

# Wyoming Retirement System – Public Employee Plan

GASB Statement Nos. 67 and 68 Accounting and Financial  
Reporting for Pensions

For Measurement Date as of December 31, 2025





June 2, 2026

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 and 68 for the Wyoming Retirement System ("WRS"). These calculations have been made on a basis that is consistent with our understanding of these Statements.

GASB Statement No. 67 is the accounting standard that applies to the stand-alone financial reports issued by retirement systems. GASB Statement No. 68 establishes accounting and financial reporting for state and local government employers who provide their employees (including former employees) pension benefits through a trust.

Our calculation of the liability associated with the benefits described in this report was performed for the purpose of providing reporting and disclosure information that satisfies the requirements of GASB Statement Nos. 67 and 68. The Net Pension Liability is not an appropriate measure for measuring the sufficiency of plan assets to cover the estimated cost of settling the employer's benefit obligation. The Net Pension Liability is not an appropriate measure for assessing the need for or amount of future employer contributions. A calculation of the plan's liability for purposes other than satisfying the requirements of GASB Statement Nos. 67 and 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. GRS is not responsible for unauthorized use of this report.

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. We checked for internal reasonability and year-to-year consistency, but did not audit the data. We are not responsible for the accuracy or completeness of the information provided by WRS.

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, 2025 for additional discussion of the nature of actuarial calculations and more information related to participant data, economic and demographic assumptions, and benefit provisions. Furthermore, this report includes the assumptions adopted by the Board at the November 17, 2021 and the February 17, 2022 meetings. For a detailed description of the experience related to these assumptions, as well as the rationale for any changes, please see our latest Wyoming Retirement System Actuarial Experience Study Report that covered the five-year investigation period ending December 31, 2020.

This report was prepared using our proprietary valuation model and related software which in our professional judgment has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.


This report has been prepared by actuaries who have substantial experience valuing public employee retirement systems. To the best of our knowledge, the information contained in this report is accurate and fairly presents the actuarial position of the Wyoming Retirement System as of the valuation date.

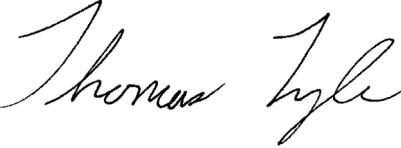
All calculations have been made in conformity with generally accepted actuarial principles and practices as well as with the Actuarial Standards of Practice issued by the Actuarial Standards Board.

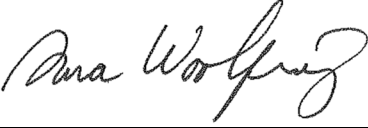
Paul T. Wood, Thomas A. Lyle, Dana Woolfrey, and Karli Fehrman are members of the American Academy of Actuaries (MAAA) and are experienced in performing valuations for public retirement systems. These actuaries meet the Academy's Qualification Standards to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.


Respectfully submitted,

**Gabriel, Roeder, Smith & Company**

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# Table of Contents

	<u>Page</u>
<b>Section A</b> Executive Summary	
Executive Summary.....	1
Discussion .....	2-5
<b>Section B</b> Financial Statements	
Statement of Pension Expense under GASB Statement No. 68.....	7
Statement of Outflows and Inflows Arising from Current Reporting Period .....	8
History of Deferred Outflows and Inflows of Resources by Source .....	9-10
Statement of Outflows and Inflows Arising from Current and Prior Reporting Periods .....	11
Statement of Fiduciary Net Position .....	12
Statement of Changes in Fiduciary Net Position .....	13
<b>Section C</b> Required Supplementary Information	
Schedule of Changes in Net Pension Liability and Related Ratios Current Reporting Period	15
Schedule of Changes in Net Pension Liability and Related Ratios Multiyear .....	16
Schedule of Net Pension Liability Multiyear.....	17
Schedule of Contributions Multiyear .....	18
Notes to Schedule of Contributions .....	19
Schedule of Investment Returns Multiyear.....	20
<b>Section D</b> Notes to Financial Statements	
Sensitivity of Net Pension Liability to the Single Discount Rate Assumption.....	22
Summary of Population Statistics .....	23
<b>Section E</b> Summary of Benefits.....	25-27
<b>Section F</b> Actuarial Cost Method and Actuarial Assumptions	
Actuarial Assumptions and Cost Method .....	29-34
Experience Analysis.....	35
<b>Section G</b> Calculation of the Single Discount Rate	
Calculation of the Single Discount Rate .....	37
Projection of Contributions.....	38-39
Projection of Plan Net Position .....	40-41
Present Values of Projected Benefits .....	42-43
<b>Section H</b> Glossary of Terms .....	45-48

# SECTION A

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## EXECUTIVE SUMMARY

# Executive Summary as of December 31, 2025

	<b>2025</b>
Actuarial Valuation Date	January 1, 2025
Measurement Date of the Net Pension Liability	December 31, 2025
Employer's Fiscal Year Ending Date (Reporting Date)	December 31, 2025
<b>Membership</b>	
Number of	
- Retirees and Beneficiaries	31,881
- Inactive, Nonretired Members	30,305
- Active Members	35,591
- Total	97,777
Covered Payroll	\$ 2,115,461,441
<b>Net Pension Liability</b>	
Total Pension Liability	\$ 12,252,734,169
Plan Fiduciary Net Position	11,159,949,921
Net Pension Liability	\$ 1,092,784,248
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	91.08 %
Net Pension Liability as a Percentage of Covered Payroll	51.66 %
<b>Development of the Single Discount Rate</b>	
Single Discount Rate	6.80 %
Long-Term Expected Rate of Investment Return	6.80 %
Long-Term Municipal Bond Rate*	4.83 %
Last year ending December 31 in the 2025 to 2124 projection period for which projected benefit payments are fully funded	2124
<b>Total Pension Expense</b>	<b>\$ (42,075,227)</b>

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

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 131,167,339	\$ 0
Changes in assumptions	0	0
Net difference between projected and actual earnings on pension plan investments	254,310,069	1,259,809,732
Total	\$ 385,477,408	\$ 1,259,809,732

\*Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in the Bond Buyer "20-Bond GO Index" as of December 31, 2025.



# 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).

Paragraph 34 of GASB Statement No. 68 states, "Contributions to the pension plan from the employer subsequent to the measurement date of the collective net pension liability and before the end of the employer's reporting period should be reported as a deferred outflow of resources related to pensions." The information contained in this report does not incorporate any contributions made to WRS subsequent to the measurement date of December 31, 2025.

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 and the net 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.

## 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
- a comparison of the actual employer contributions to the actuarially determined contributions based on the plan's funding policy.



## **General Implications of Contribution Allocation Procedure or Funding Policy on Future Expected Plan Contributions and Funded Status**

Given the plan's contribution allocation procedure, if all actuarial assumptions are met (including the assumption of the plan earning 6.80% on the actuarial value of assets), then the following outcomes are expected:

1. The employer normal cost as a percentage of pay is expected to decrease slightly as a percentage of payroll.
2. The unfunded liability is expected to decrease as a percentage of payroll.
3. The unfunded liability is expected to be fully amortized during the lifetimes of current members.
4. The funded status of the plan is expected to increase gradually towards a 100% funded ratio.

This funding policy results in no expected crossover date and a GASB single discount rate of 6.80%. This funding policy results in the expectation that the plan's assets will be able to fully pay for promised benefits through at least 2124. The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

### **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, 2025 and rolled forward to a measurement date of December 31, 2025.

## 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 6.80%; the municipal bond rate is 4.83% (based on the daily rate closest to but not later than the measurement date of the Bond Buyer "20-Bond GO Index"); and the resulting Single Discount Rate is 6.80%.

## 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**

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### **FINANCIAL STATEMENTS**

Auditor's Note – This information is intended to assist in preparation of the financial statements of the Wyoming 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.

