



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

# SUMMARY REPORT 2024



## Overview and Introduction

Since 1953, the Wyoming Retirement System (WRS) has provided retirement benefits to public employees in Wyoming. Today, WRS is a \$10 billion fund with more than 82,000 active members and beneficiaries. The pension system is administered by an 11-member Board that is legally required to act in the best interest of the members of WRS. This report provides an overview of the Wyoming Retirement System's membership, funding, economic impact, investments, and governance.

In 2023, WRS paid nearly \$800 million in pension benefits, a pace of about \$66 million per month. While WRS has retirees across the globe, 78% of these payments go to Wyoming zip codes, stabilizing our members' families and communities. This is achieved with remarkable value to the taxpayer. Only 32% of the benefits paid come from contributions from the employee or the employer, while 68% comes from investment earnings.

Investment markets recovered in 2023 and WRS posted an investment gain of 13.84% for the year. Easing supply chain impacts, strong employment and the pause in interest rate increases drove good returns in most asset classes. Global political tensions, including the war in Ukraine and tensions with China temper our expectations going forward. For the year, the WRS investment team surpassed their strategic benchmark by 1.49% and ranked in the 11th percentile amongst peer funds.

WRS remains committed to ensuring we can deliver on the retirement promises made to our members. We hope this summary report is useful to our stakeholders. More information is available on our website located at [retirement.wyo.gov](https://retirement.wyo.gov).

## **Mission**

The Wyoming Retirement System's mission is to provide expert administration and responsible investment of Wyoming's public retirement and supplemental savings programs.

## **Vision**

Partnering to Build Financial Security for Members and their Families

## **Values**

### **Integrity**

The quality of being honest and having strong moral principles; moral uprightness.

### **Accountability**

The fact or condition of being accountable; responsibility.

### **Commitment**

The state or quality of being dedicated to a cause or activity.

### **Excellence**

The quality of being very good, best of its kind, or eminently good.

## **Who We Serve**

WRS administers eight pension plans and a 457(b) supplemental retirement savings plan. The majority of WRS members are in the Public Employee Pension Plan. Smaller plans serve Wyoming judges and public safety professionals, as those occupations necessitate a unique benefit structure.

WRS also administers a pension plan for volunteer firefighters, volunteer emergency medical technicians, and volunteer search and rescue personnel.

Because so many employers in Wyoming participate in our pension plans, members have some pension portability. For example, a member could move from employment with a school district to a state agency without interrupting the accumulation of pension benefits. Overall, WRS services 114,000+ accounts.

## **Employers**

As of January 2024, WRS serves more than 660 employers and their 41,000+ current employees. The employers that participate in WRS range from small to large agencies. Wyoming school districts are the largest category of employers, followed by state government agencies.

A retirement benefit is an important tool employers use to recruit and retain a qualified workforce. About eighty-four percent (84%) of actively employed WRS members surveyed in 2022 said the pension is "Mostly Important" or "Very Important" in keeping them in their current employment.

A retirement benefit is a part of the total compensation determined by each employer. In addition to the required employer contribution, employers have the flexibility to pay for some of the contributions required for employees according to the employer's specific compensation arrangements. Disability and death benefits, also important for human resource management, are included within each pension plan.

