Investment Committee meetings, where they will have the opportunity to review their approach, results, and perceptions of the market.
- The Board, the CIO, the Executive Director and external investment consultant will monitor the portfolio on an ongoing basis for the purpose of determining whether any ad hoc meetings are required. Such situation might occur, for example, in the event of a dramatic market move, or if disturbing news were to emerge with respect to an investment manager.
- The Board will monitor performance through periodic reports that will allow assessment of Strategic Asset Allocation decisions, Tactical Asset Allocation decisions, and implementation decisions.
- All performance shall be calculated using time-weighted rate of return methodology.
    1. Not less than quarterly, the CIO will submit a report to the Board addressing WRS' success or lack thereof in accomplishing the investment "outcomes" based on the benchmarks described within this policy at the total fund level and asset class levels. This report will also include a summary of due diligence meetings held throughout the quarter, and will also provide the Board with a brief commentary by the CIO and/or external investment consultant which summarizes their thoughts on the market and key strategic decisions made in the quarter along with justification for those decisions.
    2. Not less often than every five years, a formal asset/liability study will be conducted. In the interim, the CIO shall submit an opinion to the Board on an annual basis, at the first board meeting following the beginning of the new fiscal year that addresses the continued prudence of the current asset mix in achieving the RO.

PROXY VOTING REQUIREMENTS:

The Investment Managers shall:

Vote all common stocks in the portfolio in accordance with policies to protect the financial interest of WRS participants and report semi-annually (reflecting votes cast through June and December of each year) to the Executive Director and CIO including:

A. Affirmation that all stock holdings with votes due had, in fact, been voted.
B. A description of any proposed changes in proxy voting policies or procedures.
C. Confirmation that all votes cast were consistent with established policy.
D. An explanation of any votes not cast or of any votes cast that were not consistent with established policy.
E. A summary listing of all votes cast.

STATUTORY AND REGULATORY COMPLIANCE

Each investment manager, trustee, consultant or other agent of WRS is strictly responsible for compliance with all relevant statutory and regulatory requirements as those requirements pertain to their duties and responsibilities as fiduciaries.

Adopted: December 4, 2009
Revised: August 21, 2013
Revised: May 22, 2014
APPENDIX II – Adopted October 15, 2010
APPENDIX II – Revised August 21, 2013
APPENDIX III – Adopted December 3, 2010
APPENDIX IV – Adopted May 22, 2014

APPENDIX I – Adopted December 4, 2009, Revised: April 22, 2011; May 25, 2012; February 22, 2013, February 28, 2014, May 22, 2014, February 25, 2015, February 25, 2016

Return Objective: 7.75% net of expenses

Asset Class	Strategic Asset Allocation Weight		Tactical Asset Allocation Range [1]	Asset Class Benchmark Index
Tactical Cash	**2.0%**		**0.0% - 5.0%**	**Barclays Short Treasury - Unhedged**
Fixed Income [2]	**15.0%**		**10.0% - 20.0%**	**Blended Benchmark**
Core Plus	7.5%		+ / - 7.0%	Barclays Multiverse (hedged)
US Government Debt	7.5%		+ / - 7.0%	Barclays Government
Opportunistic Credit			0.0% - 9.0%	
Equity	**50.0%**		**45.0% - 55.0%**	**Blended Benchmark**
Domestic Equity	25.0%		+ / - 10.0%	MSCI US IMI
International Developed Equity	18.7%		+ / - 10.0%	MSCI World ex US IMI 50% Hedged
Emerging Markets Equity	6.3%		+ / - 10.0%	MSCI EM IMI
Marketable Alternatives	**15.5%**		**10.5% - 20.5%**	**HFRI FoF Index**
Opportunistic/Directional			0.0%-10.0%	
Absolute Return			7.5%-15.0%	
Enhanced Fixed Income			0.0%-10.0%	
Global Asset Alloc. (GAA)			2.5%-12.0%	
Private Markets	**17.5% [3]**		**10.0% - 20.0%**	**Vintage Year Blend**
Private Real Assets (Natural Resources, Infrastructure)			0.0%-7.5%	
Private Real Estate			2.5%-7.5%	
Private Debt			2.5%-7.5%	
Private Equity (buyout, venture, distressed)			2.5%-10.0%	

[1] Tactical Asset Allocation Range is based on percentage of total assets.
[2] Adopted May 1st 2016
[3] Represents long-term target for Private Markets and the subcategories. The short-term target for Private Markets is 12.0%with a short term range of 7%-17%. The 5.5% excess exposure between the long-term and short-term target for Private Markets will be invested in Equity which is the most comparable asset class. The Private Markets and Equity Tactical Asset Allocation ranges will be adjusted proportionally (e.g. the short term Equity Strategic Asset Allocation Target will be 55.5% with a Tactical Asset Allocation range of 50.5%-60.5%). There are no short term targets for Private Markets' subcategories.

APPENDIX II – Adopted December 3, 2010

Wyoming Retirement System

DEFINED BENEFIT PLAN LIQUIDITY POLICY

A. Objectives

The liquidity policy is intended to provide limitations on less liquid assets so as to ensure adequate liquidity for plan needs. Adequate liquidity is defined primarily as the amount necessary to meet the immediate obligations for plan benefits and operation. Secondarily, adequate liquidity should be maintained to accommodate rebalancing and reallocation during most economic environments.

B. Limitations

- **Minimum current liquidity –** At least 30% of the current market value of the plan should be in assets or collective investment vehicles that can be liquidated at fair market value within 30 days.

- **Maximum private investments –** New investments in private markets (investment terms greater than or equal to five (5) years) shall not be made that would cause allocation to exceed the following limits:

  1. **Invested Capital –**

Private Debt	> 10% of Total Fund AUM
Private Equity	> 10% of Total Fund AUM
Infrastructure/Real Estate/Other	> 10% of Total Fund AUM

  2. **Committed Capital –** Market value of invested capital plus total value of future commitments should not exceed:

Private Debt	>15% of Total Fund AUM
Private Equity	>15% of Total Fund AUM
Infrastructure/Real Estate/Other	>15% of Total Fund AUM

- **Monitoring –**

  Ongoing – liquidity schedule will be determined for all potential investment disciplines by the CIO. Compliance with stated limitations will be confirmed prior to further commitments to private investments.

Annual – A liquidity study will be constructed by the CIO and Investment Consultant for presentation to the Board at least annually. This study will identify allocation of assets by their defined liquidity provisions and confirm compliance with this policy.

APPENDIX III – Adopted December 3, 2010

Wyoming Retirement System

SECURITIES LITIGATION

The Wyoming Retirement Board (Board) owes a fiduciary responsibility to the members and retirees of the Wyoming Retirement System (WRS) to manage System assets. That responsibility includes the duty to evaluate and monitor securities class actions in which WRS may be a member of the class. The Board recognizes that resources devoted to securities class actions may reduce resources needed to satisfy other fiduciary duties. The Board thereby delegates to the Executive Director of WRS the responsibility to monitor and evaluate potential actions and recommend to the Board class actions in which the probable benefits to the System outweigh the costs, both financial and otherwise, of participating in the action. In appropriate cases, the Board will direct WRS to take reasonable steps to reduce attorney's fees awards, increase class recoveries, obtain monetary recoveries from individual corporate wrongdoers and achieve appropriate corporate governance.

In order to adequately monitor and evaluate potential class actions, the Executive Director of WRS may exercise discretion to retain one or more experienced outside service providers to monitor class action filings and to estimate losses incurred by the System. The Executive Director of WRS may, with approval from the Wyoming Attorney General, retain one or more private law firms to advise and/or represent the Board in class action matters.

WRS Legal Counsel, in conjunction with retained outside counsel, shall monitor all cases determined to have merit and in which it is estimated that the System has sustained a loss. Active monitoring shall include periodic status reports to the Board, coordination with class counsel and participation in significant motions and settlement discussions.

The Executive Director of WRS may, with approval from the Wyoming Attorney General and in coordination with WRS Legal Counsel and retained outside counsel, seek lead plaintiff status in cases determined to have significant merit and in which it is estimated that the System has sustained a loss.

WRS Legal Counsel shall report to the Board at least on a quarterly basis the status of cases under active monitoring and cases in which WRS has been named lead plaintiff.

APPENDIX IV – Marketable Alternative Fund Strategy Descriptions

Long/Short Funds

Long/short equity funds typically invest in both long and short sides of equity and credit markets, generally focusing on diversifying or hedging across particular sectors, regions or market capitalizations. Managers typically have the flexibility to shift from value to growth; small to medium to large

capitalization stocks; and net long to net short. Managers can also trade equity futures and options as well as equity related securities and debt or build portfolios that are more concentrated than traditional long-only equity funds.

Global Macro Funds

Global macro funds typically focus on identifying extreme price valuations and leverage is often applied on the anticipated price movements in equity, currency, interest rate and commodity markets. Managers typically employ a top-down global approach to concentrate on forecasting how political trends and global macroeconomic events affect the valuation of financial instruments. Profits can be made by correctly anticipating price movements in global markets and having the flexibility to use a broad investment mandate, with the ability to hold positions in practically any market with any instrument. These approaches may be systematic trend following models, or discretionary.

Multi-Strategy Funds

Multi-strategy funds typically are characterized by their ability to allocate capital based on perceived opportunities among several hedge fund strategies. Through the diversification of capital, managers seek to deliver consistently positive returns regardless of the directional movement in equity, interest rate or currency markets. The added diversification benefits may reduce the risk profile and help to smooth returns, reduce volatility and decrease asset-class and single-strategy risks. Strategies adopted in a multi-strategy fund may include, but are not limited to, convertible bond arbitrage, equity long/short, statistical arbitrage and merger arbitrage.

Managed futures funds

Managed futures funds (often referred to as CTAs or Commodity Trading Advisors) typically focus on investing in listed bond, equity, commodity futures and currency markets, globally. Managers tend to employ systematic trading programs that largely rely upon historical price data and market trends. A significant amount of leverage may be employed since the strategy involves the use of futures contracts. CTAs tend not to have a particular bias towards being net long or net short any particular market.

Event Driven Distressed Funds

These funds typically invest across the capital structure of companies subject to financial or operational distress or bankruptcy proceedings. Such securities often trade at discounts to intrinsic value due to difficulties in assessing their proper value, lack of research coverage, or an inability of traditional investors to continue holding them. This strategy is generally long-biased in nature, but managers may take outright long, hedged or outright short positions. Distressed managers typically attempt to profit on the issuer's ability to improve its operation or the success of the bankruptcy process that ultimately leads to an exit strategy.

Fixed Income Arbitrage Funds

Fixed income arbitrage funds typically attempt to generate profits by exploiting inefficiencies and price anomalies between related fixed income securities. Funds often seek to limit volatility by hedging out exposure to the market and interest rate risk. Strategies may include leveraging long and short positions in similar fixed income securities that are related either mathematically or economically. The sector includes credit yield curve relative value trading involving interest rate swaps, government securities and futures; volatility trading involving options; and mortgage-backed securities arbitrage (the mortgage-backed market is primarily U.S.-based and over-the-counter).

Risk Arbitrage Funds

Risk arbitrage event driven hedge funds typically attempt to capture the spreads in merger or acquisition transactions involving public companies after the terms of the transaction have been announced. The

spread is the difference between the transaction bid and the trading price. Typically, the target stock trades at a discount to the bid in order to account for the risk of the transaction failing to close. In a cash deal, the manager will typically purchase the stock of the target and tender it for the offer price at closing. In a fixed exchange ratio stock merger, one would go long the target stock and short the acquirer's stock according to the merger ratio, in order to isolate the spread and hedge out market risk. The principal risk is usually deal risk, should the deal fail to close.

Equity Market Neutral Funds

Equity market neutral funds typically take both long and short positions in stocks while seeking to reduce exposure to the systematic risk of the market (i.e., a beta of zero is desired). Equity market neutral funds typically seek to exploit investment opportunities unique to a specific group of stocks, while maintaining a neutral exposure to broad groups of stocks defined for example by sector, industry, market capitalization, country, or region. The index has a number of subsectors including statistical arbitrage, quantitative long/short, fundamental long/short and index arbitrage. Managers often apply leverage to enhance returns.

Dedicated Short Bias Funds

Dedicated short bias funds typically take more short positions than long positions and earn returns by maintaining net short exposure in long and short equities. Detailed individual company research typically forms the core alpha generation driver of dedicated short bias managers, and a focus on companies with weak cash flow generation is common. To affect the short sale, the manager typically borrows the stock from a counterparty and sells it in the market. Short positions are sometimes implemented by selling forward. Risk management often consists of offsetting long positions and stop-loss strategies.

Convertible Arbitrage Funds

Convertible arbitrage funds typically aim to profit from the purchase of convertible securities and the subsequent shorting of the corresponding stock when there is a pricing error made in the conversion factor of the security. Managers of convertible arbitrage funds typically build long positions of convertible and other equity hybrid securities and then hedge the equity component of the long securities positions by shorting the underlying stock or options. The number of shares sold short usually reflects a delta neutral or market neutral ratio. As a result, under normal market conditions, the arbitrageur generally expects the combined position to be insensitive to fluctuations in the price of the underlying stock.

Risk Parity Funds

Risk parity is a portfolio construction methodology that is based on allocating risk as opposed to allocating capital in order to achieve a risk-balanced portfolio. The idea is to attempt to equalize the contribution to total portfolio risk from all asset classes, based on market, or beta exposures. Therefore no single asset class should dominate total portfolio risk. Leverage is often employed to generate an attractive return, meaning notional exposure is higher than 100%. The levered portfolio is constructed with larger weights to less risky asset classes and the expected return per unit of risk is similar across asset classes. An allocation to risk parity can serve several purposes in a portfolio, including correlation benefits, improving the consistency of returns and as substitutes for traditional stock and/or fixed income allocations. Risk parity strategies have less exposure to equity market drawdowns by reducing dominance of equity risk in total portfolio volatility.

WRS GOVERNANCE POLICY

POLICY TYPE: OUTCOMES

POLICY TITLE: *457 DEFERRED COMPENSATION*

PLAN INVESTMENT POLICY AND GUIDING PRINCIPLES

Adopted December 4, 2009
Revised February 19, 2010
Revised December 3, 2010
Revised May 17, 2013
Revised February 25, 2016 to take effect October 1, 2016

THE INVESTMENT "OUTCOMES"

The Wyoming Retirement System 457(b) Deferred Compensation Plan (in this policy referred to as the "Plan") is an Internal Revenue Code Section 457 defined contribution plan administered by Wyoming Retirement System. The plan was established by the Wyoming State Treasurer's Office in 1979 and transferred to the Wyoming Retirement System ("WRS") on July 1, 2001 to provide supplemental retirement benefits through participating employers. The Plan is a voluntary participant-directed defined contribution plan.

This policy governs the investment options offered under the Plan sponsored by the Wyoming Retirement System. The objective of the Plan is to provide employees with an adequate source of replacement income for retirement from accumulated employee contributions, employer matching contributions and investment returns.

The purpose of this policy is to set forth guiding principles, investment objectives and policy guidelines applicable to the Plan assets. The policy outlines the following components:

- Define the objectives and the Board's core beliefs for the Plan
- Define the roles of those responsible for the Plan's investments
- Establish the investment options allowed under the Plan
- Establish investment performance standards and the objectives for monitoring and evaluating performance of investment options

The underlying objective of the policy is to provide Plan participants a range of investment options that represent varying degrees of risk and return. This statement of policy will be reviewed on a periodic basis by the Board and may be modified from time to time.

RETURN OBJECTIVE

It is the Board's intent to make available an array of investment options that satisfy the following criteria: (i) each is diversified within itself; (ii) each has materially different risk and return and/or style characteristics; (iii) each, in combination with the other available investment options, must contribute to the diversification opportunities of a participant's Plan account portfolio and (iv) the available investment options, in the aggregate, must enable participants to achieve a Plan account portfolio with aggregate risk and return characteristics at any point within the range normally appropriate for participants. In pursuit of this objective, the Board approves the use of investment option structures that are comprised of either single or multiple underlying investment managers. For purposes of the policy, any references to investment managers within the allowed investment options shall be considered to include multiple and individual investment managers and investment products such as passive index funds.

CORE BELIEFS

The Board believes participants should bear the cost of offering the Plan and, to the extent practical, costs should be equitably distributed among participants. Further, the administrative costs of offering the plan should be funded primarily through an explicit administrative fee, instead of rebates from mutual fund fees. To that end, the Board believes in offering the least expensive share class of a chosen investment offering when possible. Costs have a meaningful impact on returns. Investment strategies will utilize the most cost effective approaches.

The Board believes that to optimize retirement outcomes, a high participation rate is sought through which participant contributions, employer matching, and investment results, in combination, contribute adequately to financial security for those participating in the Plan. The Board will emphasize participant outcomes and investment choice therefore the Plan shall offer a multi-tiered menu of investment options to support all investor types in progressing toward their retirement goals.

The Board will support these beliefs through education initiatives and plan design measures as well as periodic monitoring.