# Statement of Pension Expense under GASB Statement No. 68

## Fiscal Year Ended December 31, 2025

### A. Expense

1. Service Cost	\$	239,142,448
2. Interest on the Total Pension Liability		796,558,583
3. Current-Period Benefit Changes		0
4. Employee Contributions (made negative for addition here)		(205,277,500)
5. Projected Earnings on Plan Investments (made negative for addition here)		(655,031,528)
6. Pension Plan Administrative Expense		9,102,525
7. Other Changes in Plan Fiduciary Net Position		714,541
8. Recognition of Outflow (Inflow) of Resources due to Liabilities		77,927,385
9. Recognition of Outflow (Inflow) of Resources due to Assets		(305,211,681)
<b>10. Total Pension Expense</b>	<b>\$</b>	<b>(42,075,227) *</b>

\* In accordance with GASB 71, employers may need to illustrate contributions made after the measurement date.

# Statement of Outflows and Inflows Arising from Current Reporting Period Fiscal Year Ended December 31, 2025

## A. Outflows (Inflows) of Resources due to Liabilities

1. Difference between expected and actual experience of the Total Pension Liability (gains) or losses	\$	76,374,396
2. Assumption Changes (gains) or losses	\$	0
3. Recognition period for Liabilities: Average of the expected remaining service lives of all employees {in years}		3.5224
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	\$	21,682,488
5. Outflow (Inflow) of Resources to be recognized in the current pension expense for assumption changes	\$	0
6. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Liabilities	\$	21,682,488
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	\$	54,691,908
8. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for assumption changes	\$	0
9. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Liabilities	\$	54,691,908

## B. Outflows (Inflows) of Resources due to Assets

1. Net difference between projected and actual earnings on pension plan investments (gains) or losses	\$	(1,046,657,962)
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	\$	(209,331,592)
4. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Assets	\$	(837,326,370)

# History of Deferred Outflows and Inflows of Resources by Source

## Fiscal Year Ended December 31, 2025

**Differences between expected and actual experience - Net (inflows)/outflows of resources**

Recognition Period	3.8583	4.1947	4.0527	3.9563	3.8962	3.4657	3.3390	3.6117	3.5751	3.5224		Deferred Net (Inflows)/Outflows at Measurement Date
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total	
<b>Total</b>	\$ (43,790,701)	\$ (56,701,091)	\$ (49,213,548)	\$ (7,044,256)	\$ 55,560,847	\$ 2,186,282	\$ (24,730,118)	\$ 60,247,391	\$ 150,420,579	\$ 76,374,396		
2016	(11,349,740)										(11,349,740)	
2017	(11,349,740)	(13,517,317)									(24,867,057)	
2018	(11,349,740)	(13,517,317)	(12,143,398)								(37,010,455)	
2019	(9,741,481)	(13,517,317)	(12,143,398)	(1,780,516)							(37,182,712)	
2020	-	(13,517,317)	(12,143,398)	(1,780,516)	14,260,266						(13,180,965)	
2021	-	(2,631,823)	(12,143,398)	(1,780,516)	14,260,266	630,834					(1,664,637)	
2022	-	-	(639,956)	(1,702,708)	14,260,266	630,834	(7,406,444)				5,141,992	
2023	-	-	-	-	12,780,049	630,834	(7,406,444)	16,681,173			22,685,612	
2024	-	-	-	-	-	293,780	(7,406,444)	16,681,173	42,074,510		51,643,019	
2025	-	-	-	-	-	-	(2,510,786)	16,681,173	42,074,510	21,682,488	77,927,385	
2026	-	-	-	-	-	-	-	10,203,872	42,074,510	21,682,488	73,960,870	\$ 131,167,339
2027	-	-	-	-	-	-	-	-	24,197,049	21,682,488	45,879,537	
2028	-	-	-	-	-	-	-	-	-	11,326,932	11,326,932	
2029	-	-	-	-	-	-	-	-	-	-	-	
2030	-	-	-	-	-	-	-	-	-	-	-	
Thereafter	\$ (43,790,701)	\$ (56,701,091)	\$ (49,213,548)	\$ (7,044,256)	\$ 55,560,847	\$ 2,186,282	\$ (24,730,118)	\$ 60,247,391	\$ 150,420,579	\$ 76,374,396	\$ 163,309,781	

**Assumption changes - Net (inflows)/outflows of resources**

Recognition Period	3.8583	4.1947	4.0527	3.9563	3.8962	3.4657	3.3390	3.6117	3.5751	3.5224		
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total	
<b>Total</b>	\$ -	\$ 290,801,601	\$ -	\$ -	\$ -	\$ 173,419,980	\$ -	\$ -	\$ -	\$ -		
2016	-										-	
2017	-	69,325,959									69,325,959	
2018	-	69,325,959	-								69,325,959	
2019	-	69,325,959	-	-							69,325,959	
2020	-	69,325,959	-	-	-						69,325,959	
2021	-	13,497,765	-	-	-	50,038,947					63,536,712	
2022	-	-	-	-	-	50,038,947	-				50,038,947	
2023	-	-	-	-	-	50,038,947	-	-			50,038,947	
2024	-	-	-	-	-	23,303,139	-	-	-		23,303,139	
2025	-	-	-	-	-	-	-	-	-	-	-	
2026	-	-	-	-	-	-	-	-	-	-	-	\$ -
2027	-	-	-	-	-	-	-	-	-	-	-	
2028	-	-	-	-	-	-	-	-	-	-	-	
2029	-	-	-	-	-	-	-	-	-	-	-	
2030	-	-	-	-	-	-	-	-	-	-	-	
Thereafter	\$ -	\$ 290,801,601	\$ -	\$ -	\$ -	\$ 173,419,980	\$ -	\$ -	\$ -	\$ -	\$ 464,221,581	



# History of Deferred Outflows and Inflows of Resources by Source

## Fiscal Year Ended December 31, 2025 (continued)

**Net Difference between projected and actual earnings on pension plan investments - Net (inflows)/outflows of resources**

Recognition Period	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000	5.0000	Deferred Net (Inflows)/Outflows at Measurement Date
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total	
<b>Total</b>	\$ 35,536,046	\$ (464,917,747)	\$ 758,219,998	\$ (783,381,316)	\$ (270,952,701)	\$ (861,568,742)	\$ 1,271,550,349	\$ (555,729,319)	\$ (333,652,725)	\$ (1,046,657,962)		
2016	7,107,209										7,107,209	
2017	7,107,209	(92,983,549)									(85,876,340)	
2018	7,107,209	(92,983,549)	151,644,000								65,767,660	
2019	7,107,209	(92,983,549)	151,644,000	(156,676,263)							(90,908,603)	
2020	7,107,210	(92,983,549)	151,644,000	(156,676,263)	(54,190,540)						(145,099,142)	
2021	-	(92,983,551)	151,644,000	(156,676,263)	(54,190,540)	(172,313,748)					(324,520,102)	
2022	-	-	151,643,998	(156,676,263)	(54,190,540)	(172,313,748)	254,310,070				22,773,517	
2023	-	-	-	(156,676,264)	(54,190,540)	(172,313,748)	254,310,070	(111,145,864)			(240,016,346)	
2024	-	-	-	-	(54,190,541)	(172,313,748)	254,310,070	(111,145,864)	(66,730,545)		(150,070,628)	
2025	-	-	-	-	-	(172,313,750)	254,310,070	(111,145,864)	(66,730,545)	(209,331,592)	(305,211,681)	
2026	-	-	-	-	-	-	254,310,069	(111,145,864)	(66,730,545)	(209,331,592)	(132,897,932)	\$ (1,005,499,663)
2027	-	-	-	-	-	-	-	(111,145,863)	(66,730,545)	(209,331,592)	(387,208,000)	
2028	-	-	-	-	-	-	-	-	(66,730,545)	(209,331,592)	(276,062,137)	
2029	-	-	-	-	-	-	-	-	-	(209,331,594)	(209,331,594)	
2030	-	-	-	-	-	-	-	-	-	-	-	
Thereafter	-	-	-	-	-	-	-	-	-	-	-	
	\$ 35,536,046	\$ (464,917,747)	\$ 758,219,998	\$ (783,381,316)	\$ (270,952,701)	\$ (861,568,742)	\$ 1,271,550,349	\$ (555,729,319)	\$ (333,652,725)	\$ (1,046,657,962)	\$ (2,251,554,119)	

