

WYOMING RETIREMENT SYSTEM

JUDICIAL RETIREMENT SYSTEM

**GASB STATEMENT NOS. 67 AND 68 ACCOUNTING AND
FINANCIAL REPORTING FOR PENSIONS**

FOR THE MEASUREMENT DATE OF DECEMBER 31, 2014

July 31, 2015

The Board of Trustees
Wyoming Retirement System

Dear Board Members:

This report provides information required by the Wyoming Retirement System (WRS) in connection with the Governmental Accounting Standards Board (GASB) Statement No. 67 "Financial Reporting for Pension Plans" and Statement No. 68 "Accounting and Financial Reporting for Pensions".

The actuarial calculations for this report were prepared for the purpose of complying with the requirements of GASB Statements No. 67 and 68. These calculations have been made on a basis that is consistent with our understanding of this Statement.

The calculation of the liability associated with the benefits described in this report was performed for the purpose of satisfying the requirements of GASB Statement No. 67 and GASB Statement No. 68. The calculation of the plan's liability for this report may not be applicable for funding purposes of the plan. A calculation of the plan's liability for purposes other than satisfying the requirements of GASB Statement No. 67 and No. 68 may produce significantly different results. This report may be provided to parties other than the Wyoming Retirement System ("WRS") only in its entirety and only with the permission of WRS.

This report is based upon information, furnished to us by WRS, concerning retirement and ancillary benefits, active members, deferred vested members, retirees and beneficiaries, and financial data. If your understanding of this information is different, please let us know. This information was checked for internal consistency, but it was not otherwise audited.

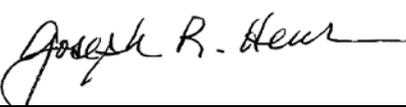
This report complements the actuarial valuation report that was provided to WRS and should be considered in conjunction with that report. Please see the actuarial valuation report as of January 1, 2014 for additional discussion of the nature of actuarial calculations and more information related to participant data.

To the best of our knowledge, the information contained with this report is accurate and fairly represents the actuarial position of the Wyoming Retirement System. All calculations have been made in conformity with generally accepted actuarial principles and practices as well as with the Actuarial Standards of Practice issued by the Actuarial Standards Board. Leslie L. Thompson is a member of the American Academy of Actuaries (MAAA) and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. The signing actuaries are independent of the plan sponsor.

Respectfully submitted,

By 

Leslie L. Thompson
FSA, FCA, EA, MAAA

By 

Joseph R. Herm

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SECTION A

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY
AS OF DECEMBER 31, 2014

Actuarial Valuation Date	January 1, 2014
Measurement Date of the Net Pension Liability	December 31, 2014
Employer's Fiscal Year Ending Date (Reporting Date)	June 30, 2015

Membership

Number of	
- Retirees and Beneficiaries	13
- Inactive, Nonretired Members	-
- Active Members	44
- Total	<u>57</u>
Covered Payroll	\$ 5,989,181

Net Pension Liability

Total Pension Liability	\$ 21,615,108
Plan Fiduciary Net Position	<u>22,874,709</u>
Net Pension Liability	\$ (1,259,601)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	105.827%
Net Pension Liability as a Percentage of Covered Payroll	-21.031%

Development of the Single Discount Rate

Single Discount Rate	7.750%
Long-Term Expected Rate of Investment Return	7.750%
Long-Term Municipal Bond Rate*	3.650%
Last year ending December 31 in the 2014 to 2113 projection period for which projected benefit payments are fully funded	2095

Total Pension Expense \$ 621,434

Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	<u>501,466</u>	-
Total	<u>\$ 501,466</u>	<u>\$ -</u>

*Source: "State & local bonds" rate from Federal Reserve statistical release (H.15) as of December 25, 2014. The statistical release describes this rate as "Bond Buyer Index, general obligation, 20 years to maturity, mixed quality." In describing this index, the Bond Buyer notes that the bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.

DISCUSSION

Accounting Standard

For pension plans that are administered through trusts or equivalent arrangements, Governmental Accounting Standards Board (GASB) Statement No. 67 establishes standards of financial reporting for separately issued financial reports and specifies the required approach for measuring the pension liability. Similarly, GASB Statement No. 68 establishes standards for state and local government employers (as well as non-employer contributing entities) to account for and disclose the net pension liability, pension expense, and other information associated with providing retirement benefits to their employees (and former employees) on their basic financial statements.

The following discussion provides a summary of the information that is required to be disclosed under these accounting standards. A number of these disclosure items are provided in this report. However, certain information, such as notes regarding accounting policies and investments, is not included in this report and the retirement system and/or plan sponsor will be responsible for preparing and disclosing that information to comply with these accounting standards.

Financial Statements

GASB Statement No. 68 requires state or local governments to recognize the net pension liability and the pension expense on their financial statements. The net pension liability is the difference between the total pension liability and the plan's fiduciary net position. In traditional actuarial terms, this is analogous to the accrued liability less the market value of assets (not the smoothed actuarial value of assets that is often encountered in actuarial valuations performed to determine the employer's contribution requirement).

The pension expense recognized each fiscal year is equal to the change in the net pension liability from the beginning of the year to the end of the year, adjusted for deferred recognition of the liability and investment experience.

Pension plans that prepare their own, stand-alone financial statements are required to present two financial statements – a statement of fiduciary net position and a statement of changes in fiduciary net position in accordance with GASB Statement No. 67. The *statement of fiduciary net position* presents the assets and liabilities of the pension plan at the end of the pension plan's reporting period. The *statement of changes in fiduciary net position* presents the additions, such as contributions and investment income, and deductions, such as benefit payments and expenses, and net increase or decrease in the fiduciary net position.

Notes to Financial Statements

GASB Statement No. 68 requires the notes of the employer's financial statements to disclose the total pension expense, the pension plan's liabilities and assets, and deferred outflows and inflows of resources related to pensions.

GASB Statement Nos. 67 and 68 require the notes of the financial statements for the employers and pension plans, to include certain additional information. The list of disclosure items should include:

- a description of benefits provided by the plan;
- the type of employees and number of members covered by the pension plan;
- a description of the plan's funding policy, which includes member and employer contribution requirements;
- the pension plan's investment policies;
- the pension plan's fiduciary net position, net pension liability, and the pension plan's fiduciary net position as a percentage of the total pension liability;
- the net pension liability using a discount rate that is 1% higher and 1% lower than used to calculate the total pension liability and net pension liability for financial reporting purposes;
- significant assumptions and methods used to calculate the total pension liability;
- inputs to the discount rates; and
- certain information about mortality assumptions and the dates of experience studies.

Retirement systems that issue stand-alone financial statements are required to disclose additional information in accordance with GASB Statement No. 67. This information includes:

- the composition of the pension plan's board and the authority under which benefit terms may be amended;
- a description of how fair value is determined;
- information regarding certain reserves and investments, which include concentrations of investments greater than or equal to 5%, receivables, and insurance contracts excluded from plan assets;
- annual money-weighted rate of return on pension plan investments for each year.

Required Supplementary Information

GASB Statement No. 67 requires a 10-year fiscal history of:

- sources of changes in the net pension liability;
- information about the components of the net pension liability and related ratios, including the pension plan's fiduciary net position as a percentage of the total pension liability, and the net pension liability as a percent of covered-employee payroll; and
- comparison of the actual employer contributions to the actuarially determined contributions based on the plan's funding policy.

Timing of the Valuation

An actuarial valuation to determine the total pension liability is required to be performed at least every two years. The net pension liability and pension expense should be measured as of the pension plan's fiscal year end (measurement date) on a date that is within the employer's prior fiscal year. If the actuarial valuation used to determine the total pension liability is not calculated as of the measurement date, the total pension liability is required to be rolled forward from the actuarial valuation date to the measurement date.

The total pension liability shown in this report is based on an actuarial valuation performed as of January 1, 2014 and a measurement date of December 31, 2014.

Single Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.750%; the municipal bond rate is 3.650% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.750%.

Effective Date and Transition

GASB Statement Nos. 67 and 68 are effective for fiscal years beginning after June 15, 2013, and June 15, 2014 respectively, earlier application is encouraged by the GASB.