INVESTMENT PHILOSOPHY

The Board does not expect to be reactive to short-term investment developments. Furthermore, the Board recognizes that the accumulation of wealth for eventual retirement benefit payout is long-term in nature and that investment competence must be measured over a complete market cycle (generally three to five years, although possibly longer or shorter depending on the specific market environment). The Board, Executive Director, and/or CIO nevertheless, may act on interim qualitative judgments. Qualitative criteria include, but are not limited to:

- Fundamental changes in a manager's investment philosophy,
- Changes in a manager's organizational structure, financial condition (including any significant changes in total assets under management),
- Changes in key personnel, and
- Changes, relative to their peers, in the manager's fee structure.

BOARD RESPONSIBILITIES

The Board shall perform all duties necessary to administer the Plan, which have not been delegated to the Executive Director and/or the CIO. Specifically, the Board’s responsibilities include the following duties:

- Review the Deferred Compensation Plan Investment Policy at least annually and make modifications as necessary.
- Determine the allowable asset classifications provided later in this policy.
- Monitor and evaluate investment performance at least annually and on an ongoing basis.

- Monitor and evaluate Plan participation rates, participant savings rates, income replacement ratios, investment outcomes and other relevant measures.
- Respond to recommendations from the Deferred Compensation Plan Committee regarding participant fees or other matters.
- Determine through periodic review whether an action of participant re-enrollment to the default investment option, concurrent with other Plan changes, supports the goal of improving participant outcomes.

The Board has delegated to the CIO, subject to approval by the Executive Director, the following authority:

- Determine the number of investment options offered in the Deferred Compensation Plan.
- Determine the underlying structure of investment options including the decision to use a single manager or multiple investment managers for specific asset class exposure.
- Select and/or replace underlying professional and investment funds within each investment option and, should an associated like fund-to-fund mapping be needed, determine the mapping strategy.
- Negotiate and monitor investment expenses.
- Determine the benchmarks used in evaluation of investment options.
- Establish and maintain a rebalancing policy for multi-manager investment options.
- Select and/or replace the service provider for the Self-Directed Brokerage Account.
- In the event that an investment is not in mutual or commingled funds, select professional investment managers.
- Report to the participants, at least quarterly, the investment option performance.
- Promote communication and education to help participants understand the objectives of each investment option so that they may make investment decisions aligned with their objectives.
- To assist in this process, the CIO, subject to approval by the Executive Director, may retain an investment consultant.

The CIO will report to the Board in a timely manner changes made to the offerings in the Plan.

CONSULTANT'S RESPONSIBILITIES

Any Investment Consultant engaged by WRS shall be responsible to:

- Make recommendations to the Board, CIO, and/or the Executive Director regarding:
    - The investment policy;
    - The selection and termination of investment options or investment managers, or both, as may be necessary;
    - Investment and other fees. This responsibility includes monitoring fees for each investment option to ensure competitive pricing in the context of industry standards for applicable asset class, and style of management.
    - Benchmarks for evaluating the investment options and the underlying manager and fund performance.
- Make recommendations regarding the selection and retention of mutual fund and/or qualified investment managers, and assist in the oversight of existing managers in both

actively managed funds and in mutual funds, including monitoring changes in personnel, ownership and the investment process.

- Prepare a quarterly performance report including performance attribution of the managers and total assets, including adherence to investment style and discipline.
- Provide topical research and education on investment subjects that are relevant.

INVESTMENT OPTIONS

Participants have the responsibility to direct the investment of the assets allocated to their accounts. By virtue of such direction, a participant determines the amount of risk the participant is willing to accept. The managers of an investment option offered in the Plan are responsible for the specific composition of each fund under its management.

An appropriate range of investment options will be offered within the Plan. The range will span the risk/return spectrum to allow participants to construct portfolios consistent with their unique circumstances, goals, objectives, time horizons and risk tolerance. The plan offers three tiers of investment options to meet various participant investment objectives. Described below are the various types of investment options that may be offered under the Plan. Further, provided in Appendix A are the manager structures (single or multi-manager) as allowed by the Board, for each of the investment options.

Tier 1: Target Date Retirement Investment Options. A series of diversified portfolios designed to simplify the asset allocation process for participants and to provide an option to accumulate wealth based on their expected retirement/separation date through a single investment option. These portfolios are systematically diversified and have different reward and risk characteristics based on the targeted maturity date of the portfolio. The date in each fund name represents the approximate year the participant is anticipated to begin withdrawing their account assets, and is referred to as the "target date." As a fund's target date approaches, the allocation to the underlying investment strategies automatically shifts to a more conservative mix in order to preserve the accumulated balance.

Tier 2: Single- or Multi-Manager Investment Options. Each offers a broadly diversified, investment using either a single underlying investment manager or a combination of multiple underlying investment managers (aka multi-manager funds) targeting a specific asset class or sub-asset class.

As markets move over time, the actual asset mix of an investment option constructed of multiple underlying investment managers may diverge from the target allocation; as such, a rebalancing policy shall be maintained and periodically reviewed for these types of investment options.

Tier 3: Self-Directed Brokerage Account ("SDBA"). An account option offered to participants seeking access to a larger universe of mutual funds to pursue their retirement objectives. Participants make their own investment decisions and have full discretion over the

investment options available to them through the selected brokerage service provider. Participants assume all additional fees and responsibility for their investment decisions in the SDBA. Participant investment elections through the SDBA option will be subject to the Investment Guidelines provided by the brokerage account provider.

Participant investment elections through the SDBA are not otherwise covered under this Policy.

PERFORMANCE MEASUREMENT

The standards by which the performance of each such investment option, either single or multi-manager, will be measured are included in Appendix A. Performance will be measured over a complete market cycle.

The performance of the Plan's investment options will be monitored on an ongoing basis. A number of factors may contribute to under- or over-performance at any given time – market dynamics, investment skill, and/or pure chance. Given this uncertainty, it is generally unwise to mandate termination purely for lagging performance at any specific point in time. The Board's expectation is for active strategies to outperform over the relevant fund benchmark on an after-fee basis and for passive strategies to track the relevant benchmark on a before-fee basis. It is generally expected however that managers whose performance lags that expectation over an extended period of time, such as a full market cycle, or lags expectations significantly over shorter time periods will be closely monitored by the consultant and staff with regular reports, to the Board.

Additionally, certain qualitative factors such as deviation from stated style, turnover of key personnel, change of ownership, litigation, or changes in fees may also be cause for close monitoring and possibly termination regardless of performance results.

PROXY VOTING REQUIREMENTS

The CIO, subject to approval by the Executive Director, shall vote all mutual fund proxy statements for mutual funds held by Plan participants in order to represent the best financial interest of participants.

DEFAULT INVESTMENTS

Any participant who enrolls, but fails to make an investment selection, will be defaulted into a target dated fund according to age based on a retirement age of 65.

ADMINISTRATIVE ACCOUNT

The policy of the Board is to maintain an administrative account balance in accordance with W.S. 9-3-507(c). The balance should not be less than an amount sufficient to meet the annual administrative expenses of the Plan, and maintain an upper limit equal to approximately two years of administrative expenses. If the balance grows beyond the upper limit, the Board may reduce administrative fees or, if a permanent reduction is not sustainable, authorize a fee holiday, rebate or take other action that the Board believes is appropriate considering all relevant facts and circumstances. The account balance is reviewed in conjunction with WRS' annual audit and the Board reviews administrative fees at least every other year. There are many different and sometimes unanticipated factors involved in the expenses and administrative revenue of the Plan. While the account's lower limit is expressed in statute, it is acceptable for the administrative account balance to range above the specified upper limit provided the Board is made aware of and supports the variance.

Adopted 2-25-2016 effective 10-1-2016

Appendix A

Investment Option Offerings and Performance Expectations

Appendix A lists the approved plan investment options offered within the Tier 1, Tier 2 and Tier 3 lineup which consists of Target Retirement Date Options, Single or Multi-Manager Investment Options, and Self-Directed Brokerage Account and the requirements for evaluating performance of these options. A description of the objectives for each multi-manager option allowed is provided following the performance table.

Investment Options	Performance Expectation versus Market Indices	Performance Expectation versus Universe of Peers
Tier One – Target Retirement Date Options		
Target Date Funds The Target Date Fund approach provides a series of investment funds that are systematically diversified and have different reward and risk characteristics based on the targeted maturity date of the fund, which is expected to coincide with the approximate retirement date of the participant. Generally the funds with longer dated maturities will be more aggressively allocated to equities, and will be managed over time to become more conservative as the maturity date nears. The Retirement Fund, which is intended for post-retirement participants, will continue to maintain an exposure to equity markets in order to provide some level of inflation protection in retirement. Single or Multi-Manager	Total annualized return tracks hypothetical indexed portfolios of similar allocations, gross of fees, with minimal variance	Target Date Funds will be compared to a national universe of Target Date funds with similar maturity dates. Due to differences in asset allocation, and structure of the underlying investments (active vs. passive, value vs. growth, etc…), this peer group analysis is less meaningful than with Tier 2 fund options.

Investment Options	Performance Expectation versus Market Indices	Performance Expectation versus Universe of Peers
Tier Two – Asset Class Investment Options		
Capital Preservation Option	**Benchmark:** Total annualized return of the underlying assets, measured on a market value basis, exceeds the Barclays Stable Income Market Index ("SIMI") or other relevant benchmark over a full market cycle. Volatility and other risk measures, on a market value basis, should be measured against the Barclays SIMI or other relevant benchmark(s).	**Peer Universe:** Total return on a book value basis or if applicable, a market value basis, that is favorable in a universe of peer stable value separate accounts or similar duration cash or fixed income funds.
Fixed Income Option	**Benchmark: T**otal annualized return exceeds the Barclays Aggregate Index over a full market cycle. If an index strategy is chosen for all or a portion of the option structure, total annualized returns of that allocation should track the Barclays Aggregate Index (gross of fees) with minimal variance. Volatility and other risk measures should be measured against the Barclays Aggregate Index or other relevant benchmark(s).	**Peer Universe:** Total return which ranks above the 50th percentile in a universe of other core or core-plus bond funds
Real Assets Option	**Benchmark:** If an active strategy is chosen, total annualized return exceeds the Barclay's Capital US TIPS: 1-10 Year and/or other relevant inflation benchmark over a full market cycle. If an index strategy is chosen for all or a portion of the option structure, total annualized return of that allocation should track the appropriate benchmark (gross of fees) with minimal variance. Volatility and other risk measures should be measured against the Barclay's Capital US TIPS: 1-10 Year Index or other relevant inflation benchmark(s).	**Peer Universe:** None Applicable

Large Cap U.S. Equity Option	**Benchmark:** If an active strategy is chosen, total annualized return exceeds the S&P 500 Index over a full market cycle. If an index strategy is chosen for all or a portion of the option, total annualized return of that allocation should track the S&P 500 Index (gross of fees) with minimal variance. Volatility and other risk measures should be measured against the S&P 500 Index or other relevant benchmark(s).	**Peer Universe:** Total return which ranks above the 50th percentile in a universe of other large cap core funds
Small / Mid-Cap U.S. Equity Option	**Benchmark:** If an active strategy is chosen, total annualized return exceeds the Russell 2500 Index over a full market cycle. If an index strategy is chosen for all or a portion of the option, total annualized return of that allocation should track the Russell 2500 Index (gross of fees) with minimal variance. Volatility and other risk measures should be measured against the Russell 2500 Index or other relevant benchmark(s).	**Peer Universe:** Total return which ranks above the 50th percentile in a universe of other funds with similar funds of size and style
International Equity Option	**Benchmark: T**otal annualized return exceeds the MSCI ACWI Ex-U.S. IMI (net) Index over a full market cycle. If an index strategy is chosen for all or a portion of the option, total annualized return of that allocation should track the MSCI ACWI Ex-U.S. IMI (net) (gross of fees). Volatility and other risk measures should be measured against the MSCI ACWI Ex-U.S. IMI (net) Index or other relevant benchmark(s).	**Peer Universe:** Total return which ranks above the 50th percentile in a universe of other international core funds

The objective for each asset class investment option described above in Tier 2 as allowed by the Board follows.

WRS Large Cap U.S. Equity Fund

The Large Cap U.S. Equity Fund seeks primarily to provide long-term capital appreciation and income secondarily by investing in domestic stocks with market capitalizations that are in-line with stocks found in the Russell 1000 Index. The underlying investment manager(s) at times may invest in non-U.S. stocks but it is anticipated that this exposure will remain a small percentage of the portfolio overall. The total portfolio may consist of actively managed strategies which include value, growth, and core investment styles, as well as a passively managed index strategies which closely track the S&P 500 Index. The investments should exhibit characteristics, including price/earnings and price/book ratios that are in-line with the Russell 1000 Index.

WRS International Equity Fund

The International Equity Fund seeks primarily to provide long-term capital appreciation investing and income secondarily by investing in a diversified mix of foreign stocks of developed and emerging market countries with market capitalizations diversified across the size spectrum (Large, Mid, and Small capitalizations). The underlying investment manager(s) at times may invest in domestic stocks but it is anticipated that this exposure will remain a small percentage of the portfolio overall. The total portfolio may consist of actively managed strategies which include value, growth, and core investment styles, as well as a passively managed index strategies which closely track the MSCI ACW Ex-U.S. IMI Index. The investments should exhibit characteristics, including price/earnings and price/book ratios that are in-line with the MSCI ACW Ex- U.S. IMI Index.

WRS Small/Mid Cap U.S. Equity Fund

The Small/Mid Cap U.S. Equity Fund seeks primarily to provide long-term capital appreciation and income secondarily by investing in a diversified mix of domestic stocks with market capitalizations that are in-line with stocks found in Russell 2500 Index. The underlying investment manager(s) at times may invest in non-U.S. stocks but it is anticipated that this exposure will remain a small percentage of the portfolio overall. The total portfolio may consist of actively managed strategies which include value, growth, and core investment styles, as well as a passively managed index strategies which closely track the Russell 2500 Index. The investments should exhibit characteristics, including price/earnings and price/book ratios that are in-line with the Russell 2500 Index.

WRS Fixed Income Fund

The Fixed Income Fund seeks primarily to provide long-term capital preservation, generate income and modest capital appreciation by investing in a diversified portfolio of fixed income

securities that have characteristics in-line with the Barclays U.S. Aggregate Bond Index. The portfolio may consist of actively managed strategies which include corporate, high yield, international and other credit sectors, as well as passively managed index strategies which closely track the Barclays U.S. Aggregate Bond Index.

WRS Real Assets Fund

The Real Return / Inflation Fund seeks primarily to provide broad market exposure to real assets, Treasury Inflation Protected Securities (TIPS) and to produce a return over a market cycle that exceeds the rate of inflation, as defined by the Consumer Price Index (CPI). The portfolio may be comprised of a basket of "real return" oriented funds investing in asset classes such as commodities, real estate investment trusts (REITs), natural resource stocks and TIPS.

WRS Capital Preservation Fund

The Capital Preservation Fund seeks primarily to provide current income and capital preservation through investment in high quality, short- to intermediate-term fixed income securities. The portfolio may be comprised of government, corporate, agency backed mortgage-backed securities, money market instruments (U.S. Treasury bills, notes and bonds), repurchases agreements and bank deposits. The fund has the ability to implement a "wrap" contract through third-party insurance companies to enhance return stability and participant withdrawal capacity. The investments should exhibit characteristics similar to that of a high quality short to intermediate term benchmark such as the Barclays U.S. 1-3 Year Government/Credit Index, Barclays Stable Income Market Index, or other appropriate benchmark.

Tier Three – Self-Directed Brokerage Account
Self-Directed Brokerage Account ("SDBA") – This option gives participants seeking greater investment flexibility access to a brokerage window. Participants may elect to allocate all of their Plan assets to this option subject to limitation by the recordkeeper to pay for Plan administrative fees and related expenses. Participants electing to invest all or a portion of their assets through the SDBA will have new and/or ongoing contributions initially invested in a sweep money market fund or equivalent as determined by the SDBA. The participant is solely responsible for their investment activity and investments within the SDBA. The investment types allowed in the SDBA include all available mutual funds on the selected brokerage platform. Investment in individual public and preferred stock, bonds, options, futures and other financial derivatives are not permitted. **Participants investing through the SDBA do so at their own risk. The Board and WRS staff are not responsible for monitoring or evaluation of any SDBA investments.**

WRS GOVERNANCE POLICY

POLICY TYPE: OUTCOMES

POLICY TITLE: *MEMBER BENEFITS*

Adopted February 19, 2010
Revised February 25, 2015
Revised May 26, 2016

The "outcomes" to be achieved through the benefits administered by WRS consist of:

Plan Design

1. To maintain a benefit plan structure which is internally equitable and consistent with the goal of allowing Wyoming's career public employees to maintain a reasonable standard of living throughout the tenure of their retirement.

2. To encourage education regarding funding a successful retirement, including education on employer pensions, Social Security, the WRS Deferred Compensation Plan and personal savings. All members should be encouraged to participate in supplemental savings programs for retirement.

3. To be responsive to plan design changes and to the needs of employers, retirees, and active members. The Board will also be attentive to how plan design changes may impact the financial strength of that plan. Any benefit increases should be built into the funding mechanism of the plan or paid for in advance. Before any plan design changes are made, WRS should have the opportunity to thoroughly review and study proposed changes and make recommendations.