**916**

Retirees over age 90

**25**

Retirees over age 100

**1971**

Retirement year of longest paid retiree

**108**

Age of oldest retiree

***Wherever you see public service in Wyoming, past or present, a WRS member is likely there.***

# Members

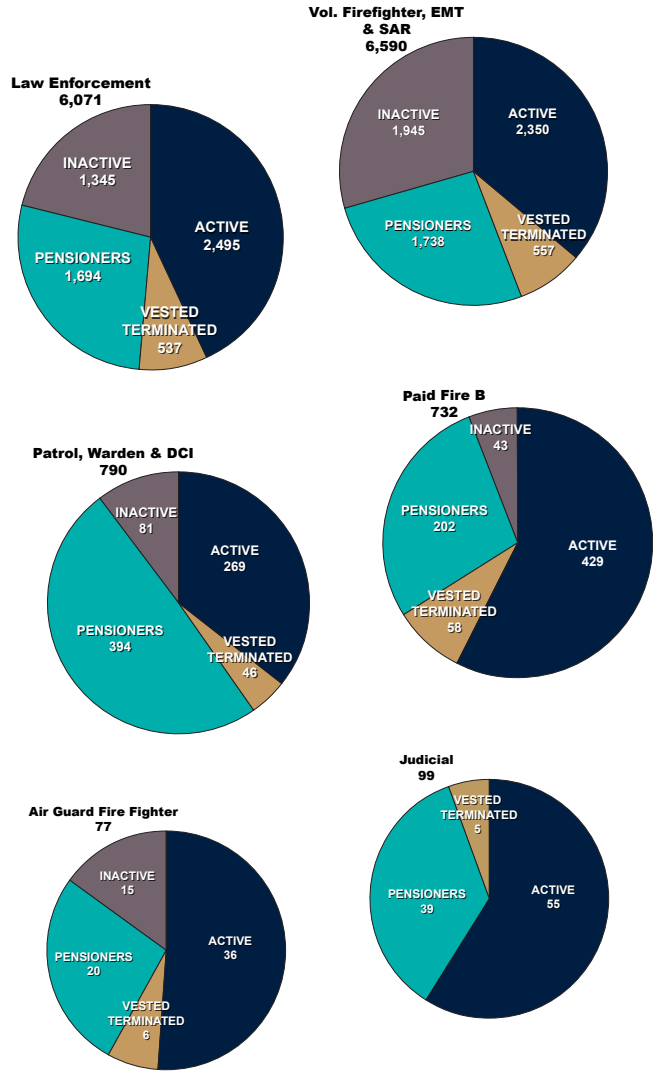
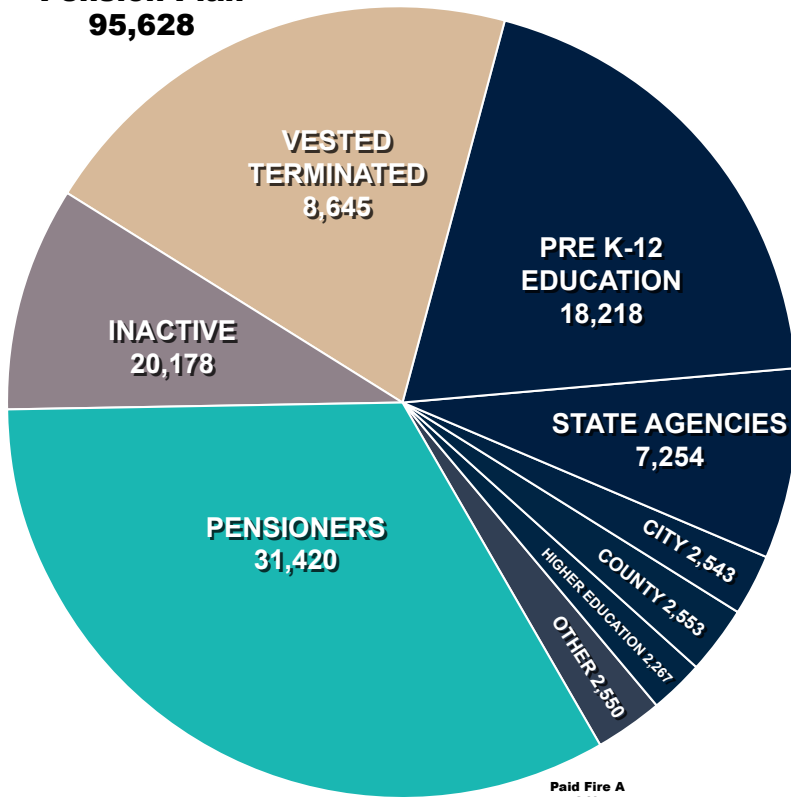
WRS membership includes active members, retirees, and their surviving pensioners, as well as terminated members who have left their contributions on deposit. More than eighty-six percent (86%) of the more than 41,000 active members are in the large Public Employee Plan. The remaining 14% are in one of the seven smaller judicial and public safety plans. Retiree and pensioner membership reflects similar proportions.

The State of Wyoming is the single largest employer, with about 20% of the active membership across all plans. However, pre-K-12 education is the single largest membership category, and their 18,218 active members are more than twice the number of state employees.

WRS members work in various public service occupations, including teachers, police officers, firefighters, public health professionals, game wardens, accountants, professors, and mechanics. WRS active members provide essential public services upon which we all depend. Retirees did the same while they were working and often still make important contributions to their communities.