SECTION B

FINANCIAL STATEMENTS

Auditor's Note – This information is intended to assist in preparation of the financial statements of the Wyoming Judicial Retirement System. Financial statements are the responsibility of management, subject to the auditor's review. Please let us know if the auditor recommends any changes.

PENSION EXPENSE UNDER GASB STATEMENT NO. 68
FISCAL YEAR ENDED JUNE 30, 2015

A. Expense

1. Service Cost	\$	1,186,595
2. Interest on the Total Pension Liability		1,539,910
3. Current-Period Benefit Changes		0
4. Employee Contributions (made negative for addition here)		(582,831)
5. Projected Earnings on Plan Investments (made negative for addition here)		(1,664,967)
6. Pension Plan Administrative Expense		17,117
7. Other Changes in Plan Fiduciary Net Position		244
8. Recognition of Outflow (Inflow) of Resources due to Liabilities		-
9. Recognition of Outflow (Inflow) of Resources due to Assets		125,367
10. Recognition of Outflow of Resources due to Contributions made from December 31, 2014 to June 30, 2015		- *
11. Total Pension Expense	\$	621,434

*In accordance with GASB 71, employers may need to illustrate contributions made from January 1, 2015 through June 30, 2015.

**STATEMENT OF OUTFLOWS AND INFLOWS ARISING FROM CURRENT REPORTING
PERIOD
FISCAL YEAR ENDED JUNE 30, 2015**

A. Outflows (Inflows) of Resources due to Liabilities

1. Difference between expected and actual experience of the Total Pension Liability (gains) or losses	\$	-
2. Assumption Changes (gains) or losses	\$	-
3. Recognition period for Liabilities: Average of the expected remaining service lives of all employees {in years }		1.0000
4. Outflow (Inflow) of Resources to be recognized in the current pension expense for the Difference between expected and actual experience of the Total Pension Liability	\$	-
5. Outflow (Inflow) of Resources to be recognized in the current pension expense for Assumption Changes	\$	-
6. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Liabilities	\$	-
7. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for the Difference between expected and actual experience of the Total Pension Liability	\$	-
8. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for Assumption Changes	\$	-
9. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Liabilities	\$	-

B. Outflows (Inflows) of Resources due to Assets

1. Net difference between projected and actual earnings on pension plan investments (gains) or losses	\$	626,833
2. Recognition period for Assets {in years }		5.0000
3. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Assets	\$	125,367
3. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Assets	\$	501,466

**STATEMENT OF OUTFLOWS AND INFLOWS ARISING FROM CURRENT AND PRIOR
REPORTING PERIODS
FISCAL YEAR ENDED JUNE 30, 2015**

A. Outflows and Inflows of Resources due to Liabilities and Assets to be recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. due to Liabilities	\$ -	\$ 0	\$ -
2. due to Assets	125,367	-	125,367
3. Total	\$ 125,367	\$ 0	\$ 125,367

B. Outflows and Inflows of Resources by Source to be recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Differences between expected and actual experience	\$ -	\$ 0	\$ -
2. Assumption Changes	-	-	0
3. Net Difference between projected and actual earnings on pension plan investments	125,367	-	125,367
4. Total	\$ 125,367	\$ 0	\$ 125,367

C. Deferred Outflows and Deferred Inflows of Resources by Source to be recognized in Future Pension Expenses

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
1. Differences between expected and actual experience	\$ -	\$ 0	\$ -
2. Assumption Changes	-	-	0
3. Net Difference between projected and actual earnings on pension plan investments	501,466	-	501,466
4. Total	\$ 501,466	\$ 0	\$ 501,466

D. Deferred Outflows and Deferred Inflows of Resources by Year to be recognized in Future Pension Expenses

Year Ending June 30	Net Deferred Outflows of Resources
2016	\$ 125,367
2017	125,367
2018	125,367
2019	125,365
2020	-
Thereafter	0
Total	\$ 501,466

**STATEMENT OF FIDUCIARY NET POSITION
AS OF DECEMBER 31, 2014**

	2014
Assets	
Cash and Deposits	\$ 1,410,794
Receivables	
Accounts Receivable - Sale of Investments	\$ 11,327
Accrued Interest and Other Dividends	59,898
Contributions	126,128
Accounts Receivable - Other	3,352,753
Total Receivables	\$ 3,550,106
Investments	
Fixed Income	\$ 4,586,394
Domestic Equities	11,581,913
International Equities	-
Real Estate	-
Other	7,193,122
Total Investments	\$ 23,361,429
Total Assets	\$ 28,322,329
 Liabilities	
Payables	
Accounts Payable - Purchase of Investments	\$ 207,203
Accrued Expenses	39,736
Accounts Payable - Other	5,200,681
Total Liabilities	\$ 5,447,620
 Net Position Restricted for Pensions	\$ 22,874,709

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR YEAR ENDED DECEMBER 31, 2014**

	2014
Additions	
Contributions	
Employer	\$ 916,598
Employee	582,831
Other	-
Total Contributions	\$ 1,499,429
Investment Income	
Net Appreciation in Fair Value of Investments	\$ 637,128
Interest and Dividends	542,104
Less Investment Expense	(141,098)
Net Investment Income	\$ 1,038,134
Other	\$ -
Total Additions	\$ 2,537,563
 Deductions	
Benefit Payments, including Refunds of Employee Contributions	\$ 775,805
Pension Plan Administrative Expense	17,117
Other	244
Total Deductions	\$ 793,166
Net Increase in Net Position	\$ 1,744,397
 Net Position Restricted for Pensions	
Beginning of Year	\$ 21,130,312
End of Year	\$ 22,874,709

SECTION C

REQUIRED SUPPLEMENTARY INFORMATION

Auditor's Note – This information is intended to assist in preparation of the financial statements of the Wyoming Judicial Retirement System. Financial statements are the responsibility of management, subject to the auditor's review. Please let us know if the auditor recommends any changes.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
CURRENT PERIOD
FISCAL YEAR ENDED JUNE 30, 2015

A. Total pension liability	
1. Service Cost	\$ 1,186,595
2. Interest on the Total Pension Liability	1,539,910
3. Changes of benefit terms	0
4. Difference between expected and actual experience of the Total Pension Liability	-
5. Changes of assumptions	0
6. Benefit payments, including refunds of employee contributions	(775,805)
7. Net change in total pension liability	\$ 1,950,700
8. Total pension liability – beginning	19,664,408
9. Total pension liability – ending	<u><u>\$ 21,615,108</u></u>
B. Plan fiduciary net position	
1. Contributions – employer	\$ 916,598
2. Contributions – employee	582,831
3. Net investment income	1,038,134
4. Benefit payments, including refunds of employee contributions	(775,805)
5. Pension Plan Administrative Expense	(17,117)
6. Other	(244)
7. Net change in plan fiduciary net position	\$ 1,744,397
8. Plan fiduciary net position – beginning	21,130,312
9. Plan fiduciary net position – ending	<u><u>\$ 22,874,709</u></u>
C. Net pension liability	<u><u>\$ (1,259,601)</u></u>
D. Plan fiduciary net position as a percentage of the total pension liability	105.83%
E. Covered-employee payroll	\$ 5,989,181
F. Net pension liability as a percentage of covered employee payroll	(21.03)%

Notes to Schedule:

Other changes to Plan Fiduciary Net Position may include member redeposits, member service purchase contributions, other funding sources, and depreciation expenses.

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS MULTIYEAR

Measurement date as of December 31,	<u>2014</u>
Total Pension Liability	
Service Cost	\$ 1,186,595
Interest on the Total Pension Liability	1,539,910
Benefit Changes	-
Difference between Expected and Actual Experience	-
Assumption Changes	-
Benefit Payments	(775,805)
Refunds	-
Net Change in Total Pension Liability	<u>1,950,700</u>
Total Pension Liability - Beginning	<u>19,664,408</u>
Total Pension Liability - Ending (a)	<u>\$ 21,615,108</u>
Plan Fiduciary Net Position	
Employer Contributions	\$ 916,598
Employee Contributions	582,831
Pension Plan Net Investment Income	1,038,134
Benefit Payments	(775,805)
Refunds	-
Pension Plan Administrative Expense	(17,117)
Other	(244)
Net Change in Plan Fiduciary Net Position	<u>1,744,397</u>
Plan Fiduciary Net Position - Beginning	<u>21,130,312</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 22,874,709</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ (1,259,601)</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	105.83%
Covered Employee Payroll	\$ 5,989,181
Projected Valuation Payroll	\$ 6,213,775
Net Pension Liability as a Percentage of Covered Employee Payroll	(21.03)%
Notes to Schedule:	
Other changes to Plan Fiduciary Net Position may include member redeposits, member service purchase contributions, other funding sources, and depreciation expenses.	