4. The Board recognizes increasing the employee contribution rate, as opposed to the employer rate, is not as strong a funding mechanism for either base benefits or COLAs, because members may elect to take refunds of their contributions.

Preventing Unfunded Liabilities

1. The WRS shall seek to provide for a fully funded system. The policy of WRS is to seek funding sufficient to offset any unfunded liability resulting from benefit increases not consistently funded through contributions or investment earnings.

2. Linking COLAs to adequate funding limits the growth of unfunded liabilities.

3. Review plan design and consider changes in benefits to address unfunded liabilities.

Cost of Living Adjustments (COLA) Policy

1. The Board acknowledges that employees and retirees face an uncertain economic future due to the effects of inflation on their retirement income. In addition, employees and retirees must spend, save, and invest with a clear understanding that initial benefits will erode over time due to the effects of inflation and the employer sponsored defined benefit plan alone will not be sufficient to completely address the challenge of maintaining purchasing power into the member's retirement years.

2. The Board acknowledges only the legislature may approve benefit changes, including COLAs, and that no changes shall be recommended to the legislature by the Board unless the system's actuary provides an opinion that the actuarial funded ratio of the plan can reasonably be expected to remain at 100% plus an additional percentage the Board determines is reasonably necessary to withstand market fluctuations throughout the life of the benefit change.

3. The Board acknowledges that it is responsible for reviewing actuarial valuations, projection studies and other financial data and making recommendations to the legislature regarding benefit changes, including COLAs, for any of the plans administered by the Board provided statutory requirements are met. Pursuant to W.S. 9-3-454, the Board shall consider the following when analyzing potential benefit increases:

    a. The relationship of the current actuarial value to current market value of assets;

    b. The interest and principal payments toward the unfunded liability over the full applicable term of the benefit increase;

    c. Current and expected actuarial funded ratios with and without the increase;

    d. A review of assumptions made in determining funded ratios and a review of anticipated funded ratios with differing investment return assumptions and/or other assumptions deemed critical by the Board;

    e. The appropriate level of actuarial funding ratio above 100% needed to buffer the plan from adverse experience;

    f. Impact to the normal cost, accrued liability and the annual required contribution for the current year and for a projection period of the plan's amortization period;

    g. Risk factors that could contribute to the funding status of the plan declining after any benefits have been changed.

4. The Board supports providing COLAs and other postretirement benefit enhancements from plan assets, in an amount not to exceed applicable statutory limitations and not more than that which would allow for the retention of the COLA Margin over the estimated life of the benefit change, provided system funding, contribution and margin requirements are met. The

Board has adopted eligibility criteria for recommending a COLA in any plan administered by the Board:

a. The Board will consider whether the plan's Actuarially Determined Contribution (ADC) level is currently being met and whether it is likely to continue to be met. If not, a COLA should not be granted.

b. In order for the Board to consider recommending a COLA for a particular plan, the plan must be projected to continue to be 100% funded, plus a margin for adverse experience (COLA Margin), for each of the next 15 years following implementation of the adjustment. (15 years is deemed to be the life of the COLA). The COLA Margin is the additional funded ratio (the ratio of the actuarial value of assets to the accrued liability) necessary to keep the plan's funded ratio above 100%. The COLA Margin for each separate plan shall be calculated annually.

c. The Board can consider whether the current contribution level is predicted to pay the plan's normal cost rate plus the amortization of the unfunded actuarial accrued liability (after the granting of the COLA) as a level percentage of pay over the number of years specified in the most recent actuarial valuation.

5. The Board supports the legislature providing ad hoc COLAs (which are not funded through the relative contribution rate of a particular plan) as individual appropriations allow. Any ad hoc COLA award funded by the legislature must be fully paid for and result in no increase in a particular plan's unfunded liability.

Member Services:

1. To ensure members receive high quality service, including accurate and timely information from WRS staff.

   a. To enhance service to all members.

   b. To provide training programs to address the needs of members of all ages.

Communications:

1. To provide members with access to information about benefits administered by WRS in a cost effective and timely manner.

2. To ensure that members receive appropriate and timely updates on plan changes.

Administration:

1. To ensure that benefit recipients receive their payments in timely manner.

2. To ensure the security and accuracy of member records.

3. To administer the various programs in as cost effective manner as feasible.

WRS GOVERNANCE POLICY

POLICY TYPE: OUTCOMES

POLICY TITLE: *LEGISLATION*

Adopted April 16, 2010
Revised May 26, 2016

While the mission and primary responsibility of WRS is providing benefits to members and their beneficiaries, and defraying reasonable expenses of administering the System, legislation and legislative activities pertaining to providing benefits to members and to the System may necessitate involvement by WRS, the Executive Director and Board members.

WRS: Executive policy prohibits employees of state agencies from advocating for or against legislation related to their positions; therefore the Executive Director's role with respect to proposed legislation will be limited to providing information to the Legislature as requested or as is otherwise warranted in his or her official capacity as a public official. The Executive Director shall:

1. Review all proposed legislation which impacts programs administered by WRS and provide comments to the Board to keep them informed of legislative activity;

2. Provide technical comments and other factual information to the Legislature and to the appropriate legislative committees, as requested.

3. Explain the impacts proposed legislation would have on WRS or its members, including fiscal impacts and any difficulties WRS might have in carrying out the proposed legislation.

Board Members: WRS Board members may take positions on proposed legislation affecting any aspect of the responsibilities and duties of WRS in accordance with their statutory and fiduciary obligations and code of conduct.

WRS GOVERNANCE POLICY

POLICY TYPE: OUTCOMES

POLICY TITLE: *ACTUARIAL CONDITION*

Adopted April 16, 2010

The "outcomes" to be maintained from an actuarial standpoint are as follows:

To collect contributions based on contribution rates that have been determined by a qualified actuary based on assumptions, which are reasonable in relation to long-term plan experience for each of the legislatively created retirement plans. The contribution rates so determined are intended to remain relatively level as a percent of payroll from generation to generation and comply with standards promulgated by the American Academy of Actuaries and Governmental Accounting Standards Board.

Evidence of actuarial soundness shall be verified through:

1. An annual actuarial valuation, prepared by an actuary, of the assets, liabilities and funding requirements of all legislatively created plans in the WRS.

    a. Each actuarial valuation report will also include a gain/loss analysis by source. This analysis will look at the gain or loss on the accrued liability by each major assumption. Then, at the time of the full experience study, the findings of each year's gain or loss by decrement will be factored into the recommendations for the valuation assumptions.

2. A full experience study, conducted at least once every five (5) years, of the mortality, service and other experience of the members, retirees and beneficiaries of WRS in order to update the actuarial assumptions used in the annual actuarial valuation study.

3. An actuarial review of the actuarial valuation study conducted to produce an opinion as to the reasonableness of cost methods, valuation results, and statutory contribution rates. This review should be conducted by an independent actuary at least once every five (5) years.

WRS GOVERNANCE POLICY

POLICY TYPE: OUTCOMES

POLICY TITLE: *RULEMAKING*

Adopted April 16, 2010

The "outcomes" to be achieved through the benefits administered by WRS consist of:

Pursuant to W.S. § 9-3-409, the Board shall adopt rules and regulations that are necessary and appropriate to implement statutes and to provide members with adequate notice of statutory benefit provisions. The Board will ensure that the rules are current and relevant for the operation of the WRS.

WRS GOVERNANCE POLICY

POLICY TYPE: GOVERNANCE PROCESS

POLICY TITLE: *GOVERNING APPROACH*

Adopted April 16, 2010

The Board's governing approach emphasizes: (1) outward vision rather than an internal preoccupation, (2) encouragement of diversity in viewpoints, (3) strategic leadership, (4) clear distinction of Board and Executive Director roles and responsibilities, (5) collective decisions, (6) adherence to policies and procedures that represent best practices for governmental pension plans and (7) being proactive.

Accordingly:

1. The Board will cultivate a sense of group responsibility. The Board will be responsible for excellence in governing. The Board will be the initiator of policy, not merely a reactor to staff initiatives. The Board may use the expertise of individual members to enhance the ability of the Board as a body, rather than to substitute the individual's judgments for the Board's values.

2. The Board will focus chiefly on intended long term impacts to members and beneficiaries, not on the administrative or programmatic means of attaining those objectives.

3. The Board will direct, control, and inspire the organization through the careful establishment of broad written policies reflecting the Board's values and perspectives. The Board's major policy focus will be on the intended long-term impacts outside the organization and achieving organizational excellence. The Board will delegate to the Executive Director the administrative and programmatic means of attaining those objectives.

4. The Board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policymaking principles, respect of roles, and ensuring the continuance of governance capability.

5. Continual Board education and development will include orientation of new Board members in the governance process and periodic discussion of process improvement.

6. The Board will be accountable to members and beneficiaries for competent, conscientious and effective accomplishment of its obligations as a public trust. It will allow no officer, individual, or committee of the Board to hinder or be an excuse for not fulfilling its commitments.

Board members are dedicated to promoting and protecting the benefits and general well-being of all members of WRS, and, accordingly, adhere to the following guidelines:

1. Honor and support the mission of WRS.

2. Deliberate in a proactive manner, in order to anticipate and prepare for change.

3. Encourage and respect diversity of opinions during deliberations, but speak with one voice once decisions are made.

4. Ensure that WRS initiatives are charted through collective Board action.

5. Conduct business in a courteous and professional manner toward fellow Board members, WRS members and staff.

6. Identify, and bring to the Board for discussion, items of concerns from members.

7. Follow Robert's Rules of Order for conduct at Board and Committee meetings.

WRS GOVERNANCE POLICY

POLICY TYPE: GOVERNANCE PROCESS

POLICY TITLE: *BOARD RESPONSIBILITIES*

Adopted April 16, 2010

The Board is responsible for the performance of WRS and to ensure that it occurs. The Board's specific responsibilities related governance and management shall be:

1. To provide a link between WRS and its members and beneficiaries.

2. To adopt written governing policies that address:

    a. Outcomes: Policies that achieve the optimum results for members and beneficiaries at a reasonable cost.

    b. Executive Limitations: Policies that provide constraints on executive authority and establish the prudence and ethical boundaries within which all executive activity and decisions must take place.

    c. Governance Process*:* Policies specifying how the Board conceives, carries out, and monitors its own work.

    d. Board-Executive Director Relationship*:* Policies defining how responsibilities are delegated and how its proper use is monitored; the Executive Director's role, authority, and accountability.

    e. Continual evaluation of the Executive Director's performance.

WRS GOVERNANCE POLICY

POLICY TYPE: GOVERNANCE PROCESS

POLICY TITLE: *BOARD TRAVEL AND EDUCATION*

Adopted April 16, 2010
Revised May 26, 2016

Board Member Education:

1. The Board is charged with a fiduciary duty to the members and beneficiaries of the WRS. The Board recognizes that duty and realizes the complexity and diversity of the issues relating to pension plans.

2. Each member of the Board has an ongoing obligation to participate in education opportunities that will increase the understanding of issues relating to pension plans.

    a. WRS will provide as part of its budget request to the legislature an amount to cover the travel expenses of each Board Member for one or more educational opportunity per year.

    b. Board members are encouraged to participate in at least one educational opportunity each year. If the opportunity arises for additional educational opportunities the member shall request permission from the Board Chairman who will consult with the Executive Director on the availability of funds.

3. Conferences sponsored by independent organizations and associations take precedence over those that are industry-sponsored.

4. Members of the Board will act in an ethical manner while representing WRS at these educational forums and will abide by all provisions of the Board Code of Conduct.

5. Each member will provide the other members of the Board with relevant educational materials from the conference and a summary of the member's experience and findings after the Member returns from the conference.

6. Any out of country travel request will need to be approved by the Board Chairman, who will consult with the Executive Director on the availability of funds.

7. The Executive Director will provide a list of available educational opportunities in January of each year and update the list as other opportunities appear.

8. Board members will be reimbursed for travel pursuant to provisions in W.S. § 9-3-102 (e) and the Wyoming Auditor's Office, Travel Reimbursement and Instruction Forms.

New Board Member Orientation:

Effective orientation of new Board members is essential to the Board's ability to maintain integrity of the system and to fulfill the fiduciary duties of managing such a system. To that end there shall be a new Board member orientation in conjunction with the first Board meeting following the appointment of new Board members.

New Board members shall attend an orientation seminar covering: History & Overview, Governance, Fiduciary/Legal/Legislative, Actuarial Matters, Investments and Agency Administration. At the orientation the new Board members shall receive a Board member handbook containing the following items:

1. Relevant Wyoming statutes, including:

    a. The Wyoming Retirement Act;

    b. The deferred compensation statutes;

    c. The Wyoming State Highway Patrol, Game and Fish Warden and Criminal Investigator Retirement Act;

    d. The Wyoming Judicial Retirement Act;

    e. The Firemen Pension and Death Benefits provisions;

    f. The Firemen's Pension Account Reform Act of 1981; and

    g. The Government Ethics Statute

    h. The Volunteer Fire Fighter & Emergency Medical Technician Pension Fund

2. The Governor's Executive Order on Ethics No. 97-4.

3. The Rules and Regulations of the Wyoming Retirement System.

4. The WRS Policy Manual.

5. A list of upcoming, recommended educational opportunities.

WRS GOVERNANCE POLICY

POLICY TYPE: GOVERNANCE PROCESS

POLICY TITLE: *OFFICERS, TERM OF OFFICE, DUTIES*

Adopted April 16, 2010
Revised February 16, 2012
Revised May 26, 2016

Organization – Each year the Board will elect from its membership a Chair and a Vice Chair. Pursuant to W.S. § 9-3-406(a), the WRS Executive Director shall serve as the Secretary of the Board.

Terms of Office – Terms of office for the Chair and Vice Chair shall be for one year from the date elected or until a successor is chosen.

Eligibility for Office – Candidates for Chair or Vice Chair should have served at least one full year as a member of the Board and have at least one year remaining on his or her term.

Procedure for Electing Officers – Board Officers will be elected annually at the August meeting or as soon as possible thereafter. Nominations will be taken from the floor for the position of Chair. Nominations will then be taken from the floor for the position of Vice Chair. Upon the close of nominations, a vote will be taken. A majority vote of the Board is required for electing officers.

Duties of the Chair – The primary duty of the Chair is to ensure the integrity of the Board's process and, secondarily, the occasional representation of the Board to outside parties. The Chair is the only member authorized to speak for the Board, other than in rare and specifically authorized instances.

1. The Chair is to assure that the Board operates consistent with its own policies and rules and in accordance with a good faith interpretation of all state and federal laws.

    a. Deliberations will be timely, fair, orderly and thorough; but also efficient, limited in time and kept to the point.

    b. Robert's Rules of Order are observed except where the Board has superseded them.

2. The authority of the Chair consists of making decisions, which fall within topics covered by Board policies on Governance Process and Board-Executive Director Relationship, with the exception of: (a) employment or termination of an Executive Director, and (b) where the Board specifically delegates portions of this authority to others. The Chair is authorized to use any reasonable interpretation of the provisions in these policies. The

Chair shall report to the full Board any actions that he or she has taken pursuant to this policy.

a. The Chair shall preside over Board meetings with all the commonly accepted authority of that position (e.g., ruling, recognizing).

b. The Chair will welcome input from fellow Board members regarding the Board's agenda for each meeting.

c. The Chair has no authority to make decisions about policies created by the Board within Outcomes and Executive Limitations policy areas. Therefore, the Chair has no authority to supervise or direct the Executive Director.

d. The Chair may represent the Board to outside parties in announcing Board stated positions and in stating Chair decisions and interpretations within the area delegated to her or him.

e. The Chair may also:

    i. Convene meetings of the Board as prescribed in W.S. § 16-4-404(b).

    ii. When required, certify any actions taken by the Board.

    iii. Name Board members to committees and appoint the chair of each committee.

    iv. The Chair may delegate this authority but remains accountable for its use.

Duties of the Vice-Chair

1. Assume and perform the duties of the Board Chair in the event the Board Chair is unable to fulfill the duties of the position due to absence; and

2. Perform other duties assigned to him or her by the Board.

3. At all times be familiar with the role and responsibility of the Chair.

WRS GOVERNANCE POLICY

POLICY TYPE: GOVERNANCE PROCESS

POLICY TITLE: *ATTENDANCE AT MEETINGS*

Adopted April 16, 2010
Revised May 26, 2016

Board Meetings:

1. Board meetings shall be held at least quarterly, and according to an annual schedule adopted by the Board.

    a. Timely notice of Board meetings shall be provided to the public, in accordance with W.S. § 16-4-404.

    b. The annual schedule may be modified by the Board as necessary, however, timely notice of such change must be provided to Board members and the public in accordance with W.S. § 16-4-404.

    c. Pursuant to W.S. § 16-4-403 all meetings of the Board are public meetings, open to the public at all times, except when the Board enters into executive session pursuant to W.S. § 16-4-405.

    d. All action by the Board must take place during a properly noticed public meeting.