**Public Employee Pension Plan**  
**95,628**



# Funding Status

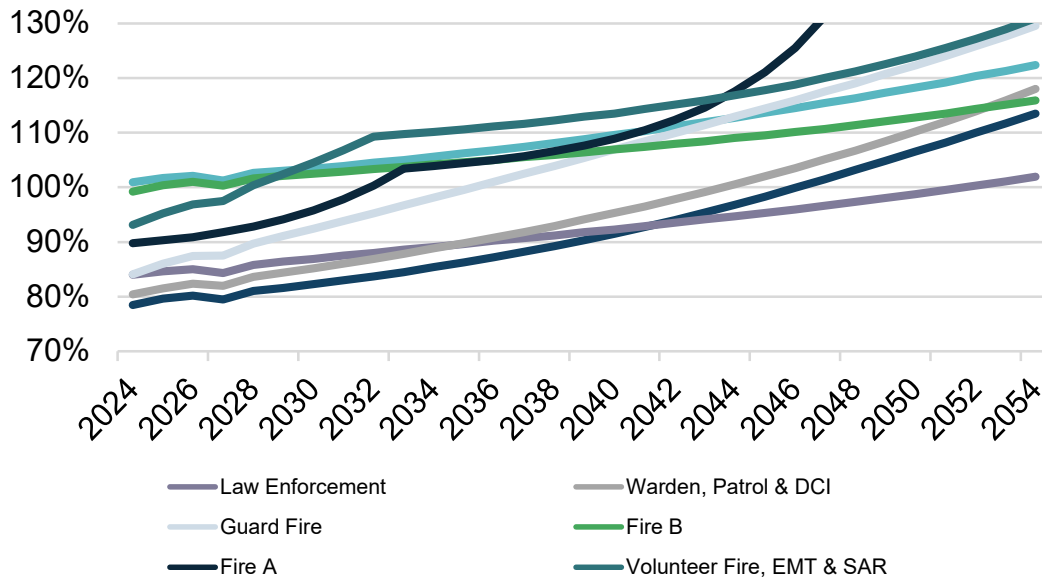
The WRS Board monitors funding status and has an actuarial study, or valuation report, done for each plan annually. The valuation report estimates the long-term liabilities based on assumptions about investment returns, inflation, future salary increases, member life spans, and other factors.

The funding ratio—assets of the plan divided by liabilities—is a key measure of a pension plan’s health. The funding ratio is most meaningful when viewed in the context of additional factors, such as the adequacy of incoming contributions, the financial health of member employers, investment strategy, the projected trend in funding status, and the realized accuracy of actuarial assumptions.

A current ratio below 100% does not necessarily indicate a funding problem as long as incoming contributions are adequate to meet projected future benefit payments. Over the past few years, changes were made to assumptions, benefits, and contributions to ensure the long-term health of several plans.

During the 2024 Legislative Session, WRS collaborated with state lawmakers to expedite the projected year of full funding for the Warden, Patrol and DCI, Judicial, and Law Enforcement Pension Plans by increasing contribution rates. Additionally, effective July 1, 2026, the funding policy for the Public Employee Plan will change from fixed contribution rates to an Actuarially Determined Contribution rate, pursuant to House Enrolled Act No. 41. Additional details about the contribution rate changes can be found on page six of this annual report.

## 30 Year Funding Projections



	Public Employee	Judicial	Law Enforcement	Warden, Patrol & DCI	Guard Fire	Fire B	Fire A	Volunteer Fire, EMT & SAR
<b>2024</b>	78.5%	100.9%	84.0%	80.4%	84.1%	99.2%	89.8%	93.1%
<b>2029</b>	81.6	103.0	86.4	84.4	91.1	102.1	94.1	102.4
<b>2034</b>	85.4	105.6	89.1	88.8	98.1	104.2	103.9	110.1
<b>2039</b>	90.3	108.8	91.8	94.1	105.4	106.4	107.6	112.9
<b>2044</b>	96.8	112.7	94.7	100.5	112.9	109.0	117.5	116.8
<b>2049</b>	104.8	117.3	98.0	108.4	120.7	112.1	148.1	122.5
<b>2054</b>	113.5	122.4	101.9	118.0	129.5	115.9	264.3	130.9

# Financial Summary for All Pension Plans Combined

WRS receives statutorily required incoming contributions from both employers and employees to pre-fund future pension benefit payments. This allows WRS to invest the contributions and increase assets available to pay benefits over the long term.