**Total net differences from all sources - Net (inflows)/outflows of resources**

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
<b>Total</b>	\$ (8,254,655)	\$ (230,817,237)	\$ 709,006,450	\$ (790,425,572)	\$ (215,391,854)	\$ (685,962,480)	\$ 1,246,820,231	\$ (495,481,928)	\$ (183,232,146)	\$ (970,283,566)	
2016	(4,242,531)										(4,242,531)
2017	(4,242,531)	(37,174,907)									(41,417,438)
2018	(4,242,531)	(37,174,907)	139,500,602								98,083,164
2019	(2,634,272)	(37,174,907)	139,500,602	(158,456,779)							(58,765,356)
2020	7,107,210	(37,174,907)	139,500,602	(158,456,779)	(39,930,274)						(88,954,148)
2021	-	(82,117,609)	139,500,602	(158,456,779)	(39,930,274)	(121,643,967)					(262,648,027)
2022	-	-	151,004,042	(158,378,971)	(39,930,274)	(121,643,967)	246,903,626				77,954,456
2023	-	-	-	(156,676,264)	(41,410,491)	(121,643,967)	246,903,626	(94,464,691)			(167,291,787)
2024	-	-	-	-	(54,190,541)	(148,716,829)	246,903,626	(94,464,691)	(24,656,035)		(75,124,470)
2025	-	-	-	-	-	(172,313,750)	251,799,284	(94,464,691)	(24,656,035)	(187,649,104)	(227,284,296)
2026	-	-	-	-	-	-	254,310,069	(100,941,992)	(24,656,035)	(187,649,104)	(58,937,062)
2027	-	-	-	-	-	-	-	(111,145,863)	(42,533,496)	(187,649,104)	(341,328,463)
2028	-	-	-	-	-	-	-	-	(66,730,545)	(198,004,660)	(264,735,205)
2029	-	-	-	-	-	-	-	-	-	(209,331,594)	(209,331,594)
2030	-	-	-	-	-	-	-	-	-	-	-
Thereafter	-	-	-	-	-	-	-	-	-	-	-
	\$ (8,254,655)	\$ (230,817,237)	\$ 709,006,450	\$ (790,425,572)	\$ (215,391,854)	\$ (685,962,480)	\$ 1,246,820,231	\$ (495,481,928)	\$ (183,232,146)	\$ (970,283,566)	\$ (1,624,022,757)



# Statement of Outflows and Inflows Arising from Current and Prior Reporting Periods Fiscal Year Ended December 31, 2025

## 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	\$ 80,438,171	\$ 2,510,786	\$ 77,927,385
2. Due to Assets	254,310,070	559,521,751	(305,211,681)
<b>3. Total</b>	<b>\$ 334,748,241</b>	<b>\$ 562,032,537</b>	<b>\$ (227,284,296)</b>

## 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	\$ 80,438,171	\$ 2,510,786	\$ 77,927,385
2. Assumption Changes	0	0	0
3. Net Difference between projected and actual earnings on pension plan investments	254,310,070	559,521,751	(305,211,681)
<b>4. Total</b>	<b>\$ 334,748,241</b>	<b>\$ 562,032,537</b>	<b>\$ (227,284,296)</b>

## 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	\$ 131,167,339	\$ 0	\$ 131,167,339
2. Assumption Changes	0	0	0
3. Net Difference between projected and actual earnings on pension plan investments	254,310,069	1,259,809,732	(1,005,499,663)
<b>4. Total</b>	<b>\$ 385,477,408</b>	<b>\$ 1,259,809,732</b>	<b>\$ (874,332,324)</b>

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

Year Ending December 31	Net Deferred Outflows of Resources
2026	\$ (58,937,062)
2027	(341,328,463)
2028	(264,735,205)
2029	(209,331,594)
2030	0
Thereafter	0
<b>Total</b>	<b>\$ (874,332,324)</b>



## Statement of Fiduciary Net Position as of December 31, 2025

	<b>2025</b>
<b>Assets</b>	
Cash and Deposits	\$ 607,649,150
Receivables	
Accounts Receivable - Sale of Investments	\$ 3,513,702
Accrued Interest and Other Dividends	16,527,621
Contributions	21,784,442
Accounts Receivable - Other	67,715,383
Total Receivables	\$ 109,541,148
Investments	
Fixed Income	\$ 1,459,053,946
Equities	5,647,439,700
Private Markets	1,193,601,447
Marketable Alternatives	2,243,037,211
Security Lending Collateral	347,724,953
Capital Assets, at Cost, Net of Accumulated Depreciation	2,277,830
Total Investments	\$ 10,893,135,087
<b>Total Assets</b>	<b>\$ 11,610,325,385</b>
<b>Liabilities</b>	
Payables	
Accounts Payable - Purchase of Investments	\$ 434,366,535
Accrued Expenses	13,602,697
Accounts Payable - Other	2,406,232
Total Liabilities	\$ 450,375,464
<b>Net Position Restricted for Pensions</b>	<b>\$ 11,159,949,921</b>



## Statement of Changes in Fiduciary Net Position for Year Ended December 31, 2025

	<b>2025</b>
<b>Additions</b>	
Contributions	
Employer	\$ 204,738,495
Employee	202,141,194
Other Employer Contributions	2,976,068
Other Employee Contributions	3,136,306
<b>Total Contributions</b>	<b>\$ 412,992,063</b>
Investment Income	
Net Appreciation in Fair Value of Investments	\$ 1,587,565,754
Interest and Dividends	191,757,359
Less Investment Expense	(77,633,623)
<b>Net Investment Income</b>	<b>\$ 1,701,689,490</b>
Other	\$ 0
<b>Total Additions</b>	<b>\$ 2,114,681,553</b>
 <b>Deductions</b>	
Benefit Payments, including Refunds of Employee Contributions	\$ 746,638,881
Pension Plan Administrative Expense	9,102,525
Other	714,541
<b>Total Deductions</b>	<b>\$ 756,455,947</b>
<b>Net Increase in Net Position</b>	<b>\$ 1,358,225,606</b>
 <b>Net Position Restricted for Pensions</b>	
Beginning of Year	\$ 9,801,724,315
End of Year	<b>\$ 11,159,949,921</b>

## SECTION C

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### **REQUIRED SUPPLEMENTARY INFORMATION**

Auditor's Note – This information is intended to assist in preparation of the financial statements of the Wyoming 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 Reporting Period

### Fiscal Year Ended December 31, 2025

<b>A. Total pension liability</b>	
1. Service cost	\$ 239,142,448
2. Interest on the total pension liability	796,558,583
3. Changes of benefit terms	0
4. Difference between expected and actual experience of the total pension liability	76,374,396
5. Changes of assumptions	0
6. Benefit payments, including refunds of employee contributions	(746,638,881)
<b>7. Net change in total pension liability</b>	<b>365,436,546</b>
<b>8. Total pension liability – beginning</b>	<b>11,887,297,623</b>
<b>9. Total pension liability – ending</b>	<b>\$ 12,252,734,169</b>
<b>B. Plan fiduciary net position</b>	
1. Contributions – employer	\$ 207,714,563
2. Contributions – employee	205,277,500
3. Net investment income	1,701,689,490
4. Benefit payments, including refunds of employee contributions	(746,638,881)
5. Pension plan administrative expense	(9,102,525)
6. Other	(714,541)
<b>7. Net change in plan fiduciary net position</b>	<b>1,358,225,606</b>
<b>8. Plan fiduciary net position – beginning</b>	<b>9,801,724,315</b>
<b>9. Plan fiduciary net position – ending</b>	<b>\$ 11,159,949,921</b>
<b>C. Net pension liability</b>	<b>\$ 1,092,784,248</b>
<b>D. Plan fiduciary net position as a percentage of the total pension liability</b>	<b>91.08 %</b>
<b>E. Covered-employee payroll</b>	<b>\$ 2,115,461,441</b>
<b>F. Net pension liability as a percentage of covered-employee payroll</b>	<b>51.66 %</b>