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE NET PENSION LIABILITY MULTIYEAR
Last 10 Plan Years (which may be built prospectively)

<u>FY Ending December 31,</u>	<u>Total Pension Liability</u>	<u>Plan Net Position</u>	<u>Net Pension Liability</u>	<u>Plan Net Position as a % of Total Pension Liability</u>	<u>Covered Payroll</u>	<u>Net Pension Liability as a % of Covered Payroll</u>
2014	\$ 21,615,108	\$ 22,874,709	\$ (1,259,601)	105.83%	\$ 5,989,181	(21.03)%

**SCHEDULE OF CONTRIBUTIONS MULTIYEAR
LAST 10 PLAN YEARS**

<u>FY Ending December 31,</u>	<u>Actuarially Determined Contribution</u>	<u>Actual Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
2014	\$ 596,723	\$ 916,598	\$ (319,875)	\$ 5,989,181	15.30%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date:	January 1, 2014
Notes	Actuarially determined contribution rates are calculated as of July 1 each year for implementation the following fiscal year.
Methods and Assumptions Used to Determine Contribution Rates:	
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Open
Remaining Amortization Period	30 years
Asset Valuation Method	5-Year smoothed market
Inflation	3.25%
Salary Increases	3.75% including inflation
Investment Rate of Return	7.75%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2007 - 2011.
Post-Retirement Mortality	RP-2000 Combined Mortality Table, generational projected with Scale BB. Males: Set back 1 year with a 104% multiplier. Females: No set back with a 90% multiplier.
Pre-Retirement Mortality	RP-2000 Combined Mortality Table, generational projected with Scale BB. Males: Set back 5 years with a 104% multiplier. Females: Set back 4 years with a 90% multiplier.
Other Information:	
Notes	There were no benefit changes during the year.

**SCHEDULE OF INVESTMENT RETURNS MULTIYEAR
LAST 10 PLAN YEARS**

<u>FY Ending December 31,</u>	<u>Annual Return¹</u>
2014	4.70 %

¹ Annual money-weighted rate of return, net of investment expenses.

SECTION D

NOTES TO FINANCIAL STATEMENTS

Auditor's Note – This information is intended to assist in preparation of the financial statements of the Wyoming Judicial Retirement System. Financial statements are the responsibility of management, subject to the auditor's review. Please let us know if the auditor recommends any changes.

ASSET ALLOCATION

Long-Term Expected Return on Plan Assets

The assumed rate of investment return was adopted by the plan’s trustees after considering input from the plan’s investment consultant and actuary. Additional information about the assumed rate of investment return is included in our actuarial valuation report as of January 1, 2014. In addition, a five year experience study was completed as of December 31, 2011 and this study provides a detailed analysis regarding recommendations on the long term rates for inflation and the real rate of return. The assumed rate of investment return of 7.75% falls within a reasonable range of the long-term expected rate of return.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For each major asset class that is included in the pension plan’s target asset allocation as of January 1, 2014, these best estimates are summarized in the following table:

ASSET ALLOCATION

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.50%	0.50%
Fixed Income	15.00%	0.80%
Equity	55.00%	5.26%
Marketable Alternatives	15.50%	3.79%
Private Markets	12.00%	5.76%
Total	100.00%	

The figures in the above table were supplied by NEPC; the investment consulting firm to the Wyoming Retirement System. Gabriel, Roeder, Smith and Company does not provide investment advice.

Single Discount Rate

A Single Discount Rate of 7.750% was used to measure the total pension liability. This Single Discount Rate was based on the expected rate of return on pension plan investments of 7.750%. The projection of cash flows used to determine this Single Discount Rate assumed that plan member contributions and the employer contributions will be made at the current will be made at the current schedule contribution rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Results

Regarding the sensitivity of the net pension liability to changes in the Single Discount Rate, the following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.750%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

SENSITIVITY OF NET PENSION LIABILITY TO THE SINGLE DISCOUNT RATE ASSUMPTION

1% Decrease	Current Single Discount Rate Assumption	1% Increase
6.750%	7.750%	8.750%
\$1,084,822	-\$1,259,601	-\$3,285,065

SUMMARY OF POPULATION STATISTICS

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	13
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	-
Active Plan Members	<u>44</u>
Total Plan Members	57

SECTION E

SUMMARY OF BENEFITS

Summary of Plan Provisions

Covered Members	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, or who elects to participate in the judicial retirement program under this act in accordance with W.S. 9-3-713.
Final Average Salary	Employee's average annual salary for the highest paid three continuous years of service.
Form of Payment	Monthly benefit for life. Upon death, 50% of the benefit continues to be paid to the beneficiary.
Service Retirement	
Eligibility	Age 70 with continuous service from appointment, age 65 with four or more years of service, or age 60 with 20 or more years of service.
Monthly Benefit	Highest Average Salary times the sum of the following: <ul style="list-style-type: none"> a) 4% for each of the first five years of service, b) 3% for each year from and including the sixth year through the fifteenth year of service, c) 2% for each year from and including the sixteenth year through the twentieth year of service, d) 1% for each year thereafter.
Vesting	Any employee who has left employment with four or more years of service, and who has not withdrawn accumulated contributions, is eligible to receive the above benefit or can elect to receive a lump-sum refund of contributions with interest. An employee who terminates with less than four years of service and has not served continuously from the date of appointment to the age of 70 is only eligible for the lump-sum benefit.
Early Retirement	A member who is at least age 55 with four or more years of service may retire with the benefits described above reduced five percent for each year of retirement prior to age 65.
Disability Retirement	
Eligibility	Retirement by reason of permanent disability after completion of at least 10 years of service.
Monthly Benefit	Service retirement benefit determined as of the disability retirement date.

Pre-Retirement Death

Eligibility	No age or service requirements.
Benefit	A lump sum equal to two times the employee contributions with interest. If the employee is vested, the beneficiary can elect, in lieu of this lump sum, to receive a monthly benefit equal to the actuarial equivalent of the retirement benefit that would be due the employee as if the member had terminated on the date of death.

Contributions

Employee	9.22% of salary.
Employer	14.50% of salary.
Interest	5.50% annually.

Cost-of-Living Improvements

W.S. 9-3-454 prohibits benefit changes, including cost-of-living increases, unless the funded ratio stays above 100% plus a margin for adverse experience throughout the life of the benefit change.

SECTION F

ACTUARIAL COST METHOD AND ACTUARIAL ASSUMPTIONS

Summary of Actuarial Assumptions and Methods

The following methods and assumptions were used in preparing the January 1, 2014 actuarial valuation report.

1. Valuation Date

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

2. Actuarial Cost Method

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

- a. The valuation is prepared on the projected benefit basis, under which the present value, at the investment return rate assumed to be earned in the future (currently 7.75%), of each participant's expected benefit payable at retirement or death is determined, based on his/her age, service, sex and compensation. The calculations take into account the probability of a participant's death or termination of employment prior to becoming eligible for a benefit, as well as the possibility of his/her terminating with a service, disability, or survivor's benefit. Future salary increases are also anticipated. The present value of the expected benefits payable for the active participants is added to the present value of the expected future payments to retired participants and beneficiaries to obtain the present value of all expected benefits payable from the Fund on account of the present group of participants and beneficiaries.
- b. The employer contributions required to support the benefits of the Fund are determined using a level funding approach, and consist of a normal cost contribution and an amortization payment on any unfunded accrued liability.
- c. The normal cost contribution is determined using the "entry age normal" actuarial cost method. Under this method, a calculation is made to determine the average uniform and constant percentage rate of employer contribution which, if applied to the compensation of each new participant during the entire period of his/her anticipated covered service, would be required to meet the cost of all benefits payable on his/her behalf based on the benefits provisions applicable for the individual member.

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

3. Actuarial Value of Assets

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

4. Economic Assumptions

- a. Investment return

7.75% per year, compounded annually, composed of an assumed 3.25% inflation rate and a 4.50% net real rate of return. This rate represents the assumed return, net of investment expenses.