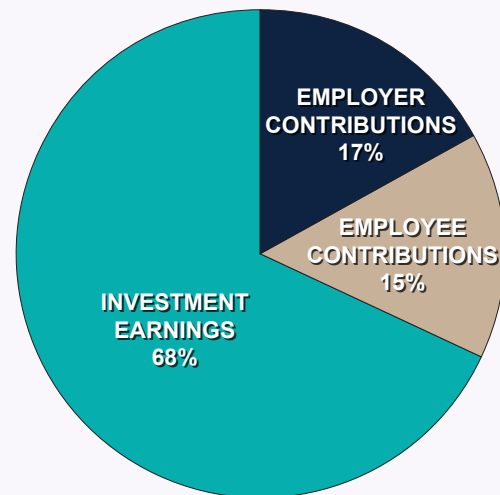
<b>Total 12/31/2023 Pension Fund Balance</b>	<b>\$10,813,503,710</b>
Employee Contributions	\$211,425,547
Employer Contributions	\$215,311,689
Other Contributions	\$21,770,937
Investment Gain/(Loss)	\$1,310,758,221
<b>Benefits Paid (Including Refunds)</b>	<b>\$799,736,388</b>

Each plan has a different contribution rate based on what is needed to fund promised benefits.

In aggregate, the pension plans paid out more in benefits in 2023 than were received in contributions, which is typical for a mature pre-funded pension plan. A well-funded plan will have a higher percentage of benefits paid from investment earnings.

## WRS Investments Pay 68% of the Cost of Plan Benefits

WRS pensions are “pre-funded.” This means that the system gathers contributions from both members and employers, which are then invested to generate income. This income is used to pay system benefits. Contributions are invested with a long-run strategy to generate investment earnings within risk tolerances established by the Board.



## Current Contribution Rates as of July 1, 2024

Plan	Employer Rate	Employee Rate	Total Rate
Public Employee	9.37%	9.25%	18.62%
Warden, Patrol, & DCI	18.92%	14.88%	33.80%
Law Enforcement	9.50%	9.50%	19.00%
Judicial	14.50%	11.47%	25.97%
Guard Firefighter	7.12%	16.65%	23.77%
Paid Fireman's B	16.00%	11.245%	27.245%
Volunteer Firefighter & EMT		\$18.75	
Search and Rescue		\$37.50	
Paid Fireman's A (Closed Plan)	Contributions suspended April of 1997		

# Contribution Rate Increases

The legislative session of 2024 was one of the most impactful in the history of the Retirement System. Contribution rates were appropriately adjusted in the Law Enforcement, Judicial and Warden, Patrol and DCI plans. The Legislature also passed HB0083, which establishes an administrative mechanism to adjust rates in the large Public Employee plan based on Actuarially Determined Contribution (ADC) calculations.

## Public Employee Plan (2024 HEA 0041)

The approved legislation introduces a systematic approach to adjust rates every two years based on the most recent ADC calculations. Contribution rates will now adjust once every two years, commencing on July 1st of even-numbered years. The new contribution rate will be effective July 1, 2026. The rates will stay in effect until July 1, 2028 and the rates moving forward will be informed by a similar process.



Governor Mark Gordon signs HB0083 during a ceremony on Friday, March 8, 2024.

***Changing rates in small increments sooner, rather than larger increments later improves plan funding and is more manageable for government budgets.***

## Warden, Patrol and DCI Pension Plan (2024 SEA 0014)

On July 1, 2024, employee contributions increased from 14.56% to 18.92% (+ 4.36%). However, employees only noticed a 0.39% increase. The bill provided that the employer subsidy of the employer contribution cover the remaining 3.97% .

Employee Contributions	Present	Future
Paid by Employer	11.92%	15.89%
<b>Paid by Employee</b>	<b>2.64%</b>	<b>3.03%</b>
Total Employee Rate	14.56%	18.92%

## Judicial Pension Plan (2024 SEA 0013)

On July 1, 2024, Employee contributions increased by 2.25%. However, employees only noticed a 0.35% increase. The bill provided that the employer subsidy of the employee contribution will cover the remaining 1.90%.

Employee Contributions	Present	Future
Paid by Employer	5.57%	7.47%
<b>Paid by Employee</b>	<b>3.65%</b>	<b>4.00%</b>
Total Employee Rate	9.22%	11.47%

## Law Enforcement Pension Plan - Three-year Program (2024 SEA 0050)

Employee and employer contributions will increase by 1.8% each per year over three years (total of 5.4%). Starting July 1, 2024, to June 30, 2025, the employer's contribution remains at 8.60%, and the employee starts contributing 0.90%, totaling 9.50% from both parties. This pattern will continue with gradual increases in employee contributions, reaching 2.70% by July 1, 2026, while the employer's contribution remains at 8.60%.