Quorum and Voting:

1. A majority of Board members serving on the Board is a quorum for a Board meeting.

2. Board members should attend at least 75% of the regularly scheduled Board meetings.

3. Each Board member is entitled to one vote on the Board. Board members may vote by proxy. Proxies should be for a specific purpose and should be in writing. The Treasurer may appoint a designee at any time.

4. If a Board member is unable to attend a meeting of the Board or a committee, the Board member shall notify the Executive Director and Board Chair as soon as possible to help ensure that a quorum will be achieved. If personal attendance is impractical, a Board member may attend Board meetings or Committee meetings via telecommunications. Any member attending a Board or Committee meeting via telecommunications shall be allowed to vote as if they were attending in person.

WRS GOVERNANCE POLICY

POLICY TYPE: GOVERNANCE PROCESS

POLICY TITLE: *BOARD CODE OF CONDUCT*

Adopted April 16, 2010
Revised May 26, 2016

The Board commits itself and its members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as Board members.

Accordingly:

1. Pursuant to the Wyoming Constitution, "all monies from any source paid into any public employee retirement system created by the laws of this state shall be used only for the benefit of the members, retirees and beneficiaries of that system, including the payment of system administrative costs." WYO. CONST. art. 19, § 11.

2. Board members and staff must, at all times, abide by the provisions of Wyoming's ethics law at W.S. §§ 9-13-101 *et seq*. and the Governors' Executive Order on Ethics No. 1997-4 or any superseding law.

3. Board members have a duty of loyalty to the members, which supersedes loyalties to staff, other organizations, and any personal interest.

4. Board members must avoid conflict of interest with respect to their fiduciary responsibility.

    a. There will be no self-dealing or business by a Board member and the organization. No Board member or employee of the Wyoming Retirement System shall receive any gain, political contribution, or profit from any funds or transaction of the Wyoming Retirement System, except benefits from interest in investments or benefits common to all members, if entitled thereto.

    b. When the Board is to decide upon an issue, about which a Board member has a personal, unavoidable conflict of interest, that member shall disclose the conflict to the Board and absent herself or himself from both the vote and the deliberation.

    c. Board members will not use their Board position to obtain employment in the organization for themselves and their family members. A Board member wishing to apply for employment with the Wyoming Retirement System should resign from the board prior to seeking employment with the Wyoming Retirement System.

d. If a former Board member or former employee of the Wyoming Retirement System is employed by a current system service provider, it shall not impact the Board's business relationship with that firm provided no conflict of interest exists and no violation of law occurs as a result of such employment.

5. Board members may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies.

    a. Board member interaction with the Executive Director or staff must recognize the lack of authority vested in individuals, except when explicitly authorized by the Board, or as otherwise provided in Board policies.

    b. Board member interaction with public, press, or other entities must recognize the same limitation and the inability of any Board member, unless specifically authorized, to speak for the Board, except to repeat explicitly stated Board decisions.

    c. Board members will not advise System members, beneficiaries or others regarding individual benefit amounts. However, Board members will be proactive in bringing members' concerns to the Board.

6. Board members and staff will respect the confidentiality appropriate to issues of a sensitive nature.

7. Board members will be properly prepared for Board deliberation.

WRS GOVERNANCE POLICY

POLICY TYPE: GOVERNANCE PROCESS

POLICY TITLE: *BOARD COMMITTEES' ROLE*

Adopted April 16, 2010

Board committees are to help the Board do its job. Committees ordinarily will assist the Board by preparing policy alternatives and implications for Board deliberation.

1. Committee work can only take place when a quorum of the committee is present. A majority of the committee members constitutes a quorum.

2. All members of the Retirement Board shall be notified as to the time and place of all committee meetings. Retirement Board members may attend any committee meetings regardless of whether or not they are a member of the committee. However, only committee members may vote on any action before the committee.

3. Each committee meeting agenda is set by the committee chair in conjunction with appropriate staff.

Board Committees are as follows:

1. Audit

2. 457 Deferred Compensation

3. Investments

4. Legislative and Benefits

5. Governance and Strategic Planning

Each Committee established by the Board shall operate pursuant to a charter adopted by the Board.

WRS GOVERNANCE POLICY

POLICY TYPE: GOVERNANCE PROCESS

POLICY TITLE: *AUDIT COMMITTEE CHARTER*

Adopted April 16, 2010
Revised November 18, 2015
Revised May 26, 2016

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1. There shall be an Audit Committee composed of no more than five (5) members appointed by the Board Chair. The Board Chair may serve as one of the voting members of the Committee.

2. The Committee will meet on call by either the Committee Chair or the Executive Director. The Committee shall meet at least three times each year.

3. The Board has established the Audit Committee to assist the Board in fulfilling its fiduciary responsibilities as they relate to accounting policies and financial reporting, the system of internal controls, the *Standards of Professional and Ethical Conduct*, the internal audit process, and the practices of the Internal Audit Manager.

4. The Audit Committee has authority to conduct or authorize investigations into any matters within its scope of responsibility.

5. The Audit Committee will:
   a. Meet at least three times per year;

   b. At least annually, meet separately with each of the following:

      i. the Executive Director;
      ii. the Internal Audit Manager;
      iii. the Deputy Director/CFO; and
      iv. the General Counsel;

      and afford a private audience with each when requested.

6. The Audit Committee will, in consultation with the Executive Director:

   a. Recommend accounting policies to the Board for approval;

   b. Review the design and effectiveness of WRS's internal controls;

   c. Meet at least annually with the Internal Audit Manager, and with WRS management, to discuss the effectiveness of WRS's internal controls;

d. Periodically review the *Standards of Professional and Ethical Conduct* and recommend changes to the Board;

e. Ensure that WRS has adequate policies or procedures in place for monitoring employee reporting of any conduct or transaction that may be in violation of the *Standards of Professional and Ethical Conduct*; and

f. Review Trustee and employee compliance with their respective *Standards of Professional and Ethical Conduct.*

7. With respect to the independent auditor chosen by the Audit Committee, the Committee will:

   a. Meet with the Independent Auditor, the Internal Audit Manager, and the Deputy Director/CFO to review the scope, objectives and timing of the external audit and to coordinate efforts;

   b. Meet with the Independent Auditor and the Deputy Director/CFO to discuss WRS's *Comprehensive Annual Financial Report* and the Independent Auditor's report and Management's response thereto prior to the release to the public.

   c. Meet no less than one time per year with the Independent Auditor separately without Management, and afford the Independent Auditor a private audience when requested;

   d. Recommend the *Comprehensive Annual Financial Report* to the Board for approval;

8. With respect to the Internal Audit Manager, the Audit Committee will,

   a. Review the Internal Audit Manager's risk assessment as part of the development of the internal audit plan.

   b. With the input of the Executive Director, review and approve the Internal Audit Manager's internal audit plan, including internal audit objectives, timing, scope, and budget.

   c. Receive progress reports on the internal audit process;

   d. Review with Management and the Internal Audit Manager:
      i. Internal Audit reports and Management's responses thereto; and
      ii. Any changes required in the scope of their internal audits;

   e. Annually provide input into the Executive Director's annual performance evaluation of the Internal Audit Manager;

f. Monitor that the Internal Audit Manager has access to all necessary documents, information and systems in the organization;

g. Review the adequacy of resources made available to the Internal Audit Manager, including staffing, compensation, and operating budgets; and

h. Review the effectiveness of the Internal Audit Department's operations, including compliance with the *Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing*.

9. The Audit Committee has the authority to retain outside consultants and advisors. In doing so, the Audit Committee will review the independence of such consultants and advisors.

10. The Audit Committee will:

    a. Serve as a vehicle for communication between the Board, the Independent Auditor, the Internal Audit Manager and Management concerning audit issues;

    b. Review the findings or comments of any regulatory agencies concerning financial information or internal controls of WRS;

    c. Review any changes in accounting practices or policies, and the financial impact thereof, and review any accruals, provisions, estimates or management programs and policies that may have a significant effect on the financial statements of WRS;

11. The Audit Committee will

    a. Review and approve meeting minutes, if taken;

    b. Report to the Board on its activities after each meeting; and

    c. Submit an annual report of the Committee's activities to the Board.

12. This charter will be reviewed at least every five years.

WRS GOVERNANCE POLICY

POLICY TYPE: GOVERNANCE PROCESS

POLICY TITLE: *457 DEFERRED COMPENSATION PLAN COMMITTEE CHARTER*
Adopted April 16, 2010

1. There shall be a Deferred Compensation Committee composed of no more than five (5) members appointed by the Board Chair. The Board Chair may serve as one of the voting members of the Committee.

2. The Committee will meet on call by either the Committee Chair or the Executive Director. The Committee shall meet at least three times each year. Topics for the meeting agenda will be approved by the Committee Chair or the Executive Director.

3. The Committee shall fulfill the responsibilities assigned by both the 457 Deferred Compensation Plan Investments Policy and Plan Document. The Committee will review the Deferred Compensation Investment Policy and the Deferred Compensation Committee Charter periodically and bring recommended changes to the Board.

4. The Committee will evaluate the amount of reserves held by the Plan in conjunction with administrative fees charged to participants at least every other year. Reserves are needed to provide financial stability and to avoid unplanned increases in administrative fees.

5. The purposes of the Deferred Compensation Committee shall be to make recommendations to the Board regarding:

    a. The amount of administrative fees charged to participants.

    b. The investment options offered to participants and the Deferred Compensation Plan Investment Policy, unless they are assigned to other committees or to the Executive Director and/or CIO by the Board. The Committee may delegate investment-related recommendations to the Investment Committee, the CIO and/or the Executive Director.

    c. Changes to the Plan Document.

    d. Legislative proposals pertaining to the Plan. The Committee may delegate legislative issues to the Legislative and Benefits Committee.

WRS GOVERNANCE POLICY

POLICY TYPE: GOVERNANCE PROCESS

POLICY TITLE: *INVESTMENT COMMITTEE CHARTER*

Adopted February 19, 2010

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1. There shall be an Investment Committee composed of no more than five (5) members appointed by the Board Chair. The Board Chair may serve as one of the voting members of the Committee.

2. The Committee will meet on call by either the Committee Chair or the Executive Director, but not less than on a quarterly basis. Topics for the meeting agenda will be approved by the Committee Chair or the Executive Director.

3. The purpose of the Committee is to ensure that WRS assets are effectively managed in accordance with the laws of the State of Wyoming and policies adopted by the Board. To accomplish its purpose the Committee shall have the following responsibilities:

    a. To review and propose investment policies and procedures for recommendation to the Board for adoption.

    b. To review and propose the target asset allocation for recommendation to the Board for adoption.

    c. To review all investment proposals for approval or rejection, unless they are assigned to other committees or the Executive Director by the Board.

    d. To oversee all phases of the investment program and recommend to the Board any changes that need to be made to the investment program.

    e. To report its activities and make recommendations to the Board following each committee meeting.

WRS GOVERNANCE POLICY

POLICY TYPE: GOVERNANCE PROCESS

POLICY TITLE: *LEGISLATIVE AND BENEFITS COMMITTEE CHARTER*
Adopted February 19, 2010
Revised May 26, 2016

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1. There shall be a Legislative and Benefits Committee composed of no more than five (5) members appointed by the Board Chair. The Board Chair may serve as one of the voting members of the committee**.**

2. The Committee will meet on call by either the Committee Chair or the Executive Director. The Committee shall meet at least three times each year.

3. The Committee shall recommend to the Board for approval a spokesperson to present and support the Board's defined and adopted positions on legislative issues.

4. The purposes of the Committee shall be:

    a. To preview legislative proposals that will impact WRS and its members and beneficiaries.

    b. To suggest and develop legislative proposals for the benefit of WRS and its members and beneficiaries.

    c. To make recommendations to the Board for initiating or supporting legislative proposals or for opposing proposed legislation.

    d. To review and monitor enacted legislation relating to the Retirement System and its members and beneficiaries. It shall be the ongoing responsibility of the Committee:

        i. To see that such legislation is properly incorporated into Retirement System policies and procedures; and

        ii. To monitor the effect of such legislation as it relates to its members and beneficiaries.

    e. To monitor and recommend to the Board all other actions with respect to benefits, including levels of service, member communications, and all other questions relating to the design and administration of WRS' benefits structure.

f. In consultation with the CIO, to review and recommend to the Board all actions with respect to the interest rate for member accounts as set forth in W.S. § 9-3-402(a)(xii).

g. In consultation with the Executive Director, the CIO, the investment consultant and the actuary, to review, monitor and make recommendations to the Board regarding necessary changes to the employer and employee contribution rates.

WRS GOVERNANCE POLICY

POLICY TYPE: GOVERNANCE PROCESS

POLICY TITLE: *GOVERNANCE AND STRATEGIC PLANNING COMMITTEE CHARTER*

Adopted April 16, 2010

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1. There shall be Governance and Strategic Planning Committee composed of not more than five (5) members appointed by the Board Chair. The Board Chair may serve as one of the voting members of the committee.

2. The Committee will meet on call by either the Committee Chair or the Executive Director.

3. The purposes of the Governance and Strategic Planning Committee are to support the Board in the implementation of sound Board governance policies and practices that enhance good, fair and open decision making. The Committee also assists the Board with its responsibilities for the organization's mission, vision and strategic direction. To accomplish its purpose the responsibilities of the Committee shall be:

    a. To oversee the Board's policy manual by developing processes to ensure policies are current and that the Board's actions are compliant with such policies.

    b. To review the overall effectiveness of the Board and recommend improvements if warranted.

    c. If necessary, to recommend changes in the structure of the Board meetings and the preparation of materials and records of Board actions.

    d. To recommend the roles and responsibilities of the various committees of the Board.

    e. To review and recommend to the Board the delegation of authority to the Executive Officer as necessary.

    f. Develop and recommend to the Board for its approval an annual evaluation process for the Board and its committees, and oversee this evaluation process.

    g. Making recommendations to the Board related to WRS's mission, vision, strategic initiatives, and services.

    h. Periodically reviewing the mission, vision and strategic plan, and recommending changes to the Board

WRS GOVERNANCE POLICY

POLICY TYPE: GOVERNANCE PROCESS

POLICY TITLE: *BOARD SELF EVALUATION*

Adopted April 16, 2010

The Retirement Board will evaluate its own performance at least annually taking whatever action is necessary to govern with excellence. The annual evaluation shall include a self-evaluation and also a confidential evaluation by members of the staff and others with direct knowledge of Board activities. The Governance and Strategic Planning Committee shall be responsible for overseeing the implementation of this policy, including the creation of forms or other documents for the evaluation.

WRS GOVERNANCE POLICY

POLICY TYPE: BOARD-EXECUTIVE DIRECTOR RELATIONSHIP

POLICY TITLE: *DELEGATION TO THE EXECUTIVE DIRECTOR*

Adopted April 16, 2010
Revised May 26, 2016

The Executive Director is hired by the Board and serves at the Board's discretion. The Board's official connection to the operational organization, its achievements, challenges and conduct will be through the Executive Director. The Board's responsibility is to establish policy. The implementation of the Board's policies is delegated to the Executive Director.

Accordingly:

1. All Board authority delegated to the WRS staff is delegated through the Executive Director, so that all authority and accountability of the staff – as far as the Board is concerned – is considered to be the authority and accountability of the Executive Director.

2. Outcome policies direct the Executive Director to achieve certain results; Executive Director Limitation policies constrain the Executive Director to achieve certain results; Executive Director Limitation policies constrain the Executive Director to act according to law and within acceptable boundaries of prudence and ethics.

3. With respect to Outcomes and Executive Director Limitations, the Executive Director is authorized to establish all further policies, make all decisions, take all actions and develop all activities as long as they are consistent with a reasonable interpretation of the Board's policies.

4. The Board may change its policies, thereby shifting the boundary between Board and Executive Director. Consequently, the Board may change the latitude of the choice given to the Executive Director, but so long as any particular delegation is in place, the Board and it members will respect said delegation. This does not prevent the Board from obtaining information in the delegated areas.

5. No Board member or officer has authority over the Executive Director, except Board committees working within the scope of their respective charters.

WRS GOVERNANCE POLICY

POLICY TYPE: BOARD-EXECUTIVE DIRECTOR RELATIONSHIP

POLICY TITLE: *EXECUTIVE DIRECTOR'S JOB DESCRIPTION*

Adopted April 16, 2010

As the Board's primary link to the operating organization, the Executive Director is accountable for all organizational performance and exercises all authority transmitted into the organization by the Board.

The Executive Director's broad job responsibilities are:

1. Organizational accomplishment of Board policies on Outcomes.

2. Organizational operation within the boundaries of prudence and ethics established in Board policies on Executive Director Limitations.

3. Service as Secretary to the Board and maintaining an accurate record of its proceedings.

WRS GOVERNANCE POLICY

POLICY TYPE: BOARD-EXECUTIVE DIRECTOR RELATIONSHIP

POLICY TITLE: *EXECUTIVE DIRECTOR EVALUATION*

Adopted April 16, 2010

Evaluation of the Executive Director will be conducted by the Board. The Board will develop the evaluation instrument to be used in conducting the Board's annual evaluation of the Executive Director and the methodology to be used in administering the evaluation and reporting the results. The evaluation shall include a self-evaluation by the Executive Director and a confidential evaluation by members of the staff and others with direct knowledge of the Executive Director's activities.