- b. Salary increase rate

3.75% per annum

- c. Payroll growth rate

In the amortization of the unfunded actuarial accrued liability, payroll is assumed to increase 3.75% per year. This increase rate is solely due to the effect of inflation on salaries, with no allowance for future membership growth.

5. Demographic Assumptionsa. Rates Before Retirement

Healthy Pre-Retirement Mortality:

RP-2000 Combined Mortality Table, fully generational, projected with Scale BB

Males: Set back 5 years with a multiplier of 104%

Females: Set back 4 years with a multiplier of 90%

Healthy Post-Retirement Mortality:

RP-2000 Combined Mortality Table, fully generational, projected with Scale BB

Males: Set back 1 year with a multiplier of 104%

Females: Set back 0 years with a multiplier of 90%

Disabled Mortality:

RP-2000 Disabled Mortality Table, fully generational, projected with Scale BB

Males: Set forward 5 years with a multiplier of 120%

Females: Set forward 5 years with a multiplier of 120%

Age	Pre-Retirement		Post-Retirement		Disabled	
	Projected to 2014 using Scale BB					
	Male	Female	Male	Female	Male	Female
20	0.03%	0.02%	0.03%	0.02%	2.60%	0.86%
25	0.03%	0.02%	0.04%	0.02%	2.60%	0.86%
30	0.04%	0.02%	0.04%	0.02%	2.60%	0.86%
35	0.04%	0.03%	0.07%	0.04%	2.60%	0.86%
40	0.08%	0.04%	0.10%	0.06%	2.60%	0.86%
45	0.11%	0.07%	0.14%	0.10%	3.33%	1.33%
50	0.15%	0.11%	0.20%	0.14%	4.08%	1.85%
55	0.21%	0.16%	0.32%	0.23%	4.57%	2.28%
60	0.36%	0.26%	0.57%	0.40%	5.08%	2.84%
65	0.64%	0.45%	1.00%	0.74%	6.08%	3.81%
70	1.12%	0.83%	1.67%	1.27%	7.97%	5.29%
75			2.85%	2.14%	10.62%	7.33%
80			4.88%	3.49%	13.75%	10.15%
85			8.40%	5.89%	18.85%	14.39%
90			14.62%	10.15%	29.51%	21.46%
95			23.63%	16.09%	39.64%	27.32%
100			32.93%	20.49%	47.75%	35.17%

b. Disability and Withdrawal

Age	Disability		Withdrawal	
	Male	Female	Ultimate	
			Male	Female
20	0.01%	0.01%	5.60%	5.60%
25	0.01%	0.01%	4.20%	4.20%
30	0.01%	0.01%	2.90%	2.90%
35	0.01%	0.01%	2.00%	2.00%
40	0.01%	0.01%	1.50%	1.50%
45	0.01%	0.01%	1.10%	1.10%
50	0.03%	0.03%	0.80%	0.80%
55	0.05%	0.05%	0.60%	0.60%
60	0.07%	0.07%	0.40%	0.40%

c. Retirement Rates

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

Miscellaneous and Technical Assumptions

- a. Percent married: 85.00% of employees are assumed to be married. (No beneficiaries other than the spouse assumed.)
- b. Age difference: Male members are assumed to be three years older than their spouses, and female members are assumed to be three years younger than their spouses.
- c. Percent electing annuity on death (when eligible): All of the spouses of vested, married participants are assumed to elect an annuity.
- d. Percent electing deferred termination benefit: Vested terminating members are assumed to elect a refund or a deferred benefit, whichever is more valuable at the time of termination.
- e. Assumed age for commencement of deferred benefits: Members electing to receive a deferred benefit are assumed to commence receipt at the first age at which unreduced benefits are available, which for this plan is age 65.
- f. No benefit data is available for members entitled to deferred benefits. The present value of benefits expected to be paid to vested inactive non-retired members is approximated using the data provided.
- g. There will be no recoveries once disabled.
- h. Administrative expenses: Average of actual expenses for the prior two years, with each year projected at 6.50% to the valuation date.
- i. Pay increase timing: Beginning of (fiscal) year. This is equivalent to assuming that reported pay represents amount paid to members during the year ended on the valuation date.
- j. Decrement timing: Decrements of all types are assumed to occur mid-year.
- k. Eligibility testing: Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
- l. Incidence of Contributions: Contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in the report, and the actual payroll payable at the time contributions are made.
- m. Benefit Service: All members are assumed to accrue one year of service each year.

EXPERIENCE ANALYSIS

An experience study was conducted on behalf of all WRS' plans covering the five year period ending December 31, 2011. That study provided a detailed analysis concerned the development of the long term inflation rate, real rate of return and discount rate. The study also analyzed each major actuarial assumption (e.g. mortality, salary increases, retirement, termination and disability) and proposed assumptions consistent with the findings. For further information on the experience study and related assumption recommendation, the reader is requested to request the December 31, 2011 Wyoming Retirement System Experience Study.

SECTION G

CALCULATION OF THE SINGLE DISCOUNT RATE

CALCULATION OF THE SINGLE DISCOUNT RATE

GASB Statement No. 67 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

The Single Discount Rate (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.750%; the municipal bond rate is 3.650%; and the resulting Single Discount Rate is 7.750%.

The tables in this section provide background for the development of the Single Discount Rate.

The **Projection of Contributions** table shows the development of expected contributions in future years. Normal Cost contributions for future hires are not included (nor are their liabilities).

The **Projection of Plan Fiduciary Net Position** table shows the development of expected asset levels in future years.

The **Present Values of Projected Benefit Payments** table shows the development of the Single Discount Rate (SDR). It breaks down the benefit payments into present values for funded and unfunded portions and shows the equivalent total at the SDR.

**SINGLE DISCOUNT RATE DEVELOPMENT PROJECTION
OF CONTRIBUTIONS ENDING DECEMBER 31 FOR 2014 TO 2063**

Year	Payroll for	Payroll for Future	Total Employee	Contributions from	Employer	Employer	Total
	Current Employees	Employees	Payroll	Current Employees	Contributions for	Contributions	
	(a)	(b)=max(0,(c)-(a))	(c)	(d)	Current	Related to Payroll	Contributions
					Employees	of Future	(g)=(d)+(e)+(f)
					(e)=(a)*ER%	Employees	
						(f) = (b)*netER%	
2014	\$ 6,109,015	\$ 104,760	\$ 6,213,775	\$ 582,831	\$ 916,598	\$ -	\$ 1,499,429
2015	6,069,197	377,595	6,446,792	559,580	880,034	7,894	1,447,508
2016	5,998,188	690,359	6,688,547	553,033	869,737	14,410	1,437,180
2017	5,846,184	1,093,184	6,939,368	539,018	847,697	22,774	1,409,489
2018	5,632,961	1,566,633	7,199,594	519,359	816,779	32,649	1,368,787
2019	5,405,972	2,063,607	7,469,579	498,431	783,866	43,077	1,325,374
2020	5,031,290	2,718,398	7,749,688	463,885	729,537	56,911	1,250,333
2021	4,668,609	3,371,692	8,040,301	430,446	676,948	70,910	1,178,304
2022	4,255,705	4,086,107	8,341,812	392,376	617,077	86,535	1,095,988
2023	3,872,560	4,782,070	8,654,630	357,050	561,521	102,015	1,020,586
2024	3,467,428	5,511,751	8,979,179	319,697	502,777	119,026	941,500
2025	3,010,245	6,305,653	9,315,898	277,545	436,485	137,893	851,923
2026	2,690,961	6,974,283	9,665,244	248,107	390,189	155,246	793,542
2027	2,356,708	7,670,983	10,027,691	217,288	341,723	174,195	733,206
2028	2,122,045	8,281,684	10,403,729	195,653	307,697	192,552	695,902
2029	1,972,626	8,821,243	10,793,869	181,876	286,031	210,939	678,846
2030	1,821,472	9,377,167	11,198,639	167,940	264,113	231,358	663,411
2031	1,635,592	9,982,996	11,618,588	150,802	237,161	254,639	642,602
2032	1,536,098	10,518,187	12,054,285	141,628	222,734	278,212	642,574
2033	1,492,121	11,014,200	12,506,321	137,574	216,357	302,941	656,872
2034	1,372,170	11,603,138	12,975,308	126,514	198,965	331,655	657,134
2035	1,245,874	12,216,008	13,461,882	114,870	180,652	360,694	656,216
2036	1,165,168	12,801,535	13,966,703	107,428	168,949	390,620	666,997
2037	992,418	13,498,036	14,490,454	91,501	143,901	423,823	659,225
2038	821,473	14,212,373	15,033,846	75,740	119,114	455,600	650,454
2039	743,670	14,853,945	15,597,615	68,566	107,832	486,469	662,867
2040	593,998	15,588,528	16,182,526	54,767	86,130	518,852	659,749
2041	368,139	16,421,232	16,789,371	33,942	53,380	551,633	638,955
2042	234,204	17,184,768	17,418,972	21,594	33,960	580,193	635,747
2043	163,608	17,908,575	18,072,183	15,085	23,723	608,630	647,438
2044	54,572	18,695,318	18,749,890	5,032	7,913	635,851	648,796
2045	-	19,453,011	19,453,011	-	-	660,463	660,463
2046	-	20,182,499	20,182,499	-	-	683,172	683,172
2047	-	20,939,343	20,939,343	-	-	706,839	706,839
2048	-	21,724,568	21,724,568	-	-	730,947	730,947
2049	-	22,539,239	22,539,239	-	-	755,694	755,694
2050	-	23,384,460	23,384,460	-	-	782,135	782,135
2051	-	24,261,377	24,261,377	-	-	809,518	809,518
2052	-	25,171,179	25,171,179	-	-	839,529	839,529
2053	-	26,115,098	26,115,098	-	-	870,781	870,781
2054	-	27,094,414	27,094,414	-	-	905,033	905,033
2055	-	28,110,455	28,110,455	-	-	940,529	940,529
2056	-	29,164,597	29,164,597	-	-	977,868	977,868
2057	-	30,258,269	30,258,269	-	-	1,017,600	1,017,600
2058	-	31,392,954	31,392,954	-	-	1,058,873	1,058,873
2059	-	32,570,190	32,570,190	-	-	1,101,473	1,101,473
2060	-	33,791,572	33,791,572	-	-	1,145,255	1,145,255
2061	-	35,058,756	35,058,756	-	-	1,189,465	1,189,465
2062	-	36,373,459	36,373,459	-	-	1,234,770	1,234,770
2063	-	37,737,464	37,737,464	-	-	1,281,406	1,281,406