Employee Contributions	Present	7/1/24 - 6/30/25	7/1/24 - 6/30/25	7/1/24 - 6/30/25
Paid by Employer	8.60%	8.60%	8.60%	8.60%
<b>Paid by Employee</b>		<b>0.90%</b>	<b>1.80%</b>	<b>2.70%</b>
Total Employee	8.60%	9.50%	10.40%	11.30%

Employers may fund some or all of the required employee contributions.  
 \*8.60% "pickup" of employee contribution is for the State of Wyoming only. Local employers make their own decisions

## Economic Impact

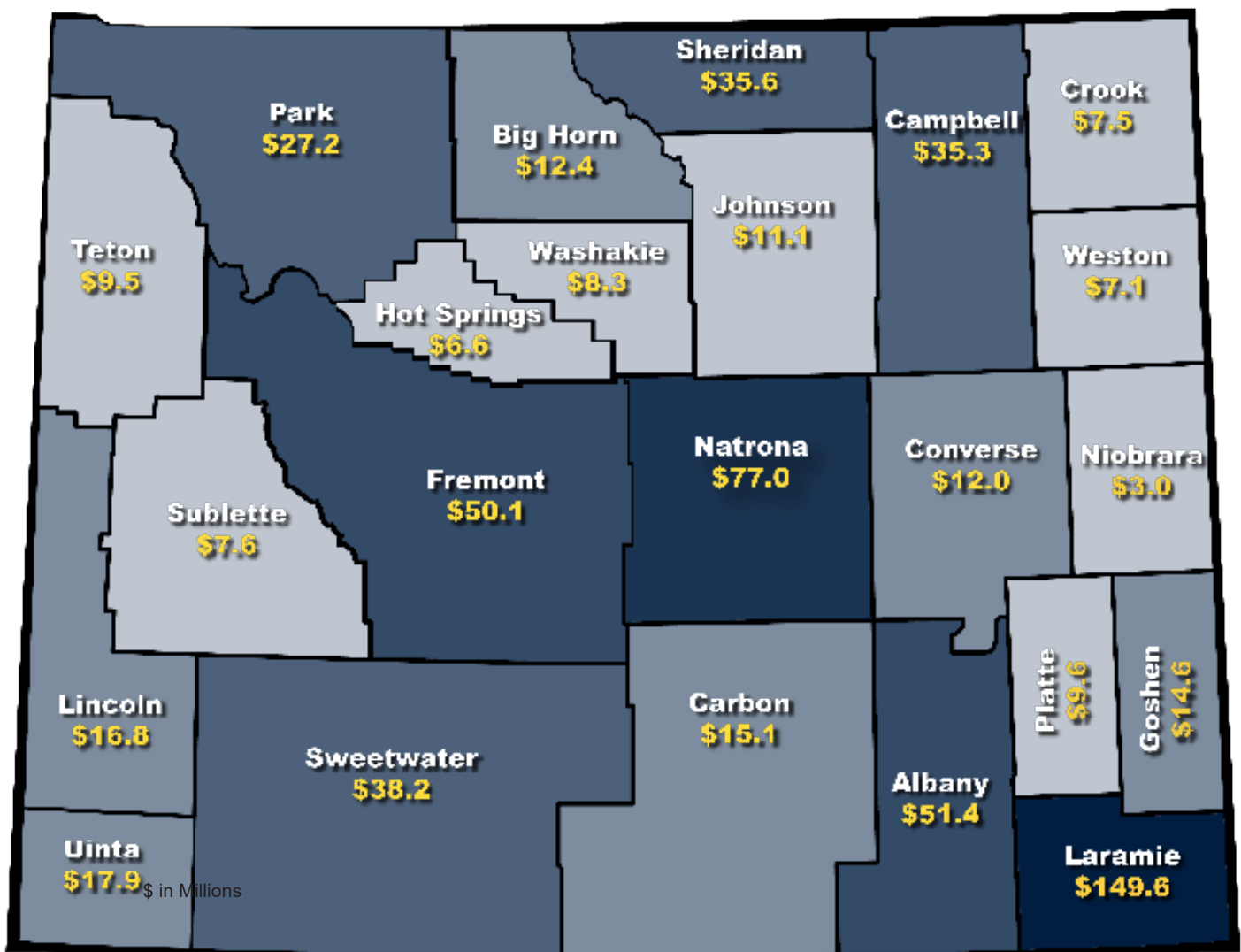
In 2023, WRS paid nearly \$800 million in regular benefits, refunds and death benefits. About 78% of these payments remain in Wyoming.

The ripple effect of these payments helps to stimulate and stabilize both the state and local economies. Pension payments also offer excellent retirement security and reduce economic hardship among the elderly.