# Schedules of Required Supplementary Information

## Schedule of Changes in Net Pension Liability and Related Ratios Multiyear

Fiscal year ending December 31,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Total pension liability</b>										
Service cost	\$ 239,142,448	\$ 230,593,832	\$ 218,085,360	\$ 210,661,646	\$ 214,075,814	\$ 198,288,435	\$ 194,455,298	\$ 195,575,014	\$ 201,824,345	\$ 219,893,113
Interest on the total pension liability	796,558,583	772,961,124	745,396,547	724,623,380	709,100,401	699,015,173	676,902,286	658,459,157	641,429,003	664,368,366
Changes of benefit terms	0	0	0	0	0	0	0	0	0	0
Difference between expected and actual experience	76,374,396	150,420,579	60,247,391	(24,730,118)	2,186,282	55,560,847	(7,044,256)	(49,213,548)	(56,701,091)	(43,790,701)
Changes of assumptions	0	0	0	0	173,419,980	0	0	0	290,801,601	0
Benefit payments, including refunds of employee contributions	(746,638,881)	(727,893,213)	(701,918,855)	(685,738,197)	(651,795,973)	(625,747,935)	(600,487,685)	(566,027,667)	(535,492,257)	(501,610,080)
<b>Net change in total pension liability</b>	<b>365,436,546</b>	<b>426,082,322</b>	<b>321,810,443</b>	<b>224,816,711</b>	<b>446,986,504</b>	<b>327,116,520</b>	<b>263,825,643</b>	<b>238,792,956</b>	<b>541,861,601</b>	<b>338,860,698</b>
<b>Total pension liability - beginning</b>	<b>11,887,297,623</b>	<b>11,461,215,301</b>	<b>11,139,404,858</b>	<b>10,914,588,147</b>	<b>10,467,601,643</b>	<b>10,140,485,123</b>	<b>9,876,659,480</b>	<b>9,637,866,524</b>	<b>9,096,004,923</b>	<b>8,757,144,225</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 12,252,734,169</b>	<b>\$ 11,887,297,623</b>	<b>\$ 11,461,215,301</b>	<b>\$ 11,139,404,858</b>	<b>\$ 10,914,588,147</b>	<b>\$ 10,467,601,643</b>	<b>\$ 10,140,485,123</b>	<b>\$ 9,876,659,480</b>	<b>\$ 9,637,866,524</b>	<b>\$ 9,096,004,923</b>
<b>Plan fiduciary net position</b>										
Employer contributions	\$ 207,714,563	\$ 201,447,429	\$ 191,126,021	\$ 178,277,910	\$ 170,676,891	\$ 165,984,825	\$ 157,385,096	\$ 147,632,510	\$ 148,746,669	\$ 151,488,715
Employee contributions	205,277,500	199,308,477	188,190,449	177,131,721	169,867,368	165,086,190	157,610,787	151,130,515	149,752,251	152,422,538
Pension plan net investment income	1,701,689,490	947,383,723	1,116,280,563	(644,372,637)	1,414,900,342	805,893,355	1,251,518,669	(252,571,153)	923,878,089	454,712,993
Benefit payments, including refunds of employee contributions	(746,638,881)	(727,893,213)	(701,918,855)	(685,738,197)	(651,795,973)	(625,747,935)	(600,487,685)	(566,027,667)	(535,492,257)	(501,610,080)
Pension plan administrative expense	(9,102,525)	(8,888,244)	(8,581,173)	(8,030,528)	(7,725,813)	(7,238,487)	(6,527,091)	(7,033,951)	(6,551,109)	(5,993,529)
Other	(714,541)	(667,908)	(653,550)	(544,320)	(298,065)	(294,893)	(309,531)	(287,669)	(312,336)	(312,336)
<b>Net change in plan fiduciary net position</b>	<b>1,358,225,606</b>	<b>610,690,264</b>	<b>784,443,455</b>	<b>(983,276,051)</b>	<b>1,095,624,750</b>	<b>503,683,055</b>	<b>959,190,245</b>	<b>(527,157,415)</b>	<b>680,021,307</b>	<b>250,708,301</b>
<b>Plan fiduciary net position - beginning</b>	<b>9,801,724,315</b>	<b>9,191,034,051</b>	<b>8,406,590,596</b>	<b>9,389,866,647</b>	<b>8,294,241,897</b>	<b>7,790,558,842</b>	<b>6,831,368,597</b>	<b>7,358,526,012</b>	<b>6,678,504,705</b>	<b>6,427,796,404</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 11,159,949,921</b>	<b>\$ 9,801,724,315</b>	<b>\$ 9,191,034,051</b>	<b>\$ 8,406,590,596</b>	<b>\$ 9,389,866,647</b>	<b>\$ 8,294,241,897</b>	<b>\$ 7,790,558,842</b>	<b>\$ 6,831,368,597</b>	<b>\$ 7,358,526,012</b>	<b>\$ 6,678,504,705</b>
<b>Net pension liability - ending (a) - (b)</b>	<b>\$ 1,092,784,248</b>	<b>\$ 2,085,573,308</b>	<b>\$ 2,270,181,250</b>	<b>\$ 2,732,814,262</b>	<b>\$ 1,524,721,500</b>	<b>\$ 2,173,359,746</b>	<b>\$ 2,349,926,281</b>	<b>\$ 3,045,290,883</b>	<b>\$ 2,279,340,512</b>	<b>\$ 2,417,500,218</b>
<b>Plan fiduciary net position as a percentage of total pension liability</b>	91.08 %	82.46 %	80.19 %	75.47 %	86.03 %	79.24 %	76.83 %	69.17 %	76.35 %	73.42 %
<b>Covered-employee payroll</b>	\$ 2,115,461,441	\$ 2,026,280,051	\$ 1,878,317,543	\$ 1,805,532,589	\$ 1,819,927,957	\$ 1,780,467,331	\$ 1,738,212,750	\$ 1,741,354,609	\$ 1,776,377,586	\$ 1,782,905,215
<b>Projected valuation payroll</b>	\$ 2,168,347,977	\$ 2,076,937,052	\$ 1,925,275,481	\$ 1,850,670,904	\$ 1,865,426,156	\$ 1,824,979,015	\$ 1,781,668,069	\$ 1,784,888,475	\$ 1,820,787,026	\$ 1,858,678,687
<b>Net pension liability as a percentage of covered-employee payroll</b>	51.66 %	102.93 %	120.86 %	151.36 %	83.78 %	122.07 %	135.19 %	174.88 %	128.31 %	135.59 %

**Notes to Schedule:**

For 2025 through 2016, "Other" changes to Plan Fiduciary Net Position includes other funding sources and depreciation expenses.



## Schedules of Required Supplementary Information

### Schedule of Net Pension Liability Multiyear

FY Ending December 31,	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll*	Net Pension Liability as a % of Covered Payroll
2016	\$ 9,096,004,923	\$ 6,678,504,705	\$ 2,417,500,218	73.42 %	\$ 1,782,905,215	135.59 %
2017	9,637,866,524	7,358,526,012	2,279,340,512	76.35 %	1,776,377,586	128.31 %
2018	9,876,659,480	6,831,368,597	3,045,290,883	69.17 %	1,741,354,609	174.88 %
2019	10,140,485,123	7,790,558,842	2,349,926,281	76.83 %	1,738,212,750	135.19 %
2020	10,467,601,643	8,294,241,897	2,173,359,746	79.24 %	1,780,467,331	122.07 %
2021	10,914,588,147	9,389,866,647	1,524,721,500	86.03 %	1,819,927,957	83.78 %
2022	11,139,404,858	8,406,590,596	2,732,814,262	75.47 %	1,805,532,589	151.36 %
2023	11,461,215,301	9,191,034,051	2,270,181,250	80.19 %	1,878,317,543	120.86 %
2024	11,887,297,623	9,801,724,315	2,085,573,308	82.46 %	2,026,280,051	102.93 %
2025	12,252,734,169	11,159,949,921	1,092,784,248	91.08 %	2,115,461,441	51.66 %

\* Covered payroll is the amount in force as of the valuation date and likely differs from the actual payroll paid during the year.