WRS GOVERNANCE POLICY

POLICY TYPE: BOARD-EXECUTIVE DIRECTOR RELATIONSHIP

POLICY TITLE: *MONITORING EXECUTIVE DIRECTOR PERFORMANCE*
Adopted April 16, 2010
Revised May 26, 2016

Systematic and rigorous monitoring of Executive Director's job performance will be measured in accordance with the expected Executive Director performance of organizational accomplishment of Board policies on Outcomes (Purpose, Investments, 457 Deferred Compensation Plan Investments, Member Benefits, Legislation, Actuarial Condition and Rulemaking), and organizational operation within the boundaries established in Board policies on Executive Limitations (Global Executive Constraint, Treatment of Members, Treatment of Staff, Financial Condition, External Service Providers, Emergency Executive Director Succession, Communication and Support to the Board, and Investment Limitations).

Accordingly:

1. General Procedures

   a. The Board will acquire monitoring data by one or more of three methods:

      i. Internal report. Disclosure of compliance information to the Board by the Executive Director.

      ii. External report. Discovery of compliance information by a disinterested, external auditor or other consultant who reports directly to the Board regarding compliance with Board policies.

      iii. Direct Board inspection. Discovery of compliance information by Board members, a committee or the Board as a whole. This is a Board inspection of documents, activities or circumstances directed by the Board that allows a "prudent person" test of policy compliance.

   b. In every case, the standard for compliance shall be *any reasonable Executive Director interpretation* of the Board policy being monitored.

   c. All policies that instruct the Executive Director will be monitored at a frequency and by a method chosen by the Board. The Board can monitor any policy at any time by any method, but will ordinarily depend on a routine schedule.

Policy	*Method*	*Frequency*
Treatment of Members	*Internal*	*Annually*
Treatment of Staff	*Internal*	*Annually*

Financial Condition	*Internal*	*Annually*
Emergency Exec. Dir. Succession	*Internal*	*Annually*
Asset Protection	*Internal*	*Annually*
Communication & Support	*Internal*	*Annually*
Investment Limitations	*Internal*	*Annually*

2. Specific Procedures for Reviewing Executive Limitations

   a. Treatment of Members

      i. Annual Report made by the Executive Director, which outlines efforts to satisfy the policy requirement. The report should also cover the following areas: communications, satisfaction surveys, consumer complaints, evaluation of effectiveness of the phone system (include telephone statistics), and any other pertinent information.

   b. Treatment of Staff

      i. Annual Report made by the Executive Director that outlines efforts to satisfy policy requirement. The report should also cover the following areas: maintenance of staff grievances, turnover rate, exit surveys, and any other pertinent information.

   c. Financial Condition

      i. Annual Report by the Executive Director, which outlines efforts to satisfy policy requirements.

   d. Communication and Support to the Board

      i. Report by Executive Director at the next Board meeting if Executive Director anticipates any problem satisfying the policy requirements.

   e. Investment Limitations

      i. Exception Report by the Executive Director and/or Chief Investment Officer if policy violated along with a detailed explanation of the violation and action being proposed or taken to remedy the situation.

3. Specific Procedures for reviewing Executive Director Performance with regard to the Achievement of Outcomes Policies

   a. Investments

      i. Quarterly, the Executive Director and/or the CIO will submit a report to the Board addressing the System's success or lack thereof in accomplishing the

investment “outcomes” based on the benchmarks described within this policy at the total fund level and asset class levels. This report will also include a summary of due diligence meetings held throughout the quarter, and will also provide the Board with a brief commentary by the CIO which summarizes their thoughts on the market and key strategic decisions made in the quarter along with justification for those decisions.

b. Benefits

    i. Annual Report at the February Board meeting by the Executive Director, which outlines efforts to satisfy specific policy requirements.

c. Legislation

    i. Report by the Executive Director at the next Board meeting summarizing staff response (technical and fiscal information) to proposed legislation.

d. Sound Actuarial Condition

    i. Annual Report at the May Board meeting by the Actuary.

e. Rulemaking

    i. Annual Report at February Board meeting by the Executive Director, which outlines efforts to satisfy specific policy requirements.

4. If there are activities that may have a material negative effect on these policies, then the Executive Director shall report such activities to the Board in a reasonable time frame.

WRS GOVERNANCE POLICY

POLICY TYPE: EXECUTIVE DIRECTOR LIMITATIONS

POLICY TITLE: *GLOBAL EXECUTIVE CONSTRAINT*

Adopted April 16, 2010

The Executive Director shall not cause or allow any practice, activity, decision, or organizational circumstance, which is unlawful under state or federal law, imprudent, or in violation of commonly accepted business and professional ethics.

WRS GOVERNANCE POLICY

POLICY TYPE: EXECUTIVE DIRECTOR LIMITATIONS

POLICY TITLE: *TREATMENT OF MEMBERS*

Adopted April 16, 2010

With respect to interactions with members and beneficiaries of the system, the Executive Director shall not cause or allow conditions, procedures, or decisions, which are unreasonable, cumbersome, undignified, or unnecessarily intrusive.

WRS GOVERNANCE POLICY

POLICY TYPE: EXECUTIVE DIRECTOR LIMITATIONS

POLICY TITLE: *TREATMENT OF STAFF*

Adopted April 16, 2010
Revised May 26, 2016

With respect to the treatment of staff, the Executive Director may not cause or allow conditions that are unfair, undignified, disorganized, or unclear.

Accordingly, without limitation by enumeration, the Executive Director shall not:

1. Discriminate against any staff member for any reason, including but not limited to expressing an ethical dissent.

2. Fail to acquaint staff with the Executive Director's interpretation of their protections under this policy.

3. Fail to follow State personnel requirements.

WRS GOVERNANCE POLICY

POLICY TYPE: EXECUTIVE DIRECTOR LIMITATIONS

POLICY TITLE: *FINANCIAL CONDITION*

Adopted April 16, 2010

With respect to the actual, ongoing financial condition and activities, the Executive Director shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from Board priorities established in Outcomes policies.

Accordingly, without limitation by enumeration, the Executive Director shall not:

1. Fail to settle payroll and debts in a timely manner.

2. Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.

3. Acquire, encumber, or dispose of real property.

4. Fail to aggressively pursue receivables after a reasonable grace period.

WRS GOVERNANCE POLICY

POLICY TYPE: EXECUTIVE DIRECTOR LIMITATIONS

POLICY TITLE: *EXTERNAL SERVICE PROVIDERS*

Adopted June 18, 2010

The Executive Director shall advise all external service providers in writing that the Board has taken the position that it is inappropriate and unethical for any outside service provider to make any political contribution or any other payment with the intent of influencing a purchasing, hiring or firing decision made at WRS and shall provide a copy of this policy to all current service providers. The Executive Director shall also notify all external service providers that a violation of this policy may lead to termination of a contract or refusal to hire. If the Executive Director has reason to believe that this policy may or will be violated by an external service provider, the Executive Director shall require the external service provider (including owners and key employees) to disclose political contributions made to any incumbent or candidate for state office in the last two years and shall provide written notice to the Board in the event the disclosure reveals any such contributions were so made**.**

WRS GOVERNANCE POLICY

POLICY TYPE: EXECUTIVE DIRECTOR LIMITATIONS

POLICY TITLE: *EMERGENCY EXECUTIVE DIRECTOR SUCCESSION*
Adopted April 16, 2010, Revised June 18, 2010

Executive Director

1. In order to protect the Board from unforeseen loss of Executive Director services, the Executive Director shall have no fewer than two other system staff members, one of which shall be the Deputy Director, knowledgeable about Board and Executive Director issues and processes.

2. In the event of a vacancy in the position of the Executive Director, the Board may employ a search firm to perform a national search for candidates to succeed the Executive Director. The Board may interview a minimum of three candidates recommended by the search firm as well as any other candidates the Board as a whole agrees to consider.

3. In the event of a vacancy in the position of Executive Director, the Board will select an Interim Executive Director responsible for carrying out the Executive Director's duties under the governance policies until such time as the Board selects a new Executive Director and that person assumes the position on a full time basis.

WRS GOVERNANCE POLICY

POLICY TYPE: EXECUTIVE DIRECTOR LIMITATIONS

POLICY TITLE: *ASSET PROTECTION*

Adopted June 18, 2010

The Executive Director shall ensure the corporate assets are protected and adequately maintained.

Accordingly, without limitation by enumeration, the Executive Director may shall:

1. Ensure WRS equipment is properly and sufficiently maintained.

2. Protect WRS, the Board, and staff from claims of liability.

3. Protect the public image and credibility of WRS, particularly from incidents that would hinder the accomplishment of its mission.

WRS GOVERNANCE POLICY

POLICY TYPE: EXECUTIVE DIRECTOR LIMITATIONS

POLICY TITLE: *COMMUNICATION AND SUPPORT TO THE BOARD*
Adopted June 18, 2010

The Executive Director shall ensure the Board is informed and supported in its work.

Accordingly, without limitation by enumeration, the Executive Director shall:

1. Submit monitoring data required by the Board in a timely, accurate, and understandable fashion, directly addressing provisions of Board policies being monitored.

2. Inform the Board of relevant trends, anticipated adverse media coverage, and material external and internal changes, particularly changes in the assumptions upon which any Board policy has previously been established.

3. Advise the Board if, in the Executive Director's opinion, the Board is not in compliance with its own policies on Governance Process and Board-Executive Director Relationship, particularly in the case of Board behavior, which is detrimental to the work relationship between the Board and the Executive Director.

4. Marshal for the Board as many staff and external points of view, issues, and options as needed for fully informed Board choices.

5. Present information in concise and understandable form.

6. Provide a mechanism for official Board, officer, or committee communications.

7. Report in a timely manner an actual or anticipated noncompliance with any policy of the Board.

8. Report any actual or imminent litigation involving the System.

WRS GOVERNANCE POLICY

POLICY TYPE: EXECUTIVE DIRECTOR LIMITATIONS

POLICY TITLE: *INVESTMENT LIMITATIONS*

Adopted June 18, 2010
Revised May 26, 2016

Board hereby delegates to the Executive Director the responsibility to manage the investment program at WRS subject to the Investment Policy which consists of the Investment Outcomes Policy and this Investment Limitations Policy. Regarding limitations on delegated authority, the Executive Director shall:

1. Ensure the CIO follows the fiduciary requirements, conditions, and limitations described in W.S. §§ 9-3-401 through 9-3-452.

2. Require the CIO to invest the assets of the system in a manner that is consistent with the asset allocation mix and any strategic (within class) allocation of the portfolio as approved by the Board and set forth in the Investment Outcomes policy.

3. Have the CIO perform an asset allocation/liability study at least every 5 years and to report the results of that study to the Board.

4. Have the CIO evaluate the asset allocation mix and any strategic (with-in class) allocation of the portfolio annually and have the CIO report the results of that evaluation to the Board.

5. Have the CIO provide quarterly investment performance reports to the Board that show performance of the total fund and all underlying asset classes based on the benchmarks set forth in the Investment Outcomes Policies.

6. Permit the CIO to hire outside service providers (securities lending managers, specialty consultants, the master custodian, and external money managers, including but not limited to external money managers who may be structured as a public or private entity in the form of a partnership, limited liability company, trust, separately managed account, commingled account, or some other form of operational structure in which assets may be held by an external custodian selected and monitored by the external manager) only when the Executive Director certifies that the proposed hiring is in compliance with the Board's Investment Policy. In the event of a hiring, the CIO shall: i) document the proposed action by describing the decision-making process, expectations, and rationale for the decision; and ii) within 14 days after the hiring decision is made, notification shall be provided to the Investment Committee informing it of the action taken.

7. Permit the CIO to terminate an outside service provider as described in paragraph 6, only when the Executive Director certifies that the proposed termination is in compliance with the Board's Investment Policy. In the event of termination, the Executive Director and the CIO must agree and the underlying reason for the proposed termination action must be documented and shared with the Appropriate Committee as soon as is practical.

8. Have the CIO monitor the performance of and hold due diligence meetings or calls with all external money managers at least annually, unless the Executive Director provides prior notice to the Board of the CIO's intention to meet less often, the Executive Director shall require the CIO to file an annual report to the Board confirming such meetings have been held or noting any exceptions if such meetings have not been held.

9. The Executive Director shall require the CIO to alter the strategic (within class) allocation to the portfolio within broad bands approved by the Board, unless the Executive Director certifies that the change is in compliance with the Board's policy.

10. Ensure the CIO uses leverage in the fund only where a specific external service provider has been given written authorization to utilize leverage by the Executive Director and the CIO, subject to written guidelines describing its use within the manager's governing contract. The use of futures to rebalance the fund and the use of futures for the equalization of cash within portfolios is not considered to be leverage.

11. Establish policies for securities lending and proxy voting that ensure the interests of the system are adequately protected.

12. Ensure WRS employees:

    a. Refrain from engaging in a personal securities transaction based on information about a company that is both material and nonpublic (also known as "insider trading")

    b. Refrain from engaging in a personal securities transaction timed to take advantage of non- public information that would favorably affect that person's personal securities transaction (also known as "front running").

13. Require the CIO to have individual investment guidelines describing investment strategies for all investment managers.

14. Administer the 457 Deferred Compensation Plan pursuant to W.S. §§ 9-3-501 through 9-3-508 (hereafter referred to as "the deferred compensation plan") by abiding to the following stipulations:

    a. The Executive Director and/or the CIO will hire, monitor, and terminate the third-party plan administrators for the deferred compensation plans under the

same procedures applicable to other service providers under this Investment Limitations policy.

b. The Executive Director and/or the CIO will monitor the performance of and hold due diligence meetings with all external service providers for the deferred compensation plan annually and report the results of those meetings to the board. The CIO may delegate the due diligence meetings to appropriate WRS staff.

In the event any of the requirements described in this policy are violated, it is the responsibility of the Executive Director and/or the CIO to report the violation or exception to the Board in a timely fashion along with a detailed explanation of the violation and action being proposed or taken to remedy the situation.

WYOMING PUBLIC MEETINGS ACT

§ 16-4-401. Statement of purpose
§ 16-4-402. Definitions
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WYOMING PUBLIC MEETINGS ACT

§ 16-4-401. Statement of purpose.

The agencies of Wyoming exist to conduct public business. Certain deliberations and actions shall be taken openly as provided in this act.

§ 16-4-402. Definitions.

(a) As used in this act:

(i) "Action" means the transaction of official business of an agency including a collective decision, a collective commitment or promise to make a positive or negative decision, or an actual vote upon a motion, proposal, resolution, regulation, rule, order or ordinance at a meeting;

(ii) "Agency" means any authority, bureau, board, commission, committee, or subagency of the state, a county, a municipality or other political subdivision which is created by or pursuant to the Wyoming constitution, statute or ordinance, other than the state legislature and the judiciary;

(iii) "Meeting" means an assembly of at least a quorum of the governing body of an agency which has been called by proper authority of the agency for the expressed purpose of discussion, deliberation, presentation of information or taking action regarding public business;

(iv) "Assembly" means communicating in person, by means of telephone or electronic communication, or in any other manner such that all participating members are able to communicate with each other contemporaneously;

(v) "This act" means W.S. 16-4-401 through 16-4-408.

§ 16-4-403. Meetings to be open; participation by public; minutes.

(a) All meetings of the governing body of an agency are public meetings, open to the public at all times, except as otherwise provided. No action of a governing body of an agency shall be taken except during a public meeting following notice of the meeting in accordance with this act. Action taken at a meeting not in conformity with this act is null and void and not merely voidable.

(b) A member of the public is not required as a condition of attendance at any meeting to register his name, to supply information, to complete a questionnaire, or fulfill any other condition precedent to his attendance. A person seeking recognition at the meeting may be required to give his name and affiliation.

(c) Minutes of a meeting:

(i) Are required to be recorded but not published from meetings when no action is taken by the governing body;

(ii) Are not required to be recorded or published for day-to-day administrative activities of an agency or its officers or employees.

(d) No meeting shall be conducted by electronic means or any other form of communication that does not permit the public to hear, read or otherwise discern meeting discussion contemporaneously. Communications outside a meeting, including, but not limited to, sequential communications among members of an agency, shall not be used to circumvent the purpose of this act.

§ 16-4-404. Types of meetings; notice; recess.

(a) In the absence of a statutory requirement, the governing body of an agency shall provide by ordinance, resolution, bylaws or rule for holding regular meetings unless the agency's normal business does not require regular meetings in which case the agency shall provide notice of its next meeting to any person who requests notice. A request for notice may be made for future meetings of an agency. The request shall be in writing and renewed annually to the agency.

(b) Special meetings may be called by the presiding officer of a governing body by giving verbal, electronic or written notice of the meeting to each member of the governing body and to each newspaper of general circulation, radio or television station requesting the notice. The notice shall specify the time and place of the special meeting and the business to be transacted and shall be issued at least eight (8) hours prior to the commencement of the meeting. No other business shall be considered at a special meeting. Proof of delivery of verbal notice to the newspaper of general circulation, radio or television station may be made by affidavit of the clerk or other employee or officer of the agency charged or responsible for distribution of the notice of the meeting.

