



Wyoming Retirement System

Partnering to Build Financial Security for Members and their Families

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SF0047 Law Enforcement retirement - contributions

Summary: This proposal increases employee contributions in the Law Enforcement Plan.

Position: WRS supports the proposal

Highlights:

- Employee and Employer contributions increase by 1.8% each per year over three years (total of 5.4%). Employers may subsidize all or part of the employee contribution. For State of Wyoming employees (mostly corrections officers and patrol dispatchers), the bill provides an appropriation sufficient to pay the employer share, but not to subsidize the employee share.
- The rate increase would produce about \$10 million per year in additional plan revenue.
- The bill changes the spousal death benefit from 62.5% to 90% of final wage.

Rationale: The increase is calculated by WRS actuaries as what is necessary to place the plan on a modest growth path towards full funding.

Facts Bearing on the Situation:

- The Law Enforcement plan covers city police, county sheriffs, state corrections officers and 911 dispatchers. There are 2,524 active members, 1,435 retirees and 172 beneficiaries. The State of Wyoming is the largest single employer with 571 active members, but the overall plan is 77% local government.
- The present statutory total rate of 17.20% is unchanged since 2002.
- At present, the plan is modestly well-funded with a funding ratio of 84.3%.
- However, the plan is projected to decline, potentially dropping to 55.5% in 30 years. The bill addresses this, placing the plan on a modest growth path.

Projected Funding Ratio