## Schedule of Contributions Multiyear Last 10 Fiscal Years

FY Ending December 31,	Actuarially Determined Contribution	Actual Contribution*	Contribution Deficiency (Excess)	Covered Payroll**	Actual Contribution as a % of Covered Payroll
2016	\$ 174,211,753	\$ 151,488,715	\$ 22,723,038	\$ 1,782,905,215	8.50 %
2017	167,125,230	148,746,669	18,378,561	1,776,377,586	8.37 %
2018	191,677,662	147,632,510	44,045,152	1,741,354,609	8.48 %
2019	207,518,684	157,385,096	50,133,588	1,738,212,750	9.05 %
2020	219,815,919	165,984,825	53,831,094	1,780,467,331	9.32 %
2021	212,378,768	170,676,891	41,701,877	1,819,927,957	9.38 %
2022	210,236,215	178,277,910	31,958,305	1,805,532,589	9.87 %
2023	218,711,295	191,126,021	27,585,274	1,878,317,543	10.18 %
2024	218,078,391	201,447,429	16,630,962	2,026,280,051	9.94 %
2025	222,906,172	207,714,563	15,191,609	2,115,461,441	9.82 %

\* Includes other funding sources but excludes member redeposits and member service purchase contributions.

\*\* Covered payroll is the amount in force as of the valuation date and likely differs from the actual payroll paid during the year.



## Notes to Schedule of Contributions

**Valuation Date:** January 1, 2025  
**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, Closed
Remaining Amortization Period	22 years
Asset Valuation Method	5-Year smoothed market
Inflation	2.25%
Salary Increases	2.50% to 6.50% including inflation
Payroll Growth Rate	2.50%
Cost-of-Living Increase	0.00%
Investment Rate of Return	6.80%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2022 valuation pursuant to an experience study of the period 2016 - 2020.
Post-Retirement Mortality	Pub-2010 General Healthy Annuitant Mortality Table, amount-weighted, fully generational, projected with the MP-2020 Ultimate Scale Males: No set back with a multiplier of 100% Females: No set back with a multiplier of 103%
Pre-Retirement Mortality	Pub-2010 General Employee Mortality Table, amount-weighted, fully generational, projected with the MP-2020 Ultimate Scale Males: No set back with a multiplier of 100% Females: No set back with a multiplier of 100%

### Other Information:

**Notes** There were no benefit changes during the year.  
The employer is contributing at the rate of 9.37% of salary. Employees are contributing at the rate of 9.25% of salary.  
The roll-forward methodology employed for purposes of the GASB disclosures is based on generally accepted actuarial methods.



## Schedule of Investment Returns Multiyear Last 10 Fiscal Years

<u>FY Ending December 31,</u>	<u>Annual Return<sup>1</sup></u>
2016	7.60 %
2017	14.20 %
2018	(3.52)%
2019	18.72 %
2020	11.03 %
2021	17.19 %
2022	(6.99)%
2023	13.84 %
2024	10.54 %
2025	17.81 %

<sup>1</sup> Annual money-weighted rate of return, net of investment expenses.

## SECTION D

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### NOTES TO FINANCIAL STATEMENTS

Auditor's Note – This information is intended to assist in preparation of the financial statements of the Wyoming 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.

## Single Discount Rate

A Single Discount Rate of 6.80% 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 6.80%. The projection of cash flows used to determine this Single Discount Rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rate. 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 6.80%, 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
5.80%	6.80%	7.80%
\$ 2,524,460,372	\$ 1,092,784,248	\$ (92,197,272)

## Summary of Population Statistics

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	31,881
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	30,305
Active Plan Members	<u>35,591</u>
Total Plan Members	97,777

**SECTION E**

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**SUMMARY OF BENEFITS**

## Summary of Benefits

<b>Covered Members</b>	Any full-time or regular part-time employee of an employer as defined under W.S. 9-3-402(a)(vii)
<b>Tier</b>	Members who join the State of Wyoming Retirement System by August 31, 2012 are in Tier 1, while members who join on or after September 1, 2012 are in Tier 2.
<b>Final Average Salary</b>	For Tier 1 member: employee's average annual salary for the highest paid three continuous years of service. For Tier 2 member: employee's average annual salary for the highest paid five continuous years of service.
<b>Service Retirement</b>	
Eligibility	Tier 1 members may retire upon normal retirement on the date he/she attains age 60 with four or more years of service while Tier 2 members may retire upon normal retirement on the date he/she attains age 65 with four or more years of service. All employees may also retire upon normal retirement on the date that the sum of the member's age and service is at least 85. Tier 1 members are eligible for a reduced benefit at age 50 with four or more years of service and Tier 2 members are eligible for a reduced benefit at age 55 with four or more years of service. All members are eligible for a reduced benefit at any age with 25 or more years of service.
Monthly Benefit	For Tier 1 member: 2.125% of employee's Final Average Salary for each year of credited service for the first 15 years of service credit plus 2.25% of Final Average Salary for any years of service credit exceeding 15 years. For Tier 2 member: 2.000% of employee's Final (5-year) Average Salary for each year of credited service.  This amount is reduced by 5.00% per year that the employee is under age 60 for Tier 1 and under age 65 for Tier 2. However, members retiring with a combined age and service of at least 85 receive an unreduced benefit. Employees hired prior to July 1, 1981 may be entitled to benefits earned under a different formula.
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 employee contributions with interest. An employee who terminates with less than four years of service is only eligible for the lump-sum benefit.



## Disability Benefit

Eligibility	Ten or more years of service.
Benefit	Service retirement benefit earned as of the date of disability, payable immediately.

## Pre-retirement Death Benefit

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 annuity equal to the actuarial equivalent of the retirement benefit that would be due the employee.

## Contributions

Employee	9.25% of salary. Effective July 1, 2026, employees will contribute 49.68% of the actuarially determined contribution rate calculated as of January 1 of the preceding odd-numbered year. The rates will be effective July 1 of even years. The total contribution rate cannot increase or decrease by more than 0.50% every two years. Thus, the rate as of July 1, 2026 will increase to 9.499%.
Employer	9.37% of salary. Effective July 1, 2026, employers will contribute 50.32% of the actuarially determined contribution rate calculated as of January 1 of the preceding odd-numbered year. The rates will be effective July 1 of even years. The total contribution rate cannot increase or decrease by more than 0.50% every two years. Thus, the rate as of July 1, 2026 will increase to 9.621%.
Interest	3.00% annually (0.00% for non-vested members).

**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.



## Optional Forms of Payment

All options include the choice to elect a reduced benefit with a self-funded annual COLA of 1%, 2%, or 3% per year. COLAs commence on the July 1<sup>st</sup> following the two-year anniversary of retirement.

- |           |   |
|-----------|---|
| Option 1  | Monthly benefit for life with a lump-sum death benefit equal to the excess (if any) of the employee contributions with interest over the total benefits received.                                 |
| Option 2  | Monthly benefit for life. Upon death, 100% of the benefit continues to be paid to the beneficiary.  |
| Option 2P | Monthly benefit for life. Upon death, 100% of the benefit continues to be paid to the beneficiary. Benefit reverts to Option 1 amount but without the cash refund feature upon beneficiary death. |
| Option 3  | Monthly benefit for life. Upon death, 50% of the benefit continues to be paid to the beneficiary.   |
| Option 3P | Monthly benefit for life. Upon death, 50% of the benefit continues to be paid to the beneficiary. Benefit reverts to Option 1 amount but without the cash refund feature upon beneficiary death.  |
| Option 4a | Monthly benefit for life with a guarantee of 120 monthly payments   |
| Option 4b | Monthly benefit for life with a guarantee of 240 monthly payments   |
| Option 5  | The largest possible monthly benefit payable for life with no lump-sum death benefit.   |

## **SECTION F**

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### **ACTUARIAL COST METHOD AND ACTUARIAL ASSUMPTIONS**

## Summary of Actuarial Assumptions and Methods

The following methods and assumptions were used in preparing the January 1, 2025 actuarial valuation for GASB reporting purposes and are based on assumptions adopted by the Board at the November 17, 2021 and the February 17, 2022 meetings.