(c) The governing body of an agency may recess any regular, special, or recessed regular or special meeting to a place and at a time specified in an order of recess. A copy of the order of recess shall be conspicuously posted on or near the door of the place where the meeting or recessed meeting was held.

(d) The governing body of an agency may hold an emergency meeting on matters of serious immediate concern to take temporary action without notice. Reasonable effort shall be made to offer public notice. All action taken at an emergency meeting is of a temporary nature and in order to become permanent shall be reconsidered and acted upon at an open public meeting within forty-eight (48) hours, excluding weekends and holidays, unless the event constituting the emergency continues to exist after forty-eight (48) hours. In such case the governing body may reconsider and act upon the temporary action at the next regularly scheduled meeting of the agency, but in no event later than thirty (30) days from the date of the emergency action.**(e)** Day-

to-day administrative activities of an agency, its officers and its employees shall not be subject to the notice requirements of this section.

§ 16-4-405. Executive sessions.

(a) A governing body of an agency may hold executive sessions not open to the public:

(i) With the attorney general, county attorney, district attorney, city attorney, sheriff, chief of police or their respective deputies, or other officers of the law, on matters posing a threat to the security of public or private property, or a threat to the public's right of access;

(ii) To consider the appointment, employment, right to practice or dismissal of a public officer, professional person or employee, or to hear complaints or charges brought against an employee, professional person or officer, unless the employee, professional person or officer requests a public hearing. The governing body may exclude from any public or private hearing during the examination of a witness, any or all other witnesses in the matter being investigated. Following the hearing or executive session, the governing body may deliberate on its decision in executive sessions;

(iii) On matters concerning litigation to which the governing body is a party or proposed litigation to which the governing body may be a party;

(iv) On matters of national security;

(v) When the agency is a licensing agency while preparing, administering or grading examinations;

(vi) When considering and acting upon the determination of the term, parole or release of an individual from a correctional or penal institution;

(vii) To consider the selection of a site or the purchase of real estate when the publicity regarding the consideration would cause a likelihood of an increase in price;

(viii) To consider acceptance of gifts, donations and bequests which the donor has requested in writing be kept confidential;

(ix) To consider or receive any information classified as confidential by law;

(x) To consider accepting or tendering offers concerning wages, salaries, benefits and terms of employment during all negotiations;

(xi) To consider suspensions, expulsions or other disciplinary action in connection with any student as provided by law.

(b) Minutes shall be maintained of any executive session. Except for those parts of minutes of an executive session reflecting a members' objection to the executive session as being in violation

of this act, minutes and proceedings of executive sessions shall be confidential and produced only in response to a valid court order.

(c) Unless a different procedure or vote is otherwise specified by law, an executive session may be held only pursuant to a motion that is duly seconded and carried by majority vote of the members of the governing body in attendance when the motion is made. A motion to hold an executive session which specifies any of the reasons set forth in paragraphs (a)(i) through (xi) of this section shall be sufficient notice of the issue to be considered in an executive session.

§ 16-4-406. Disruption of public meetings.

If any public meeting is willfully disrupted by a person or group of persons so as to render the orderly conduct of the meeting unfeasible, and order cannot be restored by the removal of the person or persons who are willfully interrupting the meeting, the governing body of an agency may order the removal of the person or group from the meeting room and continue in session, or may recess the meeting and reconvene at another location. Only matters appearing on the agenda may be acted upon in a meeting recessed to another location. A governing body of an agency shall establish procedures for readmitting an individual or individuals not responsible for disturbing the conduct of a meeting. Duly accredited members of the press or other news media except those who participated in a disturbance shall be allowed to attend any meeting permitted by this section.

§ 16-4-407. Conflict of law.

If the provisions of this act conflict with any other statute, the provisions of this act shall control.

§ 16-4-408. Penalty.

(a) Any member or members of an agency who knowingly or intentionally violate the provisions of this act shall be liable for a civil penalty not to exceed seven hundred fifty dollars ($ 750.00) except as provided in this subsection. Any member of the governing body of an agency who attends or remains at a meeting knowing the meeting is in violation of this act shall be liable under this subsection unless minutes were taken during the meeting and the parts thereof recording the member's objections are made public or at the next regular public meeting the member objects to the meeting where the violation occurred and asks that the objection be recorded in the minutes.

(b) If any action is prohibited both by this act and any provision of title 6, the provisions of this act shall not apply and the provisions of title 6 shall apply.

Ed Murray, WY Secretary of State
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Wyoming Retirement System

Deferred Compensation 457(b) Plan For Public Employees

Plan Document

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Effective July 1, 2015

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Note: The State of Wyoming Deferred Compensation Plan was established in 1979 under the State Treasurer's Office and transferred to the Wyoming Retirement System (WRS) on 7/1/2001. The WRS Board has amended the Plan Document effective 1/1/2002, 1/1/2005, 6/1/2011 and 7/1/2015.

The State of Wyoming in accordance with the provisions of Section 457 of the Internal Revenue Code of 1986, as amended, and in accordance with the provisions of Wyoming Statutes (W.S. 9-3-501 through 9-3-508), hereby establishes the Employer's Deferred Compensation Plan and Trust hereinafter referred to as the "Plan." The Plan consists of the provisions set forth in this document, and is applicable to each Employee who adopts the Plan. The Plan is effective as to each such Employee upon the date the Employee becomes a "Participant" by submitting the "Participation Agreement" with the Plan Administrator or when an employee is covered by the Eligible Automatic Contribution Arrangement.

ARTICLE I: Definitions

Where used in this Plan, the following words and phrases have the respective meanings set forth below. Whenever used herein the masculine gender shall include the feminine gender and the singular shall include the plural unless the provisions of the Plan require a different construction.

1.01 **EMPLOYER** means the State of Wyoming or any of its political subdivisions, which have adopted the Plan in accordance with procedures established by the Wyoming Retirement System.

1.02 **EMPLOYEE** means any person including elected or appointed officials receiving any type of Compensation from the State of Wyoming or any of its political subdivisions for whom services are rendered and who is under the direction of the compensating entity (Employer).

1.03 **PLAN** means the Wyoming Retirement System 457(b) Deferred Compensation Plan.

1.04 **COMPENSATION** means all cash compensation for services to the Employer, including salary, wages, fees, commissions, bonuses and overtime pay, that is includible in the Employee's gross income for the calendar year, plus amounts that would be cash compensation for services to the Employer includible in the Employee's gross income for the calendar year but for a compensation reduction election under Code section 125, 132(f), 401(k), 403(b), or 457(b) (including an election to defer compensation under Article II). To the extent permitted by

Treasury regulations or other similar guidance (including, without limitation, the requirements contained in Treasury Regulations Section 1.457-4(d)(1) and 1.415-2(e)(3)(i)), accrued bona fide sick, vacation or other leave pay so long as the Participant would have been able to use the leave if employment had continued and it is paid within the longer of two and one-half (2 ½) months after the Participant's severance from employment or the end of the calendar year in which the Participant severs employment with the Employer.

For Plan Years after December 31, 2008, to the extent permitted by the applicable Code provisions and Treasury regulations, Compensation shall include pay received by a Participant from the Employer while performing Qualified Military Service but only to the extent the pay does not exceed the amounts the Participant would have received if the Participant had continued to perform services for the employer rather than entering Qualified Military Service.

1.05 **PLAN ADMINISTRATOR** means the Executive Director of the Wyoming Retirement System or his designees.

1.06 **BENEFICIARY** means the person(s) or entity designated by a Participant to receive the Participant's Account Balance upon the death of the Participant.

1.07 **PARTICIPANT** means any public Employee who participates under this Plan by signing and filing a Participation Agreement or an Employee covered by the Eligible Automatic Contribution Arrangement (EACA)

1.08 **BOARD** means the Wyoming Retirement System Board created by W.S. 9-3-404 and appointed by Wyoming's Governor.

1.09 **PARTICIPATION AGREEMENT** means the application signed by the Participant and approved by the Plan Administrator to participate in the Plan.

1.10 **NORMAL RETIREMENT AGE** means age 70 ½ for members of the Wyoming Retirement System Defined Benefit Plans unless the Participant has elected an alternate Normal Retirement Age by written instrument delivered to the Plan Administrator prior to severance from employment. The earliest alternate Normal Retirement Age allowed is the age at which the Participant has the right to retire under his Employer's basic pension plan without consent of the Employer, and to receive immediate retirement benefits without actuarial or similar reduction because of retirement before some later specified age in the Employer's basic pension plan. If the Participant is not a member of the Wyoming Retirement System Defined Benefit Plans, Normal Retirement Age means age 65. A Participant's Normal Retirement Age determines the period during which a Participant may utilize the catch-up in section 10.02 of the Plan. Once a Participant has to any extent utilized the catch-up option of section 10.02, his Normal Retirement Age may not be changed.

1.11 **INCLUDIBLE COMPENSATION** means compensation within the meaning of IRC Section 415(c)(3).

1.12 **INVESTMENT PROVIDER** means the entity providing investment options approved by the Board or its designee.

1.13 **PLAN YEAR** means the calendar year in which the Plan becomes effective and each succeeding calendar year thereafter during the existence of the Plan.

1.14 **ACCOUNT BALANCE** means the bookkeeping account maintained with respect to each Participant which reflects the value of the deferred Compensation credited to the Participant, including the Participant's Annual Deferrals, the Participant's Designated Roth Contributions, the earnings or loss of the Fund (net of Fund expenses) allocable to the Participant, any transfers for the Participant's benefit and any distribution made to the Participant or the Participant's Beneficiary. If a Participant has more than one Beneficiary at the time of the Participant's death, then each Beneficiary's share of the Account Balance shall be treated as a separate account for each Beneficiary. The Account Balance includes any account established under Article VII for rollover contributions and plan-to-plan transfers made for a Participant, the account established for a Beneficiary after a Participant's death, and any account or accounts established for an Alternate Payee (as defined in Code section 414(p)(8)).

1.15 **ELIGIBLE PLAN** means a Plan satisfying the requirements of Code section 457(b) and Section 1.457-3 through Section 1.457-10 of the regulations of the Internal Revenue Service in effect on July 11, 2003, and as amended.

1.16 **FINANCIAL HARDSHIP COMMITTEE** is a Committee appointed by the Plan Administrator. This Committee shall rule as to whether or not a Participant has met the requirements of section 6.02 of the Plan.

1.17 **TRUST** means the Trust created in accordance with W.S. 9-3-503(c) which shall consist of all Deferred Compensation under the Plan, plus any net gains and income thereon less distributions to Participants and Beneficiaries. It is the intention of the Wyoming Retirement System to self-trustee the Plan.

1.18 **TRUSTEE** means the Wyoming Retirement System Board.

1.19 **RECORD KEEPER** means that company or entity selected by the Plan Administrator on the basis of competitive proposals to maintain and report Account Balances and provide other services.

1.20 **SEVERANCE OF EMPLOYMENT** means a Participant has left employment with the Employer, has received all due Compensation, has not returned to that

employment, and has no intention of returning to that employment. A Participant whose employment is interrupted by Qualified Military Service under Code section 414(u) for at least 30 days shall be deemed severed from employment until such time he or she is reemployed following the term of duty. Effective for Plan Years after December 31, 2008, if a Participant called to Qualified Military Service receives a distribution from the Plan due to severance, the Participant's deferrals to the Plan shall be suspended for six-months following the date of the distribution.

1.21 **DEFERRED COMPENSATION** means amounts deferred, pre-tax deferrals, Roth contributions or both, by an Employee in accordance with section 2.01, and where the context so requires, investment earnings on such amounts.

1.22 **QUALIFIED MILITARY SERVICE** means any service in the uniformed service (as defined in Chapter 43 of Title 38 of the United States Code as in effect as of December 12, 1994) by any individual if such individual is entitled to reemployment rights under such Chapter with respect to such service.

1.23 **DESIGNATED ROTH CONTRIBUTION** is Deferred Compensation that is:

(a) Designated irrevocably by the Participant at the time of the deferral election as a Roth Contribution that is being made in lieu of all or a portion of the pre-tax deferrals the Participant is otherwise eligible to make under the Plan; and

(b) Treated by the Employer as includible in the Participant's income at the time the Participant would have received that amount in cash if the Participant had not made a deferral election.

1.24 **IN-PLAN ROTH ROLLOVER** is an eligible amount from an individual's Account Balance, other than individual's designated Roth Account Balance, that is rolled over to the individual's designated Roth Account Balance in the Plan, pursuant to Section 402A(c)(4) of the Internal Revenue Code.

1.25 **CODE** is the sections of the Internal Revenue Code of 1986, as now in effect or as hereafter amended or recodified. References herein to specific section numbers of the Code shall be deemed to include Treasury regulations and Internal Revenue Service guidance thereunder as in effect now, as amended or recodified in corresponding provisions of any future United States internal revenue law.

ARTICLE II: Election to Defer Compensation

2.01 An Employee may elect to participate in the Plan by submitting a Participation Agreement under procedures established by the Wyoming Retirement System prior to the beginning of the month in which the deferral is to become effective. The form for this purpose shall be provided by the Wyoming Retirement System and will have no effect until it is submitted to the Wyoming Retirement System by the Participant,

and accepted by the Plan Administrator. Participation of seasonal, intermittent, or temporary Employees is allowed with approval of the Wyoming Retirement System.

2.02 Upon submitting the Participation Agreement, the Participant elects to participate in this Plan and consents to the Employer deferring the amount specified in the Participation Agreement from the Participant's gross Compensation, and investing that amount in the investment option of the Participant's choice. The dollar amount deferred must be at least twenty dollars ($20.00) per month.

2.03 Notwithstanding Section 2.01, the Employer may elect to establish Eligible Automatic Contribution Arrangement ("EACA") in accordance with procedures established by the Plan Administrator. The Plan Administrator will establish procedures whereby, each employee is deemed to have elected to participate in the Plan and consents to the deferral by the Employer of a uniform percentage of Compensation for an Eligible Automatic Contribution Arrangement ("EACA") intended to satisfy Code § 414(w) for any payroll period for which a Participation Agreement is not in effect. If such procedures are in place, a Participant may elect a different deferral amount per payroll period, including zero, by entering into a Participation Agreement. For Eligible Automatic Contribution Arrangements intended to satisfy Code § 414(w), in addition to the above, the Administrator shall provide to each Participant affected by this Section 2.03 with an annual notice that satisfies the requirements contained in Code § 414(w) and any applicable guidance issued thereunder. The EACA will include the following procedures:

(a) All Employees hired on or after July 1, 2015 who do not have Participation Agreements (either to have no elective deferrals made or to have a different amount of elective deferrals made on their behalf) in effect shall be deemed to have elected to participate in the Plan and to have consented to make Default Elective Deferrals.

(b) "Default Elective Deferrals" are the elective deferrals that will be made on behalf of each Participant covered by the EACA. The amount of Default Elective Deferrals made on behalf of a Participant each pay period is equal to 3% (the "Default Percentage") multiplied by the Participant's Includible Compensation for that pay period as a pre-tax contribution.

(c) Default Elective Deferrals will commence as soon as administratively practicable after an Employee covered by the EACA first becomes a Participant; provided, however, the Participant will have at least 30 days after the notice described in this Section of the Plan Document to enter into a Participation Agreement (either to have no elective deferrals made or to have a different amount of elective deferrals made on his behalf) before Default Elective Deferrals are made on the Participant's behalf. Default Elective Deferrals being made on behalf of a Participant will cease as soon as administratively feasible after the Participant enters into a Participation Agreement (either to have no elective deferrals made or to have a different amount of elective deferrals made on his behalf). A Participant who enters into a Participation Agreement will not remain covered by the EACA.

(d) The Participant may request a withdrawal of any Default Elective Deferrals made under the EACA, plus earnings, for up to 90 days from the date Default Elective Deferrals are first withheld from his Compensation. The effective date of the withdrawal will be as soon as administratively practicable, but in no event later than the earlier of (i) the pay date for the second payroll period that begins after the Participant's withdrawal request, and (ii) the first pay date that occurs after 30 days after the Participant's request, plus attributable earnings through the date of distribution. Any matching contributions made on withdrawn Default Elective Deferrals will be forfeited. Unless the Participant affirmatively elects otherwise, any such withdrawal request will be treated as an affirmative election to cease having elective deferrals made on his behalf. Default Elected Deferrals will be invested in a Stable Value Fund for the first 90 days following the Participant's automatic enrollment. After the initial 90 day period of automatic enrollment, the Default Elected Deferrals will be invested in an appropriate target date fund. A Participant who enters into a Participation Agreement will not remain covered by the EACA.

(e) Default Elective Deferrals will be reduced or suspended to meet the limitation under Code §§ 457(e)(15) and to satisfy any suspension period required after an unforeseeable emergency. If a Participant's elective deferrals are suspended for any reason, Default Elective Deferrals will cease as of the date the suspension begins and will not automatically resume after the end of such suspension.