## WRS Benefits Make an Economic Impact

**\$800 million  
paid in 2023  
by WRS**

**\$624 million paid to  
pensioners living in  
Wyoming**



*One important aspect of a pension is that retirement payments are paid for life, ensuring the retiree will have a degree of financial security, even in the event of a long life span.*

## Public Employee Pension Plan Retirement Benefits

The average WRS Public Employee Plan Pension benefit paid to retirees in 2023 was \$21,781 annually or \$1,815 a month. The average service at retirement is 20.2 years. When combined with Social Security and personal savings, such as a 457 plan, the benefits of the Public Employee Pension Plan allow career members to maintain their pre-retirement standard of living at the time of retirement. Compared to a regional peer group, WRS Public Employee pension benefits are within the norm.

**Average Annual  
Payment**  
**\$21,781**

**Average Service at  
Retirement**  
**20.2 Years**

**Average Age of  
Pensioners**  
**73**

## Investments

WRS invests approximately \$10.0 billion with a combined investment strategy for all plans. The Board establishes parameters for asset allocation and delegates investment manager selection and tactical allocation decisions to its Chief Investment Officer with Executive Director approval. The asset allocation is designed to achieve the Board's assumed rate of return over long periods. Currently, the assumed rate of return is 6.8%. The Board also measures performance relative to shorter-term benchmarks to evaluate investment policy implementation decisions.

### Annualized Performance Percentage As of March 31, 2024



	2024 Q1	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years
<b>WRS Fund</b>	4.45	14.26	6.15	7.43	9.67	8.73	7.56
<b>Benchmark</b>	4.61	13.2	4.69	5.62	8.00	7.51	6.74
<b>Over/Under</b>	-0.16	1.06	1.46	1.81	1.67	1.22	0.82

Note: WRS added professional investment staff in 2008



## Strategic Target Asset Allocation

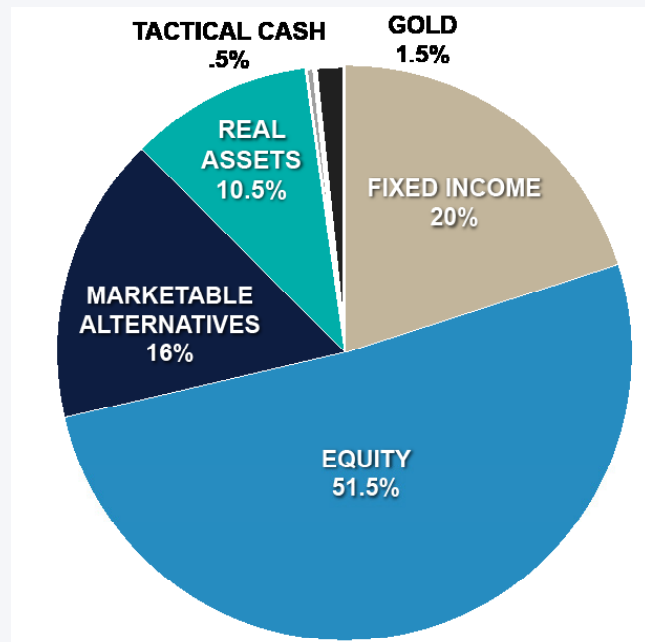
Asset allocation is neither static nor straightforward. To a significant degree, the decisions made by the Board dictate the amount of risk assumed by the portfolio and the associated investment return expected over many years.

Systematic approaches to asset allocation can be useful, but in the final analysis, asset allocation decisions reflect the institutional beliefs of the Board.

Asset allocation decisions are long-term and therefore give WRS the ability to hold a higher level of risk-bearing assets. By assuming more risk, long-term results are expected to be considerably higher than if the focus is strictly on short-term capital preservation.

Generating higher long-term returns enables WRS to reduce the amount of money needed from participant contributions to fund the System properly. The accompanying pie chart illustrates the Strategic Asset Allocation of the WRS investment portfolio as of December 31, 2023.