**SINGLE DISCOUNT RATE DEVELOPMENT PROJECTION
OF CONTRIBUTIONS ENDING DECEMBER 31 FOR 2064 TO 2113**

Year	Payroll for	Payroll for Future	Total Employee	Contributions from	Employer	Employer	Total
	Current Employees	Employees	Payroll	Current Employees	Contributions for	Contributions	Contributions
	(a)	(b)=max(0,(c)-(a))	(c)	(d)	Current	Related to Payroll	(g)=(d)+(e)+(f)
					Employees	of Future	
					(e)=(a)*ER%	Employees	
						(f) = (b)*netER%	
2064	\$ -	\$ 39,152,619	\$ 39,152,619	\$ -	\$ -	\$ 1,329,290	\$ 1,329,290
2065	-	40,620,842	40,620,842	-	-	1,378,074	1,378,074
2066	-	42,144,124	42,144,124	-	-	1,428,707	1,428,707
2067	-	43,724,529	43,724,529	-	-	1,481,263	1,481,263
2068	-	45,364,199	45,364,199	-	-	1,535,286	1,535,286
2069	-	47,065,356	47,065,356	-	-	1,591,952	1,591,952
2070	-	48,830,307	48,830,307	-	-	1,650,933	1,650,933
2071	-	50,661,444	50,661,444	-	-	1,711,973	1,711,973
2072	-	52,561,248	52,561,248	-	-	1,775,132	1,775,132
2073	-	54,532,295	54,532,295	-	-	1,841,705	1,841,705
2074	-	56,577,256	56,577,256	-	-	1,910,840	1,910,840
2075	-	58,698,903	58,698,903	-	-	1,982,370	1,982,370
2076	-	60,900,112	60,900,112	-	-	2,056,940	2,056,940
2077	-	63,183,866	63,183,866	-	-	2,134,289	2,134,289
2078	-	65,553,261	65,553,261	-	-	2,214,458	2,214,458
2079	-	68,011,508	68,011,508	-	-	2,297,391	2,297,391
2080	-	70,561,940	70,561,940	-	-	2,383,535	2,383,535
2081	-	73,208,013	73,208,013	-	-	2,472,880	2,472,880
2082	-	75,953,313	75,953,313	-	-	2,565,711	2,565,711
2083	-	78,801,562	78,801,562	-	-	2,662,185	2,662,185
2084	-	81,756,621	81,756,621	-	-	2,762,336	2,762,336
2085	-	84,822,494	84,822,494	-	-	2,866,376	2,866,376
2086	-	88,003,338	88,003,338	-	-	2,974,316	2,974,316
2087	-	91,303,463	91,303,463	-	-	3,086,289	3,086,289
2088	-	94,727,343	94,727,343	-	-	3,202,446	3,202,446
2089	-	98,279,618	98,279,618	-	-	3,322,776	3,322,776
2090	-	101,965,104	101,965,104	-	-	3,447,535	3,447,535
2091	-	105,788,795	105,788,795	-	-	3,576,740	3,576,740
2092	-	109,755,875	109,755,875	-	-	3,710,714	3,710,714
2093	-	113,871,720	113,871,720	-	-	3,849,606	3,849,606
2094	-	118,141,910	118,141,910	-	-	3,993,639	3,993,639
2095	-	122,572,232	122,572,232	-	-	4,143,063	4,143,063
2096	-	127,168,691	127,168,691	-	-	4,298,040	4,298,040
2097	-	131,937,517	131,937,517	-	-	4,458,941	4,458,941
2098	-	136,885,174	136,885,174	-	-	4,625,888	4,625,888
2099	-	142,018,368	142,018,368	-	-	4,799,244	4,799,244
2100	-	147,344,057	147,344,057	-	-	4,979,201	4,979,201
2101	-	152,869,459	152,869,459	-	-	5,166,006	5,166,006
2102	-	158,602,064	158,602,064	-	-	5,359,845	5,359,845
2103	-	164,549,641	164,549,641	-	-	5,560,977	5,560,977
2104	-	170,720,253	170,720,253	-	-	5,769,726	5,769,726
2105	-	177,122,262	177,122,262	-	-	5,986,222	5,986,222
2106	-	183,764,347	183,764,347	-	-	6,210,799	6,210,799
2107	-	190,655,510	190,655,510	-	-	6,443,755	6,443,755
2108	-	197,805,092	197,805,092	-	-	6,685,395	6,685,395
2109	-	205,222,783	205,222,783	-	-	6,936,059	6,936,059
2110	-	212,918,637	212,918,637	-	-	7,196,095	7,196,095
2111	-	220,903,086	220,903,086	-	-	7,465,914	7,465,914
2112	-	229,186,952	229,186,952	-	-	7,745,859	7,745,859
2113	-	237,781,463	237,781,463	-	-	8,036,342	8,036,342