2.04 The Employee may revoke the election to participate or may amend the amount of Compensation deferred by submitting a revocation or amendment agreement in the procedural manner approved by the Plan Administrator. Any revocation or amendment shall be effective prospectively only. The election of any Employee to participate in the Plan, the amount of Compensation deferred, and the investment options selected are irrevocable with respect to past amounts deferred. An amendment with respect to the deferral amount must be submitted to the Wyoming Retirement System prior to the beginning of the month in which the amended deferral amount is to become effective.

2.05 With respect to a new Employee, Compensation may be deferred for the calendar month during which the Participant first becomes an Employee, if a participation agreement for such deferral is entered into on or before the first day on which the Participant becomes an Employee.

2.06 A Participant or Beneficiary may elect to transfer deferred amounts or redirect future deferrals among approved investment options. Some trading restrictions may apply.

2.07 The maximum amount deferred by a Participant shall be subject to the limitations contained in Section 457 of the Code, as amended, and shown in Article X of the Plan. Except as provided in sections 10.02 and 10.04, the maximum that may be deferred under the Plan for any taxable year by a Participant shall not exceed the

lesser of (1) the applicable dollar amount in effect for the year, as adjusted for the calendar year in accordance with Code 457(e)(15), or (2) 100% of the Participant's Includible Compensation, each reduced by any amount specified in section 2.08 that taxable year.

2.08 The deferral limitation shall be reduced by any amount excludable from the Participant's gross income attributable to elective deferrals to another eligible deferred compensation plan described in Code section 457(b).

2.09 The Participant is immediately 100% vested in all amounts correctly deferred into his or her Account Balance and in any earnings or losses on those amounts.

2.10 Participant Roth contributions shall be allowed after January 1, 2011 at a date determined by the Plan Administrator and eligible rollover contributions of Designated Roth Contributions made from an applicable retirement plan described in 402A(e)(1) shall be allowed. Each Participant may make Designated Roth Contributions; provided, however, that a Participant shall not make a Roth Contribution to the Plan for any Plan Year to the extent such Roth Contribution would exceed the limitations of section 2.07.

(a) This Subsection will apply to Designated Roth Contributions beginning with the effective date specified by the Plan Administrator but in no event before the first day of the first taxable year beginning on or after January 1, 2011.

(b) As of the effective date, the Plan will accept Deferred Compensation as Roth Contributions made on behalf of Participants. A Participant's Designated Roth Contributions will be allocated to a separate Account Balance maintained for such deferrals as described in 2.11.

(c) Unless specifically stated otherwise, Designated Roth Contributions will be treated as Deferred Compensation for all purposes under the Plan.

2.11 **SEPARATE ACCOUNTING** Contributions and withdrawals of Designated Roth Contributions will be credited and debited to the Roth Account Balance maintained for each Participant.

(c) The Plan will maintain a record of the amount of Designated Roth Contributions in each Participant's Roth Account Balance.

(d) Gains, losses and other credits or charges must be separately allocated on a reasonable and consistent basis to each Participant's Roth Account Balance and the Participant's other accounts under the Plan.

(e) No contributions other than Designated Roth Contributions and properly attributable earnings will be credited to each Participant's Roth Account Balance.

ARTICLE III: Accounts, Reports and Plan Ownership

3.01 The Employer shall, in a timely manner, remit the deferred amount to the Record Keeper who shall, in a timely manner, remit the deferrals to the approved Investment Providers. A timely manner is described in section 4.02.

3.02 The Participant's Account Balance shall be credited each pay period by the Record Keeper with the amount deferred. A written report of the status of the Participant's Account Balance shall be furnished to the Participant periodically in accordance with the law, and as required by the Wyoming Retirement System.

3.03 All interest, dividends, charges for administration and premiums, and changes in value due to market fluctuations applicable to each Participant's Account Balance, which is invested in accordance with his investment specification, shall be credited or debited as they occur. All reports to the Participant shall be based on fair market value as of the reporting date.

3.04 Within ninety (90) days after the end of the calendar year, the Record Keeper shall file with the Wyoming Retirement System a written report of the assets of the Plan, a schedule of all receipts and disbursements and a report of all material transactions of the Plan during the preceding year. This report shall be in such form and contain such other information as the Wyoming Retirement System shall determine or require, and may be in conjunction with the audit required by W.S. 9-3-507(d).

3.05 Any Participant or his representative may examine his individual records during normal business hours.

3.06 The Plan assets will be held in Trust for the exclusive benefit of Employees and their Beneficiaries.

3.07 The State of Wyoming and the Wyoming Retirement System do not underwrite or guarantee the deferrals made under this Plan or the resulting Account Balances.

ARTICLE IV: Creation of Trust

4.01 Notwithstanding any contrary provision of the Plan, in accordance with Section 457(g) of the Code, and with W.S. 9-3-503(c), all amounts of Compensation deferred pursuant to the Plan, all property and rights purchased with such amounts, and all income attributable to such amounts, property, or rights shall be held in trust

for the exclusive benefit of Participants and Beneficiaries under the Plan. Any Trust under the Plan shall be established pursuant to a written agreement that constitutes a valid Trust under the laws of the State of Wyoming, and Participants may refer to that document.

4.02 All amounts of Compensation deferred under the Plan shall be transferred to a Trust established under the Plan within a period that is not longer than is reasonable for the proper administration of the accounts of Participants. The transfer to the Trust shall occur on the same day Compensation is withheld by the Employer or at the soonest it is reasonably practicable to do so. But in any event, all amounts of Compensation deferred under the Plan shall be transferred to a Trust established under the Plan not later than fifteen (15) business days after the end of the month in which the Compensation would otherwise have been paid to the Employee.

4.03 The Board may establish reasonable procedures providing for the payment of Plan administrative and investment expenses from the assets of the Trust and for the assessment of Plan administrative and investment expenses against Account Balances in the Trust.

ARTICLE V: Investment of Deferred Amounts

5.01 The deferred amount shall be delivered by the Employer to the Record Keeper, who shall then, in a timely manner, submit the deferred amount to the approved Investment Providers. The records for each Participant will be kept by the approved Record Keeper.

5.02 The Board or its designee shall have the authority to establish and change the character of any investment fund and/or eliminate or add any investment fund, as it may, in its sole discretion, deem appropriate from time to time. The Board may establish rules governing a Participant's right to select investment funds with respect to a Participant's future contributions to the Plan and to transfer funds between investment options. Notwithstanding anything in the Plan to the contrary, any contributions invested in guaranteed investment contracts or in an investment fund covered by a prospectus shall be subject to any and all terms of such contract or prospectus, including any limitations therein placed on the exercise of any rights otherwise granted to a Participant under any other provisions of this Plan.

ARTICLE VI: Eligibility for Benefits Distribution

Benefits shall be paid in accordance with the provisions of this Article.

6.01 **SEVERANCE OF EMPLOYMENT** If the Participant severs employment with the Employer, benefits may be paid out in accordance with the payment option available and selected by the Participant.

6.02 **UNFORESEEABLE EMERGENCIES** If the Financial Hardship Committee has determined that a Participant has incurred a genuine Unforeseeable Emergency and that no other resources of financial relief are available, the Plan Administrator may approve and payout a Participant's request for a payment from the Participant's account. Any payment made under this provision shall be in a lump sum, and shall not exceed the amounts necessary to satisfy the emergency situation. The Plan Administrator shall have the right to request and review all pertinent information necessary to assure that hardship withdrawal requests are consistent with the provisions of Section 457 of the Code, and any Treasury Regulations or other guidance issued from time to time.

Unforeseeable emergency is defined in Section 457 of the Code as severe financial hardship to the Participant resulting from an illness or accident of the Participant or a dependent of the Participant, loss of the Participant's property due to casualty, or other circumstances arising as a result of events beyond the control of the Participant. Further, a distribution under the unforeseeable emergency clause in the Plan may not be made to the extent the hardship could be relieved through compensation by insurance, by liquidation of the Participant's other assets to the extent the liquidation would not itself cause severe financial hardship, or ceasing further deferral under the Plan. For example, the imminent foreclosure of or eviction from the Participant's primary residence may constitute an unforeseeable emergency. In addition, the need to pay for medical expenses, including non-refundable deductibles, as well as for the cost of prescription drug medication, may constitute an unforeseeable emergency. Finally, the need to pay for the funeral expenses of a spouse or a dependent (as defined in Section 152, and, for taxable years beginning on or after January 1, 2005, without regard to Section 152(b)(1), (b)(2), and (d)(1)(B)) of a Participant may also constitute an unforeseeable emergency. Except as otherwise specifically provided in paragraph (c)(2)(i) of Treasury Regulation Section 1.457-6, the purchase of a home and the payment of college tuition are not unforeseeable emergencies under paragraph (c)(2)(i) of Treasury Regulation Section 1.457-6.

(a) The following events will not be considered unforeseeable emergencies under the Plan:

(1) Enrollment of a child in college; or
(2) Purchase of a house.

(b) These events are not normally considered Unforeseeable Emergencies. The Hardship Committee may review them if circumstances prove the unforeseen emergency results from illness or other casualty loss:

(1) Purchase of an automobile;
(2) Repayment of loans;
(3) Payment of income taxes; and
(4) Marital separation or divorce.

(c) The events listed below may receive consideration for Unforeseeable Emergency distribution only when resulting directly and solely from illness or casualty loss:

(1) Repair of an automobile;
(2) Repayment of loans delinquent by more than 120 days;
(3) Payment on back taxes or fines associated with back taxes;
(4) Unpaid expenses including rent, utility bills, mortgage payments or medical bills; and
(5) Bankruptcy.

(d) Disputes with regard to section 6.02 will be resolved according to the Administrative Procedures Act as set forth in Wyoming Statutes.

6.03 DEATH

(a) If the Participant dies after the commencement of distributions to the Participant, the Participant's remaining account shall be distributed to the Beneficiary as required by Code section 401(a)(9) and the regulations thereunder.

(b) If the Participant dies prior to the commencement of distributions to the Participant, and:

(1) If the Beneficiary is the Participant's surviving spouse:

(i) The commencement date shall be no later than the last day of the calendar year in which the Participant would have attained age 70 ½ (or, if later, the calendar year immediately following the year of the Participant's death); and

(ii) Distribution shall be made to the Beneficiary over a period that does not exceed the life expectancy of the Beneficiary.

(2) If the Beneficiary is not the Participant's surviving spouse:

(i) The commencement date shall be no later than December 31st of the year following the Participant's death; and

(ii) Distribution shall be made to the Beneficiary over a period that does not exceed the life expectancy of the Beneficiary.

(3) If the Beneficiary is not an individual, the commencement date and

period of distribution shall be as required by Code section 401(a)(9) and the regulations issued thereunder.

(i) Subject to the limitations set forth above, distributions shall be made to the Beneficiary commencing on the first regular distribution commencement date after the Wyoming Retirement System receives satisfactory proof of the Participant's death (or on the first regular distribution commencement date thereafter as the Employer or Plan Administrator may establish from time to time), unless prior to such date the Beneficiary elects a deferred commencement date consistent with this section.

(4) Distribution shall be made in a form, amount, and manner determined under sections 6.07 and 6.08 that is consistent with the limitations set forth above.

(c) If there are two or more Beneficiaries, the provisions of this section and section 6.07 shall be applied to each Beneficiary separately with respect to each Beneficiary's share in the Participant's Account Balance.

(d) If the Beneficiary dies after beginning to receive benefits but before the entire Account Balance has been distributed, the remaining account balance shall be paid to any designee appointed by the Beneficiary on a form approved by the Wyoming Retirement System or the estate of the Beneficiary in a lump sum.

(e) Under no circumstances shall the Employer be liable to the Beneficiary for the amount of any payment made in the name of the Participant before the Wyoming Retirement System receives satisfactory proof of the Participant's death.

(f) In the Case of a Participant who dies while performing Qualified Military Service under Code section 414(u), the beneficiaries of the Participant shall, to the extent required by Code section 401(a)(37), be entitled to any additional benefits (other than benefit accruals relating to the period of Qualified Military Service) that would be provided under the Plan had the Participant resumed and then terminated employment on account of death.

6.04 **DISTRIBUTION TO A PARTICIPANT** The Participant may elect a commencement date for all or a portion of the Participant's Account Balance anytime after the Participant has had a Severance of Employment, but such date may not be later than April 1st following the calendar year in which the Participant attains age seventy and one-half (70 ½), or, if later, when the Participant has a Severance of Employment. A Participant who has attained age seventy and one-half (70 ½), but

has not had a Severance of Employment may elect to receive distributions in accordance with policies established by the Plan Administrator.

6.05 DISTRIBUTION OF DE MINIMIS ACCOUNTS

(a) **Involuntary Distribution**: The Plan may distribute the total amount payable under the Plan to a Participant if the following requirements are met:

(1) The total amount payable to the Participant under the Plan does not exceed five hundred dollars ($500.00);

(2) The Participant has not previously received a distribution of the total amount payable to the Participant under the Plan; and

(3) No amount has been deferred under the Plan with respect to the Participant during the two-year period ending on the date of the distribution.

(b) **Voluntary In-Service Distribution**: A Participant who is an active Employee of an eligible Employer may request a distribution of the total amount payable to the Participant under the Plan if the following requirements are met:

(1) The total amount payable to the Participant under the Plan does not exceed five thousand dollars ($5,000.00) (or the dollar limit under Section 411(a)(11) of the Code, if greater);

(2) The Participant has not previously received an in-service distribution of the total amount payable to the Participant under the Plan; and

(3) No amount has been deferred under the Plan with respect to the Participant during the two-year period ending on the date of the in-service distribution.

6.06 DESIGNATED BENEFICIARY The Participant shall file with the Wyoming Retirement System a written Beneficiary or change of Beneficiary Form designating the person or persons who shall receive the benefits payable under the Plan in the event of the Participant's death. The form for this purpose shall be provided by the Wyoming Retirement System and will have no effect until it is signed, filed with the Wyoming Retirement System by the Participant, and accepted by the Plan Administrator. If the Participant dies without having a Beneficiary Form on file, the payments shall be made to the properly appointed fiduciary of the Participant's probate estate. Provided, that if a fiduciary has not been appointed and qualified within one hundred twenty (120) days after the death, the payment may be made first, to a surviving spouse, second, to a surviving child or children, or third, to a surviving parent or parents. The Participant accepts and acknowledges that he has the burden for executing and filing with the Wyoming Retirement System a proper Beneficiary Designation Form.

6.07 **PAYMENT OPTIONS** A Participant's election of a payment option must be made at least thirty (30) days prior to the date that the payment of benefits is to commence. A Participant may elect to have his or her account distributed in accordance with one or more of the following payment options:

(a) Full distribution. A single lump-sum payment.

(b) Partial distribution. A payment of a portion of the Account Balance.

(c) Periodic payment. Installment payments from the Account Balance for a period of years (payable on a monthly, quarterly, semi-annual, or annual basis). Distributions will not exceed the balance of the Account Balance.

(d) Such other forms of payments as may be approved by the Plan Administrator consistent with the limitations of Section 457(d) of the Code.

(e) A Participant who is an eligible retired public safety officer, as defined under Code section 402(l)(4)(B), may elect to have distributions made directly to an insurer to pay qualified health insurance premiums for coverage for the eligible retired public safety officer, his/her spouse and dependents, by an accident or health insurance plan or qualified long-term care insurance contract as defined in Code section 7702B(b). Any elections and distributions under this section 6.07(e) shall be made in a manner consistent with the requirements and limits contained in Code section 402(l) and any applicable guidance issued there under.

Once payments have commenced, the form or amount of payment option may be changed up to two times per calendar year without charge, subject to the rules of the payment option selected. Additional changes in the same calendar year may involve a fee paid by the Participant or Beneficiary.

6.08 **LIMITATIONS OF DISTRIBUTION OPTIONS** No distribution option may be selected by a Participant or Beneficiary under this Article unless it satisfies the requirements of Section 401(a)(9) of the Code.

6.09 **TAXATION OF DISTRIBUTIONS** To the extent required by law, income and other taxes shall be withheld from each benefit payment and payments shall be reported to the appropriate governmental agency or agencies.

6.10 **CONDITIONS FOR DISTRIBUTIONS**

(a) **Section 457 Deferred Compensation:** Payments from a Participant's Section 457 Deferred Compensation account to the Participant or Beneficiary shall not be made earlier than:

(1) the Participant's Severance of Employment or death;

(2) the Participant's account meets all of the requirements for a de minimis distribution pursuant to section 6.05;

(3) the Participant incurs an approved Unforeseeable Emergency pursuant to section 6.02; or

(4) April 1st of the calendar year following the calendar year in which the Participant attains age 70 ½.

(b) In-service distributions from a Participant's rollover account(s) are allowed.

(c) In-service distributions of amounts transferred into the Plan through plan-to-plan transfers are not allowed.