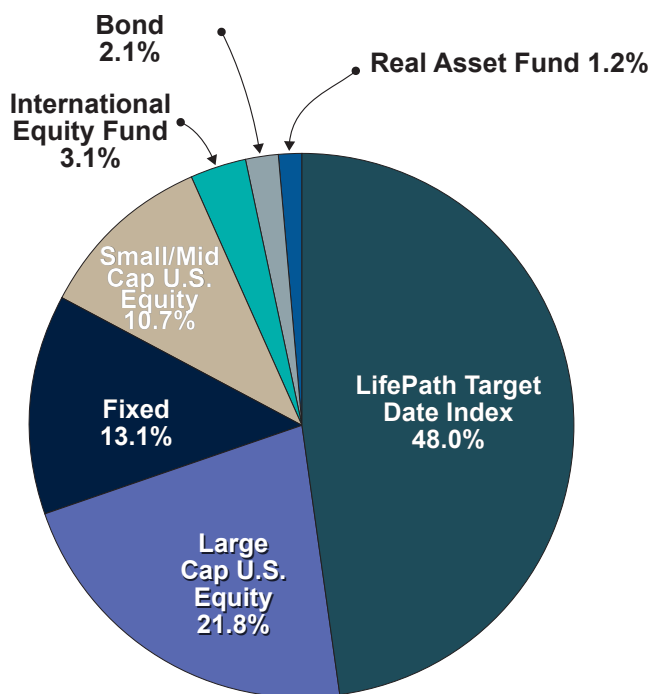
Strategic Asset Allocation Weight



## Deferred Compensation Plan

WRS has administered the Deferred Compensation Plan or 457(b) Plan since 2001. The Plan is a non-qualified, tax-advantaged retirement savings plan available to governmental employers to offer as an additional benefit to their employees. As of March 31, 2024, plan assets totaled \$1.06 billion.

Assets by Asset Class (Q1 2024)



Two hundred and fifty-two participating agencies have adopted the WRS 457(b) Plan. During 2023 eligible plan participants, including retirees, withdrew \$66.8 million as supplemental income from their WRS 457(b) Plan.

**\$1.06B**

457(b) Plan Assets

**\$67M**

Supplemental Income

**252**

Participating Agencies

Note: Distribution of investments based on member allocations

## Putting Your Retirement Together

Retirement preparation is a shared responsibility. WRS members and employers contribute to the WRS Pension throughout their careers. Most also contribute to Social Security and, in many cases, personal retirement savings such as the WRS 457(b) Deferred Compensation Plan. The WRS Board believes that a secure retirement is ideally composed of these three components that will provide a steady retirement income over a long life span.

### 457(b) Plan + Personal Savings

WRS administers the Wyoming Deferred Compensation Plan, an elective, supplemental savings plan. The Plan is a type of “defined contribution” plan, commonly understood as a 401(k) plan for the public sector. The Plan is a tax-advantaged structure that allows each individual to decide how much to invest in working years to supplement other retirement benefits.

### Pension

WRS Pension Plans provide a member with a monthly payment for life once the member meets the age, vesting, and service qualifications. In general, the amount of this “defined benefit” is determined by a formula based on the member’s salary, length of service, and age at retirement.

### Social Security

Except for paid firefighters and some police, most WRS members also participate in Social Security. Social Security provides a basic safety net for retirees and important death benefits to active workers. Learn more by visiting [ssa.gov](http://ssa.gov).

***Your WRS Pension, WRS 457 Plan, and Social Security are a powerful combination. Put them all together, and there’s a great chance you will be ready for retirement on your own terms.***

## Policy Considerations

The WRS Board carefully manages its pension plans with the goal of keeping pension promises. This encompasses both sustainability and affordability. The Board diligently upholds its duty to act in the best interest of members. A strong non-partisan governance process has evolved with legislative liaisons and frequent reporting to the Governor and Joint Appropriations Committee. WRS believes retirement security is a shared responsibility between employers and employees and reaches thousands of members each year with education, equipping them to play their part.

Generally, a defined benefit pension plan can pay more retirement benefits than a defined contribution plan for the same contribution amount. Defined benefit plans can achieve cost-saving and superior returns as a result of professionally managing a large pool of assets. Defined benefit plans can base their investment strategy on a continuously long investment time horizon. Individuals would need to adjust their investments according to a decreasing time horizon to protect against retirement losses.

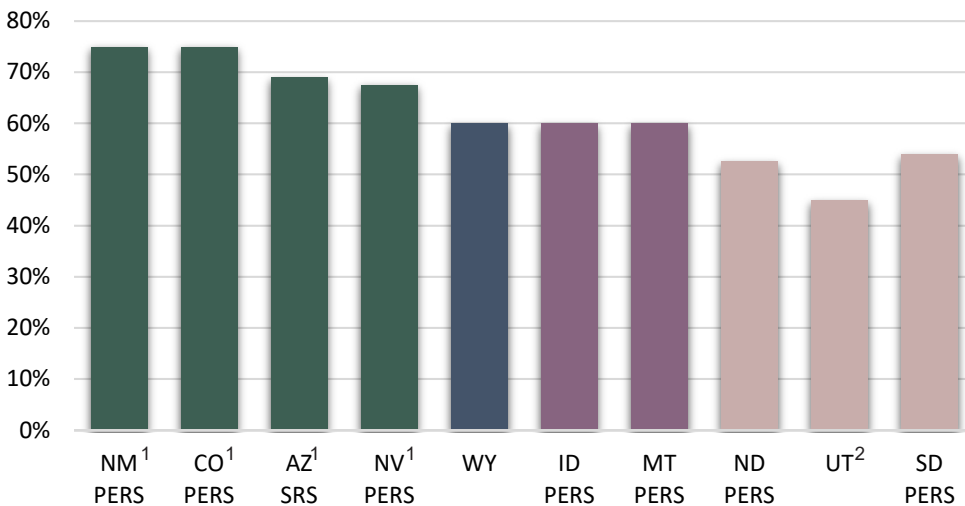
Because of the long-time horizons involved, careful management of a pension plan necessitates ongoing monitoring of actuarial assumptions, funding status, and contribution requirements, which could lead the Board to recommend incremental changes. Once changes are made, time is needed to determine the effect.