1. Valuation Date

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

2. Actuarial Cost Method

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

- a. The valuation is prepared on the projected benefit basis, under which the present value, at the investment return rate assumed to be earned in the future (currently 6.80%), of each participant's expected benefit payable at retirement or death is determined, based on his/her age, service, sex and compensation. The calculations consider 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 unfunded accrued liability contribution.
- c. The normal cost contribution is determined using the "entry age normal" actuarial cost method. Under this method, a calculation is made to determine the average uniform and constant percentage rate of employer contribution which, if applied to the compensation of each new participant during the entire period of his/her anticipated covered service, would be required to meet the cost of all benefits payable on his/her behalf based on the benefits provisions applicable for the individual member.
- d. The unfunded accrued liability contributions are determined by subtracting the actuarial value of assets from the actuarial accrued liability. Amortization bases are established each year and amortized based on the Board's policy. The Board's policy consists of amortizing the unfunded liability as of January 1, 2018, over a closed 30-year period with each subsequent amortization base created as a result of year to year experience changes over individual 20-year closed periods. The current year amortization base is determined by taking the current unfunded liability less the outstanding amounts of prior year bases.



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

6.80% per year, compounded annually, composed of an assumed 2.25% inflation rate and a 4.55% net real rate of return. This rate represents the assumed return, net of investment expenses.

b. Salary increase rate

Service	Rate
1	6.50%
2	6.50%
3	6.50%
4	6.00%
5	5.25%
6	4.75%
7	4.25%
8	4.00%
9	4.00%
10	3.50%
11	3.50%
12	3.50%
13	3.50%
14	3.25%
15	3.00%
16	3.00%
17	2.75%
18	2.75%
19	2.75%
20	2.75%
21+	2.50%

c. Payroll growth rate

In the amortization of the unfunded actuarial accrued liability, payroll is assumed to increase 2.50% per year. This increase rate is solely due to the effect of inflation on salaries, with no allowance for future membership growth.

d. Cost-of-Living adjustment

No cost-of-living adjustment is assumed since the policy for providing the benefit requires Board approval to make the recommendation to the Joint Appropriations Committee and the funded level of the plan shows a cost-of-living requirement would not be permitted.

5. Demographic Assumptions

a. Mortality

Healthy Pre-Retirement Mortality:

Pub-2010 General Active Mortality Table, amount weighted, fully generational, projected with the MP-2020 Ultimate Scale

Males: No set back with a multiplier of 100%

Females: No set back with a multiplier of 100%

Healthy Post-Retirement Mortality:

Pub-2010 General Healthy Annuitant Mortality Table, amount weighted, fully generational, projected with the MP-2020 Ultimate Scale

Males: No set back with a multiplier of 100%

Females: No set back with a multiplier of 103%

Disabled Mortality

Pub-2010 General Disabled Retiree Mortality Table, amount weighted, fully generational, projected with the MP-2020 Ultimate Scale

Males: No set back with a multiplier of 100%

Females: No set back with a multiplier of 100%

Age	Pre-Retirement		Post-Retirement		Disabled	
	Projected to 2025 using the MP-2020 Ultimate Scale					
	Male	Female	Male	Female	Male	Female
20	0.03%	0.01%	0.03%	0.01%	0.34%	0.19%
25	0.02%	0.01%	0.02%	0.01%	0.23%	0.13%
30	0.03%	0.01%	0.03%	0.01%	0.29%	0.21%
35	0.04%	0.02%	0.04%	0.02%	0.37%	0.33%
40	0.05%	0.03%	0.05%	0.03%	0.53%	0.51%
45	0.08%	0.05%	0.09%	0.05%	0.82%	0.80%
50	0.12%	0.07%	0.24%	0.19%	1.31%	1.21%
55	0.18%	0.10%	0.35%	0.24%	1.72%	1.42%
60	0.26%	0.15%	0.50%	0.32%	2.04%	1.60%
65	0.38%	0.24%	0.75%	0.52%	2.50%	1.85%
70	0.58%	0.41%	1.27%	0.91%	3.24%	2.37%
75			2.24%	1.63%	4.35%	3.36%
80			4.04%	2.93%	6.22%	5.09%
85			7.54%	5.61%	9.49%	8.18%
90			13.35%	10.76%	14.78%	12.43%
95			21.55%	18.26%	22.24%	18.17%
100			31.17%	27.73%	31.17%	26.92%

b. Disability

Age	Male	Female
20	0.01%	0.01%
25	0.01%	0.01%
30	0.01%	0.01%
35	0.01%	0.01%
40	0.01%	0.01%
45	0.02%	0.02%
50	0.12%	0.05%
55+	0.24%	0.12%

c. Withdrawal

Service	Male	Female
1-4	13.00%	14.00%
5	13.00%	13.00%
6	11.00%	11.00%
7	10.00%	10.00%
8	9.00%	9.00%
9	8.00%	8.00%
10	8.00%	8.00%
11	8.00%	8.00%
12	8.00%	7.00%
13	7.00%	7.00%
14	6.00%	7.00%
15	6.00%	6.00%
16	5.00%	6.00%
17	5.00%	6.00%
18	4.00%	6.00%
19+	3.00%	6.00%

d. Retirement Rates

Age	Retirement	
	Unreduced	Reduced
<50	15.00%	0.20%
50-54	15.00%	0.20%
55-59	17.00%	0.20%
60-61	13.00%	0.20%
62	18.00%	0.30%
63-64	15.00%	0.50%
65	30.00%	1.00%
66	35.00%	1.00%
67	28.00%	1.00%
68	25.00%	1.50%
69	25.00%	2.00%
70	25.00%	2.50%
71-73	20.00%	2.50%
74-79	15.00%	2.50%
80+	100.00%	100.00%

6. Other Assumptions

- a. Percent married: 85.00% of employees are assumed to be married. (No beneficiaries other than the spouse assumed.)
- b. Age difference: Male members are assumed to be three years older than their spouses, and female members are assumed to be three years younger than their spouses.
- c. Percent electing annuity on death (when eligible): All of the spouses of vested, married participants are assumed to elect an annuity.
- d. Percent electing deferred termination benefit: Vested terminating members are assumed to elect a refund or a deferred benefit. It is assumed that the active members will elect the maximum value of the refund of deferred benefit when they terminate.
- e. Assumed age for commencement of deferred benefits: Members electing to receive a deferred benefit are assumed to commence receipt at the first age at which unreduced benefits are available, which for this plan is age 60 (65 for Tier 2).
- f. No benefit amount data is available for members entitled to deferred benefits. The benefit is estimated using the final average compensation and service provided by WRS.
- g. There will be no recoveries once disabled. We assume all members are totally disabled.
- h. No surviving spouse will remarry.

- i. Administrative expenses: Assumed to be the average of the prior two years, with each year projected at 2.50% to the valuation date.
- j. Pay increase timing: Beginning of (fiscal) year. This is equivalent to assuming that reported pay represents amount paid to members during the year ended on the valuation date.
- k. Decrement timing: Decrements of all types are assumed to occur mid-year.
- l. Eligibility testing: Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
- m. Decrement relativity: Decrement rates are converted to probabilities in order to account for multiple decrements.
- n. Incidence of Contributions: Contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in the report, and the actual payroll payable at the time contributions are made.
- o. Benefit Service: All members are assumed to accrue one year of service each year. Exact fractional service is used to determine the amount of benefit payable.

## Experience Analysis

An experience study was conducted on behalf of all WRS' plans covering the five year period ending December 31, 2020. That study provided a detailed analysis concerning 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 directed to request the December 31, 2020 Wyoming Retirement System Experience Study.

## **SECTION G**

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### **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 municipal bond 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 6.80%; the municipal bond rate is 4.83%; and the resulting Single Discount Rate is 6.80%.

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 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.

The projections in this report are strictly for the purpose of determining the GASB single discount rate and are different from a funding projection for the ongoing plan.