**SINGLE DISCOUNT RATE DEVELOPMENT PROJECTION
OF PLAN FIDUCIARY NET POSITION ENDING DECEMBER 31 FOR 2014 TO 2063**

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expenses	Projected Investment Earnings at 7.750%	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)	(f)=(a)+(b)-(c)-(d)+(e)
2014	\$ 21,130,312	\$ 1,499,429	\$ 775,805	\$ 17,361	\$ 1,038,134	\$ 22,874,709
2015	22,874,709	1,447,508	842,881	17,406	1,795,120	25,257,050
2016	25,257,050	1,437,180	939,867	17,972	1,975,649	27,712,041
2017	27,712,041	1,409,489	1,073,970	18,556	2,159,736	30,188,740
2018	30,188,740	1,368,787	1,237,324	19,159	2,343,898	32,644,943
2019	32,644,943	1,325,374	1,422,901	19,782	2,525,522	35,053,155
2020	35,053,155	1,250,333	1,685,313	20,425	2,699,302	37,297,052
2021	37,297,052	1,178,304	1,929,136	21,089	2,861,168	39,386,298
2022	39,386,298	1,095,988	2,197,645	21,774	3,009,717	41,272,585
2023	41,272,585	1,020,586	2,435,155	22,482	3,143,979	42,979,512
2024	42,979,512	941,500	2,679,825	23,213	3,263,926	44,481,901
2025	44,481,901	851,923	2,939,840	23,967	3,367,039	45,737,055
2026	45,737,055	793,542	3,128,652	24,746	3,454,884	46,832,082
2027	46,832,082	733,206	3,312,060	25,550	3,530,449	47,758,127
2028	47,758,127	695,902	3,417,793	26,380	3,596,746	48,606,602
2029	48,606,602	678,846	3,468,350	27,237	3,659,900	49,449,761
2030	49,449,761	663,411	3,516,718	28,122	3,722,784	50,291,116
2031	50,291,116	642,602	3,572,000	29,036	3,785,061	51,117,743
2032	51,117,743	642,574	3,571,805	29,980	3,849,095	52,007,628
2033	52,007,628	656,872	3,537,012	30,954	3,919,891	53,016,424
2034	53,016,424	657,134	3,542,456	31,960	3,997,837	54,096,980
2035	54,096,980	656,216	3,542,840	32,999	4,081,491	55,258,848
2036	55,258,848	666,997	3,508,261	34,071	4,173,220	56,556,734
2037	56,556,734	659,225	3,523,361	35,178	4,272,895	57,930,315
2038	57,930,315	650,454	3,526,861	36,321	4,378,837	59,396,424
2039	59,396,424	662,867	3,468,457	37,501	4,495,109	61,048,441
2040	61,048,441	659,749	3,447,541	38,720	4,623,771	62,845,700
2041	62,845,700	638,955	3,463,246	39,978	4,761,622	64,743,053
2042	64,743,053	635,747	3,410,442	41,277	4,910,504	66,837,585
2043	66,837,585	647,438	3,309,612	42,619	5,077,058	69,209,849
2044	69,209,849	648,796	3,224,978	44,004	5,264,126	71,853,788
2045	71,853,788	660,463	3,096,560	45,434	5,474,303	74,846,560
2046	74,846,560	683,172	2,925,830	46,911	5,713,543	78,270,534
2047	78,270,534	706,839	2,753,727	48,436	5,986,288	82,161,498
2048	82,161,498	730,947	2,581,749	50,010	6,295,234	86,555,920
2049	86,555,920	755,694	2,411,497	51,635	6,643,155	91,491,637
2050	91,491,637	782,135	2,244,571	53,313	7,032,962	97,008,850
2051	97,008,850	809,518	2,082,550	55,046	7,467,683	103,148,456
2052	103,148,456	839,529	1,926,846	56,835	7,950,497	109,954,800
2053	109,954,800	870,781	1,778,490	58,682	8,484,748	117,473,157
2054	117,473,157	905,033	1,638,241	60,589	9,073,984	125,753,344
2055	125,753,344	940,529	1,506,416	62,558	9,721,986	134,846,885
2056	134,846,885	977,868	1,382,919	64,591	10,432,775	144,810,018
2057	144,810,018	1,017,600	1,267,230	66,690	11,210,748	155,704,446
2058	155,704,446	1,058,873	1,158,667	68,857	12,060,681	167,596,477
2059	167,596,477	1,101,473	1,056,178	71,095	12,987,746	180,558,422
2060	180,558,422	1,145,255	958,645	73,406	13,997,582	194,669,208
2061	194,669,208	1,189,465	865,361	75,792	15,096,306	210,013,827
2062	210,013,827	1,234,770	775,926	78,255	16,290,544	226,684,960
2063	226,684,960	1,281,406	690,302	80,798	17,587,490	244,782,755

**SINGLE DISCOUNT RATE DEVELOPMENT PROJECTION
OF PLAN FIDUCIARY NET POSITION ENDING DECEMBER 31 FOR 2014 TO 2063**

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expenses	Projected Investment Earnings at 7.750%	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)	(f)=(a)+(b)-(c)-(d)+(e)
2064	\$ 244,782,755	\$ 1,329,290	\$ 608,762	\$ 83,424	\$ 18,994,891	\$ 264,414,750
2065	264,414,750	1,378,074	531,664	86,135	20,521,054	285,696,079
2066	285,696,079	1,428,707	459,311	88,934	22,174,927	308,751,469
2067	308,751,469	1,481,263	392,251	91,824	23,966,159	333,714,815
2068	333,714,815	1,535,286	330,978	94,808	25,905,089	360,729,405
2069	360,729,405	1,591,952	275,712	97,889	28,002,859	389,950,615
2070	389,950,615	1,650,933	226,595	101,070	30,271,493	421,545,376
2071	421,545,376	1,711,973	183,692	104,355	32,723,914	455,693,217
2072	455,693,217	1,775,132	146,886	107,747	35,374,044	492,587,760
2073	492,587,760	1,841,705	115,862	111,249	38,236,950	532,439,304
2074	532,439,304	1,910,840	90,156	114,865	41,328,913	575,474,037
2075	575,474,037	1,982,370	69,206	118,598	44,667,480	621,936,082
2076	621,936,082	2,056,940	52,462	122,452	48,271,614	672,089,722
2077	672,089,722	2,134,289	39,285	126,432	52,161,812	726,220,106
2078	726,220,106	2,214,458	29,022	130,541	56,360,200	784,635,201
2079	784,635,201	2,297,391	21,146	134,784	60,890,661	847,667,324
2080	847,667,324	2,383,535	15,180	139,164	65,778,987	915,675,502
2081	915,675,502	2,472,880	10,718	143,687	71,053,016	989,046,992
2082	989,046,992	2,565,711	7,447	148,357	76,742,783	1,068,199,683
2083	1,068,199,683	2,662,185	5,107	153,179	82,880,691	1,153,584,273
2084	1,153,584,273	2,762,336	3,459	158,157	89,501,679	1,245,686,671
2085	1,245,686,671	2,866,376	2,303	163,297	96,643,419	1,345,030,866
2086	1,345,030,866	2,974,316	1,511	168,604	104,346,527	1,452,181,595
2087	1,452,181,595	3,086,289	988	174,084	112,654,778	1,567,747,590
2088	1,567,747,590	3,202,446	628	179,742	121,615,359	1,692,385,025
2089	1,692,385,025	3,322,776	382	185,584	131,279,123	1,826,800,958
2090	1,826,800,958	3,447,535	234	191,615	141,700,878	1,971,757,522
2091	1,971,757,522	3,576,740	146	197,842	152,939,692	2,128,075,965
2092	2,128,075,965	3,710,714	87	204,272	165,059,223	2,296,641,544
2093	2,296,641,544	3,849,606	52	210,911	178,128,086	2,478,408,273
2094	2,478,408,273	3,993,639	29	217,766	192,220,225	2,674,404,343
2095	2,674,404,343	4,143,063	9	224,843	207,415,334	2,885,737,889
2096	2,885,737,889	4,298,040	-	232,150	223,799,300	3,113,603,079
2097	3,113,603,079	4,458,941	-	239,695	241,464,684	3,359,287,008
2098	3,359,287,008	4,625,888	-	247,485	260,511,241	3,624,176,652
2099	3,624,176,652	4,799,244	-	255,528	281,046,474	3,909,766,842
2100	3,909,766,842	4,979,201	-	263,833	303,186,241	4,217,668,452
2101	4,217,668,452	5,166,006	-	272,408	327,055,394	4,549,617,443
2102	4,549,617,443	5,359,845	-	281,261	352,788,475	4,907,484,502
2103	4,907,484,502	5,560,977	-	290,402	380,530,473	5,293,285,550
2104	5,293,285,550	5,769,726	-	299,840	410,437,633	5,709,193,070
2105	5,709,193,070	5,986,222	-	309,585	442,678,328	6,157,548,035
2106	6,157,548,035	6,210,799	-	319,647	477,433,995	6,640,873,182
2107	6,640,873,182	6,443,755	-	330,036	514,900,158	7,161,887,059
2108	7,161,887,059	6,685,395	-	340,762	555,287,514	7,723,519,206
2109	7,723,519,206	6,936,059	-	351,837	598,823,117	8,328,926,545
2110	8,328,926,545	7,196,095	-	363,272	645,751,639	8,981,511,007
2111	8,981,511,007	7,465,914	-	375,078	696,336,746	9,684,938,589
2112	9,684,938,589	7,745,859	-	387,268	750,862,566	10,443,159,745
2113	10,443,159,745	8,036,342	-	399,854	809,635,273	11,260,431,506