In contrast, members of a defined contribution plan make individual decisions about how much to contribute, how to invest, and how to withdraw. A defined contribution plan is usually more portable than a pension. However, short-term market conditions and uninformed investment decisions can have negative impacts on an individual's retirement income. When a defined contribution plan is the primary retirement plan, an individual may run out of money, particularly if they live long after retirement.

The WRS Board believes, and passed a resolution affirming, that a defined benefit plan supplemented by the 457(b) plan is the best way to provide retirement benefits for the public employees of Wyoming.

The Board remains committed to advocating for a Cost of Living Allowance (COLA). While the suspension of COLA was necessary in the aftermath of the financial crisis, the continued absence of a COLA places increasing hardships on many retirees. Once again, proposals to address it did not gain sufficient traction in the legislature. We continue to collaborate with constituents to explore potential options for the Legislature to consider.

## WRS Public Employee Plan Versus Peer Group



The benefit a member of the retirement system would earn for 30 years of service would be up to 60% of their highest average five-year salary.

This chart compares the same benefit with other neighboring states plans.

Wyoming's benefit to members of the system is competitive with these states and national trends.

Based on a 2024 WRS Comparison of Public Employee Pension Plan tier 2 to Regional Peers assuming 30 years of service. 1 - These plans do not participate in Social Security. 2 - Utah offers a Hybrid Retirement. Shown above is the 45% provided by the DB component. An additional 10.7% would be provided by the DC component.

# Wyoming Retirement System Board Members



Tom Chapman (Board Chair)  
*Jackson, WY*  
At Large  
First Appointed: 2010  
Current Term Expires: 2027



Eric Nelson (Vice Chair)  
*Casper, WY*  
Public Employees (City/County)  
First Appointed: 2015  
Current Term Expires: 2029



Robert Leibrich  
*Sheridan, WY*  
At Large  
First Appointed: 2021  
Current Term Expires: 2027



Dr. Lesley Travers  
*Casper, WY*  
Higher Education  
First Appointed: 2021  
Current Term Expires: 2029



E. Jayne Mockler  
*Cheyenne, WY*  
Public Employees (State)  
First Appointed: 2024  
Current Term Expires: 2029



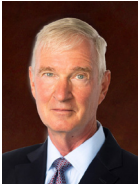
John Lummis  
*Jackson, WY*  
At Large  
First Appointed: 2021  
Current Term Expires: 2027



Jeremy Smith  
*Ranchester, WY*  
School Employees  
First Appointed: 2022  
Current Term Expires: 2025



Tim Sullivan  
*Laramie, WY*  
At Large  
First Appointed: 2013  
Current Term Expires: 2025



Paul O'Brien  
*Jackson, WY*  
At Large  
First Appointed: 2020  
Current Term Expires: 2029



Curt Meier  
(Board Member - State Treasurer)  
*Cheyenne/La Grange, WY*  
Elected Official

## Our Legacy & Promise to You

Since 1953, the Wyoming Retirement System has endeavored to provide excellent administration of Wyoming's public pension and retirement savings programs. We've provided retirement security to generations of public servants. Today's system is a proud legacy of the 1953 Wyoming Retirement Act that has evolved over the years to serve the needs of members and employers and adapt to an ever-changing world. The WRS staff and Wyoming Retirement Board are committed to continuing the legacy and keeping the system strong.



**WRS issued the First Retirement Check, in 1953** to Frank H. Allyn when he retired from the Wyoming Highway Department after working 30 years as a draftsman.

### Wyoming Retirement System

2515 Warren Avenue, Suite 450 • Cheyenne, WY 82002 • 307-777-7691 • [retirement.wyo.gov](http://retirement.wyo.gov)