# Single Discount Rate Development

## Projection of Contributions

### Ending December 31 for 2025 to 2074

Year	Projected Payroll for		Total Employee Payroll	Contributions from Current Employees	Employer Contributions		Total Contributions
	Current Employees	Payroll for Future Employees			Contributions for Current Employees	Related to Payroll of Future Employees	
	(a)	(b)=max(0,(c)-(a))	(c)	(d)	(e)=(a)*ER%	(f) = (b)*netER%	(g)=(d)+(e)+(f)
2025	\$ 2,115,461,441	\$ 52,886,536	\$ 2,168,347,977	\$ 205,277,500	\$ 203,689,334	\$ 4,185,467	\$ 413,152,301
2026	2,097,128,813	125,427,863	2,222,556,676	196,611,458	199,149,113	10,241,930	406,002,501
2027	1,969,915,170	308,205,423	2,278,120,593	187,122,242	189,525,539	25,936,630	402,584,411
2028	1,854,897,780	480,175,828	2,335,073,608	177,073,924	179,348,899	40,870,989	397,293,812
2029	1,750,136,242	643,314,206	2,393,450,448	167,890,570	170,048,242	55,325,873	393,264,685
2030	1,653,868,497	799,418,212	2,453,286,709	158,655,605	160,694,592	68,648,869	387,999,066
2031	1,564,442,960	950,175,917	2,514,618,877	150,077,013	152,005,751	81,460,025	383,542,789
2032	1,480,307,193	1,097,177,156	2,577,484,349	142,005,869	143,830,880	93,919,422	379,756,171
2033	1,400,388,548	1,241,532,910	2,641,921,458	134,339,273	136,065,756	106,148,051	376,553,080
2034	1,322,078,434	1,385,891,060	2,707,969,494	126,826,984	128,456,921	118,395,674	373,679,579
2035	1,243,897,221	1,531,771,510	2,775,668,731	119,327,060	120,860,611	130,805,845	370,993,516
2036	1,166,019,239	1,679,041,210	2,845,060,449	111,856,226	113,293,763	143,377,460	368,527,449
2037	1,088,387,615	1,827,799,345	2,916,186,960	104,409,024	105,750,853	156,132,106	366,291,983
2038	1,012,111,962	1,976,979,672	2,989,091,634	97,091,901	98,339,692	168,990,376	364,421,969
2039	938,349,845	2,125,469,080	3,063,818,925	90,115,901	91,172,754	181,866,922	363,055,577
2040	866,839,567	2,273,574,831	3,140,414,398	83,155,920	84,224,611	194,793,002	362,173,533
2041	797,443,747	2,421,481,011	3,218,924,758	76,498,779	77,481,915	207,783,693	361,764,387
2042	730,575,318	2,568,822,559	3,299,397,877	70,084,090	70,984,787	220,803,885	361,872,762
2043	666,280,749	2,715,602,075	3,381,882,824	63,916,312	64,737,743	233,847,333	362,501,388
2044	604,932,603	2,861,497,292	3,466,429,895	58,031,185	58,776,981	246,879,592	363,687,758
2045	546,739,799	3,006,350,843	3,553,090,642	52,448,749	53,122,802	259,879,328	365,450,879
2046	491,595,097	3,150,322,811	3,641,917,908	47,158,718	47,764,785	272,853,511	367,777,014
2047	439,813,068	3,293,152,788	3,732,965,856	42,191,268	42,733,495	285,774,112	370,698,875
2048	391,771,704	3,434,518,298	3,826,290,002	37,091,893	37,570,950	289,967,086	364,629,929
2049	347,621,624	3,574,325,628	3,921,947,252	32,481,765	32,903,381	293,462,106	358,847,252
2050	307,254,961	3,712,740,972	4,019,995,933	28,326,555	28,693,030	296,067,114	353,086,699
2051	270,077,843	3,850,417,988	4,120,495,831	24,566,281	24,883,044	298,066,619	347,515,944
2052	235,796,146	3,987,712,081	4,223,508,227	21,153,825	21,425,636	299,248,617	341,828,078
2053	204,433,500	4,124,662,433	4,329,095,933	18,088,276	18,319,870	299,849,590	336,257,736
2054	175,713,915	4,261,609,416	4,437,323,331	15,327,053	15,524,344	299,634,467	330,485,864
2055	149,546,313	4,398,710,101	4,548,256,414	12,859,487	13,025,912	298,860,276	324,745,675
2056	125,867,770	4,536,095,054	4,661,962,824	10,666,330	10,803,870	297,253,492	318,723,692
2057	104,803,316	4,673,708,579	4,778,511,895	8,752,125	8,864,564	295,074,401	312,691,090
2058	86,537,040	4,811,437,652	4,897,974,692	7,118,305	7,210,276	292,028,003	306,356,584
2059	71,033,330	4,949,390,729	5,020,424,059	5,755,120	5,829,909	288,415,489	300,000,518
2060	58,035,562	5,087,899,098	5,145,934,660	4,629,633	4,689,568	283,956,706	293,275,907
2061	47,176,842	5,227,406,185	5,274,583,027	3,705,269	3,753,053	278,985,135	286,443,457
2062	38,166,736	5,368,280,867	5,406,447,603	2,949,997	2,987,886	273,197,339	279,135,222
2063	30,695,529	5,510,913,264	5,541,608,793	2,334,702	2,364,564	266,931,651	271,630,917
2064	24,476,421	5,655,672,592	5,680,149,013	1,831,015	1,854,581	259,858,252	263,543,848
2065	19,335,439	5,802,817,299	5,822,152,738	1,422,508	1,440,932	252,318,806	255,182,246
2066	15,144,230	5,952,562,326	5,967,706,556	1,095,266	1,109,392	243,952,248	246,156,906
2067	11,768,134	6,105,131,086	6,116,899,220	836,597	847,339	235,112,164	236,796,100
2068	9,085,974	6,260,735,727	6,269,821,701	634,540	642,743	225,414,313	226,691,596
2069	6,980,300	6,419,586,944	6,426,567,244	478,849	485,081	215,226,930	216,190,860
2070	5,347,321	6,581,884,104	6,587,231,425	360,155	364,821	204,143,092	204,868,068
2071	4,081,299	6,747,830,912	6,751,912,211	269,856	273,336	192,545,924	193,089,116
2072	3,100,121	6,917,609,895	6,920,710,016	201,112	203,694	180,003,073	180,407,879
2073	2,365,193	7,091,362,573	7,093,727,766	150,521	152,443	166,912,435	167,215,399
2074	1,807,451	7,269,263,509	7,271,070,960	112,762	114,213	152,816,633	153,043,608