**SINGLE DISCOUNT RATE DEVELOPMENT PRESENT VALUES
OF PROJECTED BENEFITS ENDING DECEMBER 31 FOR 2014 TO 2063**

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Projected Benefit Payments	Unfunded Portion of Projected Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of All Benefit Payments using Single Discount Rate (SDR)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v^(a)-.5)	(g)=(e)*vf^(a)-.5)	(h)=(c)/(1+SDR)^(a)-.5)
2014	\$ 21,130,312	\$ 775,805	\$ 775,805	\$ -	\$ 747,384	\$ -	\$ 747,384
2015	22,874,709	842,881	842,881	-	753,599	-	753,599
2016	25,257,050	939,867	939,867	-	779,872	-	779,872
2017	27,712,041	1,073,970	1,073,970	-	827,050	-	827,050
2018	30,188,740	1,237,324	1,237,324	-	884,312	-	884,312
2019	32,644,943	1,422,901	1,422,901	-	943,799	-	943,799
2020	35,053,155	1,685,313	1,685,313	-	1,037,453	-	1,037,453
2021	37,297,052	1,929,136	1,929,136	-	1,102,131	-	1,102,131
2022	39,386,298	2,197,645	2,197,645	-	1,165,227	-	1,165,227
2023	41,272,585	2,435,155	2,435,155	-	1,198,292	-	1,198,292
2024	42,979,512	2,679,825	2,679,825	-	1,223,841	-	1,223,841
2025	44,481,901	2,939,840	2,939,840	-	1,246,020	-	1,246,020
2026	45,737,055	3,128,652	3,128,652	-	1,230,669	-	1,230,669
2027	46,832,082	3,312,060	3,312,060	-	1,209,108	-	1,209,108
2028	47,758,127	3,417,793	3,417,793	-	1,157,964	-	1,157,964
2029	48,606,602	3,468,350	3,468,350	-	1,090,574	-	1,090,574
2030	49,449,761	3,516,718	3,516,718	-	1,026,248	-	1,026,248
2031	50,291,116	3,572,000	3,572,000	-	967,407	-	967,407
2032	51,117,743	3,571,805	3,571,805	-	897,776	-	897,776
2033	52,007,628	3,537,012	3,537,012	-	825,087	-	825,087
2034	53,016,424	3,542,456	3,542,456	-	766,920	-	766,920
2035	54,096,980	3,542,840	3,542,840	-	711,836	-	711,836
2036	55,258,848	3,508,261	3,508,261	-	654,189	-	654,189
2037	56,556,734	3,523,361	3,523,361	-	609,749	-	609,749
2038	57,930,315	3,526,861	3,526,861	-	566,455	-	566,455
2039	59,396,424	3,468,457	3,468,457	-	517,006	-	517,006
2040	61,048,441	3,447,541	3,447,541	-	476,927	-	476,927
2041	62,845,700	3,463,246	3,463,246	-	444,640	-	444,640
2042	64,743,053	3,410,442	3,410,442	-	406,367	-	406,367
2043	66,837,585	3,309,612	3,309,612	-	365,988	-	365,988
2044	69,209,849	3,224,978	3,224,978	-	330,978	-	330,978
2045	71,853,788	3,096,560	3,096,560	-	294,941	-	294,941
2046	74,846,560	2,925,830	2,925,830	-	258,635	-	258,635
2047	78,270,534	2,753,727	2,753,727	-	225,913	-	225,913
2048	82,161,498	2,581,749	2,581,749	-	196,570	-	196,570
2049	86,555,920	2,411,497	2,411,497	-	170,401	-	170,401
2050	91,491,637	2,244,571	2,244,571	-	147,198	-	147,198
2051	97,008,850	2,082,550	2,082,550	-	126,750	-	126,750
2052	103,148,456	1,926,846	1,926,846	-	108,838	-	108,838
2053	109,954,800	1,778,490	1,778,490	-	93,233	-	93,233
2054	117,473,157	1,638,241	1,638,241	-	79,704	-	79,704
2055	125,753,344	1,506,416	1,506,416	-	68,019	-	68,019
2056	134,846,885	1,382,919	1,382,919	-	57,951	-	57,951
2057	144,810,018	1,267,230	1,267,230	-	49,284	-	49,284
2058	155,704,446	1,158,667	1,158,667	-	41,821	-	41,821
2059	167,596,477	1,056,178	1,056,178	-	35,379	-	35,379
2060	180,558,422	958,645	958,645	-	29,803	-	29,803
2061	194,669,208	865,361	865,361	-	24,968	-	24,968
2062	210,013,827	775,926	775,926	-	20,777	-	20,777
2063	226,684,960	690,302	690,302	-	17,155	-	17,155

**SINGLE DISCOUNT RATE DEVELOPMENT PRESENT VALUES
OF PROJECTED BENEFITS ENDING DECEMBER 31 FOR 2064 TO 2113 (CONCLUDED)**

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Projected Benefit Payments	Unfunded Portion of Projected Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of All Benefit Payments using Single Discount Rate (SDR)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v ^a ((a)-.5)	(g)=(e)*vf ^a ((a)-.5)	(h)=(c)/(1+SDR) ^a (a-.5)
2064	\$ 244,782,755	\$ 608,762	\$ 608,762	\$ -	\$ 14,040	\$ -	\$ 14,040
2065	264,414,750	531,664	531,664	-	11,380	-	11,380
2066	285,696,079	459,311	459,311	-	9,124	-	9,124
2067	308,751,469	392,251	392,251	-	7,232	-	7,232
2068	333,714,815	330,978	330,978	-	5,663	-	5,663
2069	360,729,405	275,712	275,712	-	4,378	-	4,378
2070	389,950,615	226,595	226,595	-	3,339	-	3,339
2071	421,545,376	183,692	183,692	-	2,512	-	2,512
2072	455,693,217	146,886	146,886	-	1,865	-	1,865
2073	492,587,760	115,862	115,862	-	1,365	-	1,365
2074	532,439,304	90,156	90,156	-	986	-	986
2075	575,474,037	69,206	69,206	-	702	-	702
2076	621,936,082	52,462	52,462	-	494	-	494
2077	672,089,722	39,285	39,285	-	343	-	343
2078	726,220,106	29,022	29,022	-	235	-	235
2079	784,635,201	21,146	21,146	-	159	-	159
2080	847,667,324	15,180	15,180	-	106	-	106
2081	915,675,502	10,718	10,718	-	69	-	69
2082	989,046,992	7,447	7,447	-	45	-	45
2083	1,068,199,683	5,107	5,107	-	29	-	29
2084	1,153,584,273	3,459	3,459	-	18	-	18
2085	1,245,686,671	2,303	2,303	-	11	-	11
2086	1,345,030,866	1,511	1,511	-	7	-	7
2087	1,452,181,595	988	988	-	4	-	4
2088	1,567,747,590	628	628	-	2	-	2
2089	1,692,385,025	382	382	-	1	-	1
2090	1,826,800,958	234	234	-	1	-	1
2091	1,971,757,522	146	146	-	0	-	0
2092	2,128,075,965	87	87	-	0	-	0
2093	2,296,641,544	52	52	-	0	-	0
2094	2,478,408,273	29	29	-	0	-	0
2095	2,674,404,343	9	9	-	0	-	0
2096	2,885,737,889	-	-	-	-	-	-
2097	3,113,603,079	-	-	-	-	-	-
2098	3,359,287,008	-	-	-	-	-	-
2099	3,624,176,652	-	-	-	-	-	-
2100	3,909,766,842	-	-	-	-	-	-
2101	4,217,668,452	-	-	-	-	-	-
2102	4,549,617,443	-	-	-	-	-	-
2103	4,907,484,502	-	-	-	-	-	-
2104	5,293,285,550	-	-	-	-	-	-
2105	5,709,193,070	-	-	-	-	-	-
2106	6,157,548,035	-	-	-	-	-	-
2107	6,640,873,182	-	-	-	-	-	-
2108	7,161,887,059	-	-	-	-	-	-
2109	7,723,519,206	-	-	-	-	-	-
2110	8,328,926,545	-	-	-	-	-	-
2111	8,981,511,007	-	-	-	-	-	-
2112	9,684,938,589	-	-	-	-	-	-
2113	10,443,159,745	-	-	-	-	-	-
Totals					\$ 28,276,320	\$ -	\$ 28,276,320