6.11 **Required Minimum Distribution Waiver of 2009** Notwithstanding any other provisions of Article VI of the Plan Document, a Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 but for the enactment of Section 401(a)(9)(H) of the Code ("2009 RMDs"), and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2009 RMDs or (2) one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant's designated Beneficiary, or for a period of at least 10 years ("Extended 2009 RMDs"), will receive those distributions for 2009 unless the Participant or Beneficiary chooses not to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence. If the Participant or Beneficiary has not elected to receive a 2009 RMD or Extended 2009 RMD then the Participant or Beneficiary will not receive a 2009 or Extended 2009 RMD unless the Participant elects to receive the distribution(s).

ARTICLE VII: Transfers and Rollovers Between Plans

7.01 **TRANSFERS TO THE PLAN** If a Participant or Employee was formerly in an eligible deferred compensation plan maintained by another employer, and if such plan permits the direct transfer of that individual's interest therein to the Plan, then the Plan shall accept assets representing the value of such interest provided, however, that the individual concerned has had a Severance of Employment with that employer. Such amounts shall be held, accounted for, administered and otherwise treated in the same manner as Compensation Deferred by the Participant except that such amounts shall not be considered Compensation Deferred under the Plan in the taxable year of such transfer in determining the maximum deferral. The Wyoming Retirement System may

require such documentation from the predecessor plan as it deems necessary to confirm that such plan is an eligible deferred compensation plan within the meaning of Section 457 of the Code, and to assure that transfers are provided under such Plan. The Wyoming Retirement System may refuse to accept a transfer in the form of assets other than cash.

7.02 **IN-SERVICE DISTRIBUTIONS** Amounts transferred into the Plan in accordance with section 7.01 may not be used for in-service distributions.

7.03 **TRANSFERS FROM THE PLAN** Upon an event qualifying for a distribution, a Participant may request a transfer of his or her account to any other bona fide eligible deferred compensation plan. Requests for such transfer must be made in writing to the Wyoming Retirement System. If an amount is to be transferred pursuant to this provision, the Plan Administrator shall transfer such amount directly to the other deferred compensation plan. Amounts transferred to another eligible deferred compensation plan shall be treated as distributed from this Plan and this Plan shall have no further responsibility to the Participant or any Beneficiary with respect to the amount transferred.

7.04 **MULTIPLE 457 PLANS** If the Employer offers more than one bona fide eligible deferred compensation plan, a Participant may request a transfer of his or her account from this Plan to another available plan without a Severance of Employment. Requests for such transfer must be made in writing to the Wyoming Retirement System. If an amount is to be transferred pursuant to this provision, the Wyoming Retirement System shall transfer such amount directly to the other deferred compensation plan. Amounts transferred to another eligible deferred compensation plan shall be treated as distributed from this Plan and this Plan shall have no further responsibility to the Participant or any Beneficiary with respect to the amount transferred.

7.05 **TRUSTEE TO TRUSTEE TRANSFERS** In-service transfers of Plan assets to purchase permissible service credit from a governmental defined benefit plan pursuant to Code section 457(e)(17) are allowed.

7.06 **ROLLOVERS TO PLAN** The Plan shall accept Participant or Employee rollover contributions, as defined in the Code, from (1) individual retirement accounts or annuities described under Code section 408(a) or 408(b); (2) qualified pension or profit-sharing plans as described in Code section 401(a); (3) tax-sheltered annuities described in Code section 403(b); and (4) other eligible deferred compensation plans described in Code 457(b). A rollover contribution shall be held in a separate rollover account(s), as the Plan Administrator shall determine from time to time. In-service distributions from the rollover account(s) are allowed. Notwithstanding any other provisions of section 7.06 of the Plan, and solely for purposes of applying the rollover provisions of the Plan, 2009 RMDs and Extended 2009 RMDs, will be treated as Eligible Rollover Distributions.

(a) The Plan will accept a rollover contribution from another Roth Account Balance under an applicable retirement plan described in Section 402A(e)(1) and only to the extent the rollover is permitted under the rules of Section 402(c) and Section 1.402A-2 of the Treasury regulations. The Plan Administrator or other responsible party must provide the Plan with a statement indicating the first year of the five-taxable-year period and the portion of the rollover distribution that is attributable to investment in the contract under Code section 72 or a statement that the distribution is a qualified distribution.

7.07 ELIGIBLE ROLLOVER DISTRIBUTIONS

(a) **General:** Notwithstanding any provision of the Plan to the contrary that would otherwise limit an election under this section, a Participant, the surviving spouse of a Participant (or a Participant's former spouse who is the Alternate Payee under a Qualified Domestic Relations Order as defined in Code section 414(p)) (herein collectively called "distributee") may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan in a direct rollover. A non-spousal Beneficiary may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution paid in a direct rollover to an inherited IRA referred to in Code section 402(c)(11).

(b) **Definitions:** For purposes of this section, the following definitions shall apply.

(1) Eligible Rollover Distribution. An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, or the non-spousal Beneficiary, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Code section 401(a)(9); any distribution that is a deemed distribution under the provisions of Code section 72(p); or any distribution on account of unforeseeable emergency.

(2) Eligible Retirement Plan. An eligible retirement plan is an individual retirement account described in Code section 408(a), an individual retirement annuity described in Code section 408(b), a Roth IRA* described in Code section 408A, an annuity plan described in Code section 403(a) that accepts the distributee's eligible rollover

distribution, a qualified trust described in Code section 401(a) that accepts the distributee's eligible rollover distribution, a tax-sheltered annuity described in Code section 403(b) that accepts the distributee's eligible rollover distribution, or another eligible deferred compensation plan described in Code section 457(b) that accepts the distributee's eligible rollover distribution.
*Effective for distributions made on/after January 1, 2008, an eligible retirement plan includes a Roth IRA described in Code section 408A.

(3) Distributee. A distributee includes an Employee or former Employee. In addition, the Employee's or former Employee's surviving spouse and the Employee's or former Employee's spouse or former spouse who is the alternate payee under a Qualified Domestic Relations Order, as defined in Code section 414(p), are distributees with regard to the interest of the spouse or former spouse.

(4) Direct Rollover. A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.

7.08 **IN-PLAN ROTH ROLLOVERS** A Participant, the surviving spouse of a Participant (or a Participant's former spouse who is the Alternate Payee under a Qualified Domestic Relations Order as defined in Code section 414(p)) (herein collectively called "distributee") may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution or any amount not otherwise distributable under the Plan, paid to the Plan in an In-Plan Roth Rollover to the distributee's designated Roth Account Balance.

(a) The Plan shall establish and maintain a separate Roth Account Balance for any In-Plan Roth Rollover.

(b) An In-Plan Roth Rollover that is an In-Plan Roth direct rollover is not treated as distribution for the purposes of loans or distribution of de minimis accounts from the Plan.

ARTICLE VIII: Termination and Amendments

8.01 The Board may at any time amend or terminate the Plan with or without the consent of the Participant (or Beneficiary thereof) provided:

(a) All amendments shall become effective thirty (30) days after giving notice. Notice shall be deemed given when the amendment is posted in the office of the Wyoming Retirement System.

(b) No amendment shall deprive the Participant of any of the benefits to which he is entitled under this Plan with respect to deferred amounts credited to his

account prior to the effective date of the amendment; and

(c) If the Plan is amended, terminated, or the acceptance of additional deferred amounts suspended permanently, the Plan Administrator shall nonetheless be responsible for the supervision and payment of benefits resulting from amounts deferred prior to the amendment, modification, or termination in accordance with Article VI hereof.

8.02 This Plan, and any properly adopted amendment thereof, shall constitute the total agreement or contract between Employer and the Participant regarding the Plan. No oral statement regarding the Plan may be relied upon by the Participant.

8.03 This Plan and any properly adopted amendment, shall be binding on the parties hereto and their respective heirs, administrators, trustee, successors, and assigns and on all designated Beneficiaries of the Participant.

ARTICLE IX: Administration and Coordination

9.01 The Plan Administrator is authorized to resolve any questions of fact necessary to decide the Participant's rights under the Plan and such decision shall be binding on the Participant and any Beneficiary thereof.

9.02 The Plan Administrator is authorized to construe the Plan and to resolve any ambiguity in the Plan.

9.03 The Participant specifically agrees not to seek recovery against the Board, the Employer, the Plan Administrator, or any employee, contractee, or agent of the Employer or Wyoming Retirement System for any loss sustained by the Participant or his Beneficiary, for the non-performance of their duties, negligence, or any other misconduct of the above named persons except that this paragraph shall not excuse fraud or a wrongful taking by any person.

9.04 The Plan Administrator, the Employer, or the Record Keeper, if in doubt concerning the correctness of their action in making a payment of a benefit, may suspend the payment until satisfied as to the correctness of the payment or as to the person to receive the payment or to allow the filing in any state court of competent jurisdiction, a suit in such form as they consider appropriate for a legal determination of the benefits to be paid and the persons to receive them. The Employer, the Record Keeper, or the Plan Administrator shall comply with the final orders of the court in such suit and the Participant, for himself and his Beneficiary, consents to be bound hereby insofar as it affects the benefits payable under this Plan or the method of manner of payment.

9.05 The Wyoming Retirement System, the Plan Administrator, the Employer, and the Board do not waive sovereign immunity by entering into this Plan Document, and specifically retain immunity and all the defenses available to them as a sovereign pursuant to W.S. 1-39-104(a) and all other state laws.

9.06 Any companies that may issue any policies, contracts, or other investment media used by the Plan Administrator or specified by the Participant, are not parties to this Plan and such companies shall have no responsibility or accountability to the Participant or his Beneficiary with regard to the operation of this Plan; however these companies do acknowledge that the monies they invest for Participants are the assets of a Trust held exclusively for the benefit of the Participants.

9.07 Participation in this Plan by a public Employee shall not be construed to give a contract of employment to the Participant or to alter or amend an existing employment contract of the Participant, nor shall participation in this Plan be construed as affording to the Participant any representation or guarantee regarding his continued employment.

9.08 The Plan Administrator, the Employer, the Wyoming Retirement System, and the Record Keeper do not represent or guarantee that any particular Federal or State income, payroll, personal property, or other tax consequence will occur because of the Participant's participation in this Plan. The Participant should consult with his own representative regarding all questions of Federal or State income, payroll, personal property, or other tax consequences arising from participation in this Plan.

9.09 It is agreed that neither the Participant nor his Beneficiary nor any other designee shall have any right to commute, sell, assign, transfer, or otherwise convey the right to receive any payments hereunder which payments and right thereto are expressly declared to be non-assignable and non-transferable.

ARTICLE X: Deferral Limitations and "Catch-Up" Deferrals under the Plan

10.01 Except as provided in section 10.02 and section 10.04, the maximum that may be deferred under the Plan for the Participant's taxable year shall not exceed the lesser of:

(a) The applicable dollar amount in Section 457(e)(15) or

(b) 100% of all Participant's includible compensation, as defined by the Code as amended from time to time.

After 2006, the maximum deferred amount may be indexed for cost of living in increments of five hundred dollars ($500.00) as per IRS Code section 457(e)(15) and 415(d).

10.02 For one or more of the Participant's last three taxable years ending before he attains Normal Retirement Age under the Plan, the "catch-up" deferral shall be the lesser of:

(a) twice the applicable limit set forth in 457(e)(15) or an indexed amount when permitted by a change in the Code, or

(b) the sum of (i) the limitation established for the purposes of section 10.01 of the Plan for the taxable year (determined without regard to this section), plus (ii) so much of the limitation established under section 10.01 for taxable years before the taxable year as has not heretofore been used under section 10.01 or 10.02.

10.03 The maximum "catch-up" as defined in section 10.02 may be used only once. Any unused eligible deferral amounts will be forfeited.

10.04 Participants age fifty and over by the end of a Plan Year may contribute additional amounts as allowed under new Code section 414(v), subject to Section 414(v)(6)(C) which states that the age fifty catch-up is not available during the three years the Participant is utilizing the regular catch-up.

Article XI: Miscellaneous Provisions

11.01 **QUALIFIED MILITARY SERVICE** Contributions and benefits with respect to Qualified Military Service shall be provided in accordance with Section 414(u) of the Code.

11.02 **QUALIFIED DOMESTIC RELATIONS ORDERS** Domestic relations orders approved by the Plan Administrator shall be administered as follows.

(a) To the extent required under a final judgment, decree, or order meeting the requirements of Code section 414(p), herein referred to as a Qualified Domestic Relations Order ("QDRO"), which is duly filed upon the Plan, any portion of a Participant's account may be paid or set aside for payment to a spouse, former spouse or a child of the Participant.

Where necessary to carry out the terms of such a QDRO, a separate account shall be established with respect to the spouse, former spouse, or child, and such person shall be entitled to make investment selections with respect thereto in the same manner as the Participant. All costs and charges incurred in carrying out the investment selection shall be deducted from the account created for the spouse, former spouse, or child making the investment selection.

Any amounts so set aside for a spouse, former spouse or a child shall be paid out in a lump sum at the earliest date that benefits may be paid to the Participant, unless the QDRO directs a different form of payment or different payment date. Withholding and income tax reporting shall be done with

respect to the alternate payee under the terms of the Code as amended from time to time.

(b) The Plan's liability to pay benefits to a Participant shall be reduced to the extent that amounts have been paid or set aside for payment to a spouse, former spouse or child pursuant to this section. No amount shall be paid or set aside unless the Employer, or its agents or assigns, has been provided with satisfactory evidence releasing them from any further claim by the Participant with respect to these amounts. The Participant shall be deemed to have released the Employer from any claim with respect to such amounts in any case in which the Employer has been notified of or otherwise joined in a proceeding relating to a QDRO which sets aside a portion of the Participant's account for a spouse, former spouse or child, and the Participant fails to obtain an order of the court in the proceeding relieving the Employer from the obligation to comply with the QDRO.

(c) The Plan shall not be obligated to comply with any judgment, decree or order which attempts to require the Plan to violate any Plan provision or any provision of Code section 457. Neither the Plan nor its agents or assigns shall be obligated to defend against or set aside any judgment, decree, or order described herein or any legal order relating to the division of a Participant's benefits under the Plan unless the full expense of such legal action is borne by the Participant. In the event that the Participant's action (or inaction) nonetheless causes the Plan, its agents or assigns to incur such expense, the amount of the expense may be charged against the Participant's account and thereby reduce Plan's obligation to pay benefits to the Participant. In the course of any proceeding relating to divorce, separation, or child support, the Plan, its agents and assigns shall be authorized to disclose information relating to Participant's Account Balance to the Participant's spouse, former spouse or child (including the legal representatives of the spouse, former spouse or child), or to a court.

11.03 **EDUCATION** It is recommended that Employers facilitate the Wyoming Retirement System's educational programs, and to the extent possible allow Employees to attend during working hours.

11.04 **EMPLOYER PARTICIPATION** Notwithstanding any other provisions of this Plan, the Employer may add to the amounts payable to any Participant under the Plan additional Deferred Compensation for services to be rendered by the Participant to the Employer during a payroll period, provided such additional Compensation deferred, when added to all other Compensation deferred under the Plan, does not exceed the maximum deferral permitted by Article X. An Employer contribution shall be a pre-tax contribution and immediately be considered Compensation to the Employee.

Conforming amendment allowing Participants to direct their own deferrals and the employer contributions:

(a) Participants shall have the option to direct the investment of their personal contributions and any of their Employer contributions and the earnings thereon among alternative investment options established as part of the overall Trust, unless otherwise specified by the Employer. Such investment options shall be under the full control of the Trustee or its designee. A Participant's right to direct the investment of any contribution shall apply only to making selections among the options made available under the Plan.

(b) Each Participant shall designate in the Participation Agreement or in any other manner authorized by the Wyoming Retirement System the investment that shall be used to determine the earnings to be accrued on amounts deferred by him. If the investment chosen by the Participant experiences a gain, the Participant's benefits under the Plan likewise shall reflect earnings for that period. If the investment chosen by a Participant experiences a loss, or if charges are made under such investment, the Participant's benefits under the Plan likewise shall reflect such loss or charge for that period.

(c) Neither the Employer, the Wyoming Retirement System, the Plan Administrator, the Trustee nor any other person shall be liable for any losses incurred by virtue of following the Participant's directions or with any reasonable administrative delay in implementing such directions.

11.05 **ADVISORY SERVICES** The Plan Administrator may choose to make available investment advisory services to Plan Participants. Investment advisory services shall be provided by an independent, federally registered investment advisory firm that has entered into a separate written agreement with the Wyoming Retirement System. The advisory provider may offer investment guidance, investment advice, and/or advisory managed account services. These services are optional to Plan Participants and are subject to additional account fees.

11.06 **TAX TREATMENT OF AMOUNTS CONTRIBUTED** It is intended that pursuant to Code section 457, the amount deferred shall not be considered current compensation for purposes of federal income taxation except to the extent that the amount deferred is Designated Roth Contributions.

11.07 **EMPLOYER CONTRIBUTIONS 401(a) PLAN** The Wyoming Retirement System is authorized to establish a 401(a) defined contribution plan for the purpose of depositing employer contributions. Upon creation of such a plan, any Employer that elects this provision shall deposit all future employer contributions into the 401(a) plan.

APPROVED BY:

5/22/2015

Laura Ladd, Chairman
Wyoming Retirement System Board

Date

REGISTERED BY:

Secretary of State
Business Division Director

5/28/15
Date