SECTION H

GLOSSARY OF TERMS

GLOSSARY OF TERMS

<i>Actuarial Accrued Liability (AAL)</i>	The AAL is the difference between the actuarial present value of all benefits and the actuarial value of future normal costs. The definition comes from the fundamental equation of funding which states that the present value of all benefits is the sum of the Actuarial Accrued Liability and the present value of future normal costs. The AAL may also be referred to as "accrued liability" or "actuarial liability."
<i>Actuarial Assumptions</i>	These assumptions are estimates of future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and compensation increases. Actuarial assumptions are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (compensation increases, payroll growth, inflation and investment return) consist of an underlying real rate of return plus an assumption for a long-term average rate of inflation.
<i>Accrued Service</i>	Service credited under the system which was rendered before the date of the actuarial valuation.
<i>Actuarial Equivalent</i>	A single amount or series of amounts of equal actuarial value to another single amount or series of amounts, computed on the basis of appropriate actuarial assumptions.
<i>Actuarial Cost Method</i>	A mathematical budgeting procedure for allocating the dollar amount of the actuarial present value of the pension trust benefits between future normal cost and actuarial accrued liability. The actuarial cost method may also be referred to as the actuarial funding method.
<i>Actuarial Gain (Loss)</i>	The difference in liabilities between actual experience and expected experience during the period between two actuarial valuations is the gain (loss) on the accrued liabilities.
<i>Actuarial Present Value (APV)</i>	The amount of funds currently required to provide a payment or series of payments in the future. The present value is determined by discounting future payments at predetermined rates of interest and probabilities of payment.
<i>Actuarial Valuation</i>	The actuarial valuation report determines, as of the actuarial valuation date, the service cost, total pension liability, and related actuarial present value of projected benefit payments for pensions.
<i>Actuarial Valuation Date</i>	The date as of which an actuarial valuation is performed.
<i>Actuarially Determined Contribution (ADC) or Annual Required Contribution (ARC)</i>	A calculated contribution into a defined benefit pension plan for the reporting period, most often determined based on the funding policy of the plan. Typically the Actuarially Determined Contribution has a normal cost payment and an amortization payment.

GLOSSARY OF TERMS

<i>Amortization Payment</i>	The amortization payment is the periodic payment required to pay off an interest-discounted amount with payments of interest and principal.
<i>Amortization Method</i>	The method used to determine the periodic amortization payment may be a level dollar amount, or a level percent of pay amount. The period will typically be expressed in years, and the method will either be “open” (meaning, reset each year) or “closed” (the number of years remaining will decline each year).
<i>Cost-of-Living Adjustments</i>	Postemployment benefit changes intended to adjust benefit payments for the effects of inflation.
<i>Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (cost-sharing pension plan)</i>	A multiple-employer defined benefit pension plan in which the pension obligations to the employees of more than one employer are pooled and pension plan assets can be used to pay the benefits of the employees of any employer that provides pensions through the pension plan.
<i>Covered-Employee Payroll</i>	The payroll of employees that are provided with pensions through the pension plan.
<i>Deferred Retirement Option Program (DROP)</i>	A program that permits a plan member to elect a calculation of benefit payments based on service credits and salary, as applicable, as of the DROP entry date. The plan member continues to provide service to the employer and is paid for the service by the employer after the DROP entry date; however, the pensions that would have been paid to the plan member are credited to an individual member account within the defined benefit pension plan until the end of the DROP period. Other variations for DROP exist and will be more fully detailed in the plan provision section of the valuation report.
<i>Deferred Inflows and Outflows</i>	The deferred inflows and outflows of pension resources are amounts used under GASB Statement No. 68 in developing the annual pension expense. Deferred inflows and outflows arise with differences between expected and actual experiences; changes of assumptions. The portion of these amounts not included in pension expense should be included in the deferred inflows or outflows of resources.
<i>Discount Rate</i>	For GASB purposes, the discount rate is the single rate of return that results in the present value of all projected benefit payments to be equal to the sum of the funded and unfunded projected benefit payments, specifically: <ol style="list-style-type: none"> 1. The benefit payments to be made while the pension plans’ fiduciary net position is projected to be greater than the benefit payments that are projected to be made in the period; and 2. The present value of the benefit payments not in (1) above, discounted using the municipal bond rate.

GLOSSARY OF TERMS

<i>Entry Age Actuarial Cost Method (EAN)</i>	The EAN is a cost method for allocating the costs of the plan between the normal cost and the accrued liability. The actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis (either level dollar or level percent of pay) over the earnings or service of the individual between entry age and assumed exit ages(s). The portion of the actuarial present value allocated to a valuation year is the normal cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is the actuarial accrued liability. The sum of the accrued liability plus the present value of all future normal costs is the present value of all benefits.
<i>GASB</i>	The Governmental Accounting Standards Board is an organization that exists in order to promulgate accounting standards for governmental entities.
<i>Fiduciary Net Position</i>	The fiduciary net position is the market value of the assets of the trust dedicated to the defined benefit provisions.
<i>Long-Term Expected Rate of Return</i>	The long-term rate of return is the expected return to be earned over the entire trust portfolio based on the asset allocation of the portfolio.
<i>Money-Weighted Rate of Return</i>	The money-weighted rate of return is a method of calculating the returns that adjusts for the changing amounts actually invested. For purposes of GASB Statement No. 67, money-weighted rate of return is calculated as the internal rate of return on pension plan investments, net of pension plan investment expense.
<i>Multiple-Employer Defined Benefit Pension Plan</i>	A multiple-employer plan is a defined benefit pension plan that is used to provide pensions to the employees of more than one employer.
<i>Municipal Bond Rate</i>	The Municipal Bond Rate is the discount rate to be used for those benefit payments that occur after the assets of the trust have been depleted.
<i>Net Pension Liability (NPL)</i>	The NPL is the liability of employers and non-employer contribution entities to plan members for benefits provided through a defined benefit pension plan.
<i>Non-Employer Contribution Entities</i>	Non-employer contribution entities are entities that make contributions to a pension plan that is used to provide pensions to the employees of other entities. For purposes of the GASB accounting statements, plan members are not considered non-employer contribution entities.
<i>Normal Cost</i>	The portion of the actuarial present value allocated to a valuation year is called the normal cost. For purposes of application to the requirements of this Statement, the term normal cost is the equivalent of service cost.

GLOSSARY OF TERMS

<i>Other Postemployment Benefits (OPEB)</i>	All postemployment benefits other than retirement income (such as death benefits, life insurance, disability, and long-term care) that are provided separately from a pension plan, as well as postemployment healthcare benefits regardless of the manner in which they are provided. Other post-employment benefits do not include termination benefits.
<i>Real Rate of Return</i>	The real rate of return is the rate of return on an investment after adjustment to eliminate inflation.
<i>Service Cost</i>	The service cost is the portion of the actuarial present value of projected benefit payments that is attributed to a valuation year.
<i>Total Pension Expense</i>	The total pension expense is the sum of the following items that are recognized at the end of the employer’s fiscal year: <ol style="list-style-type: none"> 1. Service Cost 2. Interest on the Total Pension Liability 3. Current-Period Benefit Changes 4. Employee Contributions (made negative for addition here) 5. Projected Earnings on Plan Investments (made negative for addition here) 6. Pension Plan Administrative Expense 7. Other Changes in Plan Fiduciary Net Position 8. Recognition of Outflow (Inflow) of Resources due to Liabilities 9. Recognition of Outflow (Inflow) of Resources due to Assets
<i>Total Pension Liability (TPL)</i>	The TPL is the portion of the actuarial present value of projected benefit payments that is attributed to past periods of member service.
<i>Unfunded Actuarial Accrued Liability (UAAL)</i>	The UAAL is the difference between actuarial accrued liability and valuation assets.
<i>Valuation Assets</i>	The valuation assets are the assets used in determining the unfunded liability of the plan. For purposes of GASB Statement Nos. 67 and 68, the valuation assets are equal to the market value of assets.