# Single Discount Rate Development Projection of Contributions Ending December 31 for 2075 to 2124 (concluded)

Year	Projected Payroll for		Total Employee Payroll	Contributions from Current Employees	Employer Contributions		Total Contributions
	Current Employees	Payroll for Future Employees			Contributions for Current Employees	Related to Payroll of Future Employees	
	(a)	(b)=max(0,(c)-(a))	(c)	(d)	(e)=(a)*ER%	(f) = (b)*netER%	(g)=(d)+(e)+(f)
2075	\$ 1,381,514	\$ 7,451,466,220	\$ 7,452,847,734	\$ 84,480	\$ 85,575	\$ 138,131,799	\$ 138,301,854
2076	1,051,906	7,638,117,021	7,639,168,927	63,012	63,824	122,374,491	122,501,327
2077	793,390	7,829,354,760	7,830,148,150	46,548	47,145	105,979,823	106,073,516
2078	585,819	8,025,316,035	8,025,901,854	33,636	34,071	88,438,159	88,505,866
2079	418,046	8,226,131,354	8,226,549,400	23,486	23,792	70,205,190	70,252,468
2080	290,609	8,431,922,526	8,432,213,135	16,012	16,220	53,563,960	53,596,192
2081	193,681	8,642,824,782	8,643,018,463	10,465	10,600	36,277,931	36,298,996
2082	121,722	8,858,972,203	8,859,093,925	6,577	6,662	37,188,618	37,201,857
2083	73,780	9,080,497,493	9,080,571,273	3,986	4,038	38,122,990	38,131,014
2084	42,422	9,307,543,133	9,307,585,555	2,292	2,322	39,079,057	39,083,671
2085	22,967	9,540,252,227	9,540,275,194	1,241	1,257	40,060,241	40,062,739
2086	10,414	9,778,771,660	9,778,782,074	563	570	41,064,100	41,065,233
2087	2,708	10,023,248,918	10,023,251,626	146	148	42,094,078	42,094,372
2088	221	10,273,832,696	10,273,832,917	12	12	43,148,017	43,148,041
2089	39	10,530,678,701	10,530,678,740	2	2	44,229,072	44,229,076
2090	0	10,793,945,709	10,793,945,709	0	0	45,335,814	45,335,814
2091	0	11,063,794,352	11,063,794,352	0	0	46,470,747	46,470,747
2092	0	11,340,389,211	11,340,389,211	0	0	47,633,134	47,633,134
2093	0	11,623,898,941	11,623,898,941	0	0	48,824,866	48,824,866
2094	0	11,914,496,415	11,914,496,415	0	0	50,045,740	50,045,740
2095	0	12,212,358,825	12,212,358,825	0	0	51,297,198	51,297,198
2096	0	12,517,667,796	12,517,667,796	0	0	52,579,552	52,579,552
2097	0	12,830,609,491	12,830,609,491	0	0	53,893,838	53,893,838
2098	0	13,151,374,728	13,151,374,728	0	0	55,240,857	55,240,857
2099	0	13,480,159,096	13,480,159,096	0	0	56,621,299	56,621,299
2100	0	13,817,163,073	13,817,163,073	0	0	58,036,360	58,036,360
2101	0	14,162,592,150	14,162,592,150	0	0	59,486,488	59,486,488
2102	0	14,516,656,954	14,516,656,954	0	0	60,973,139	60,973,139
2103	0	14,879,573,378	14,879,573,378	0	0	62,496,645	62,496,645
2104	0	15,251,562,712	15,251,562,712	0	0	64,058,583	64,058,583
2105	0	15,632,851,780	15,632,851,780	0	0	65,659,289	65,659,289
2106	0	16,023,673,075	16,023,673,075	0	0	67,300,364	67,300,364
2107	0	16,424,264,902	16,424,264,902	0	0	68,982,237	68,982,237
2108	0	16,834,871,525	16,834,871,525	0	0	70,706,480	70,706,480
2109	0	17,255,743,313	17,255,743,313	0	0	72,473,661	72,473,661
2110	0	17,687,136,896	17,687,136,896	0	0	74,285,296	74,285,296
2111	0	18,129,315,318	18,129,315,318	0	0	76,142,122	76,142,122
2112	0	18,582,548,201	18,582,548,201	0	0	78,045,576	78,045,576
2113	0	19,047,111,906	19,047,111,906	0	0	79,996,583	79,996,583
2114	0	19,523,289,704	19,523,289,704	0	0	81,996,494	81,996,494
2115	0	20,011,371,947	20,011,371,947	0	0	84,046,424	84,046,424
2116	0	20,511,656,246	20,511,656,246	0	0	86,147,653	86,147,653
2117	0	21,024,447,652	21,024,447,652	0	0	88,301,471	88,301,471
2118	0	21,550,058,843	21,550,058,843	0	0	90,509,120	90,509,120
2119	0	22,088,810,314	22,088,810,314	0	0	92,772,035	92,772,035
2120	0	22,641,030,572	22,641,030,572	0	0	95,091,464	95,091,464
2121	0	23,207,056,336	23,207,056,336	0	0	97,468,958	97,468,958
2122	0	23,787,232,744	23,787,232,744	0	0	99,905,806	99,905,806
2123	0	24,381,913,563	24,381,913,563	0	0	102,403,649	102,403,649
2124	0	24,991,461,402	24,991,461,402	0	0	104,965,393	104,965,393



# Single Discount Rate Development

## Projection of Plan Net Position

### Ending December 31 for 2025 to 2074

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expenses	Projected Investment Earnings at 6.800%	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)	(f)=(a)+(b)-(c)-(d)+(e)
2025	\$ 9,801,724,315	\$ 412,992,063	\$ 746,638,881	\$ 9,817,066	\$ 1,701,689,490	\$ 11,159,949,921
2026	11,159,949,921	406,002,501	763,104,824	9,334,738	746,622,626	11,540,135,486
2027	11,540,135,486	402,584,411	783,831,804	9,568,106	771,660,009	11,920,979,995
2028	11,920,979,995	397,293,812	803,845,531	9,807,309	796,703,238	12,301,324,205
2029	12,301,324,205	393,264,685	826,540,416	10,052,492	821,664,771	12,679,660,753
2030	12,679,660,753	387,999,066	848,917,914	10,303,804	846,458,843	13,054,896,944
2031	13,054,896,944	383,542,789	871,228,027	10,561,399	871,071,199	13,427,721,506
2032	13,427,721,506	379,756,171	892,654,505	10,825,434	895,571,292	13,799,569,030
2033	13,799,569,030	376,553,080	913,736,414	11,096,070	920,035,762	14,171,325,388
2034	14,171,325,388	373,679,579	935,423,884	11,373,472	944,484,578	14,542,692,189
2035	14,542,692,189	370,993,516	957,134,081	11,657,809	968,912,180	14,913,805,995
2036	14,913,805,995	368,527,449	978,658,940	11,949,254	993,335,896	15,285,061,145
2037	15,285,061,145	366,291,983	999,928,614	12,247,985	1,017,785,224	15,656,961,754
2038	15,656,961,754	364,421,969	1,020,127,655	12,554,185	1,042,326,218	16,031,028,101
2039	16,031,028,101	363,055,577	1,039,606,553	12,868,039	1,067,055,150	16,408,664,236
2040	16,408,664,236	362,173,533	1,058,213,329	13,189,740	1,092,071,926	16,791,506,626
2041	16,791,506,626	361,764,387	1,075,215,688	13,519,484	1,117,511,926	17,182,047,767
2042	17,182,047,767	361,872,762	1,090,334,724	13,857,471	1,143,555,452	17,583,283,786
2043	17,583,283,786	362,501,388	1,103,208,766	14,203,908	1,170,418,419	17,998,790,919
2044	17,998,790,919	363,687,758	1,113,699,779	14,559,006	1,198,349,874	18,432,569,766
2045	18,432,569,766	365,450,879	1,122,056,367	14,922,981	1,227,614,173	18,888,655,470
2046	18,888,655,470	367,777,014	1,127,601,862	15,296,055	1,258,507,867	19,372,042,433
2047	19,372,042,433	370,698,875	1,130,581,041	15,678,457	1,291,363,475	19,887,845,285
2048	19,887,845,285	364,629,929	1,130,981,127	16,070,418	1,326,208,632	20,431,632,301
2049	20,431,632,301	358,847,252	1,128,948,792	16,472,178	1,363,047,299	21,008,105,882
2050	21,008,105,882	353,086,699	1,124,517,994	16,883,983	1,402,189,263	21,621,979,867
2051	21,621,979,867	347,515,944	1,117,518,809	17,306,082	1,443,966,347	22,278,637,267
2052	22,278,637,267	341,828,078	1,108,326,213	17,738,735	1,488,721,783	22,983,122,181
2053	22,983,122,181	336,257,736	1,097,842,127	18,182,203	1,536,776,247	23,740,131,834
2054	23,740,131,834	330,485,864	1,086,248,812	18,636,758	1,588,432,377	24,554,164,504
2055	24,554,164,504	324,745,675	1,073,938,164	19,102,677	1,643,990,739	25,429,860,077
2056	25,429,860,077	318,723,692	1,060,189,739	19,580,244	1,703,780,447	26,372,594,233
2057	26,372,594,233	312,691,090	1,044,179,230	20,069,750	1,768,203,670	27,389,240,013
2058	27,389,240,013	306,356,584	1,026,520,468	20,571,494	1,837,697,497	28,486,202,132
2059	28,486,202,132	300,000,518	1,007,085,603	21,085,781	1,912,711,089	29,670,742,354
2060	29,670,742,354	293,275,907	985,805,906	21,612,926	1,993,728,930	30,950,328,360
2061	30,950,328,360	286,443,457	962,979,400	22,153,249	2,081,257,565	32,332,896,733
2062	32,332,896,733	279,135,222	939,353,898	22,707,080	2,175,799,357	33,825,770,334
2063	33,825,770,334	271,630,917	914,821,591	23,274,757	2,277,865,209	35,437,170,112
2064	35,437,170,112	263,543,848	888,390,014	23,856,626	2,388,034,392	37,176,501,712
2065	37,176,501,712	255,182,246	860,250,155	24,453,041	2,506,950,398	39,053,931,159
2066	39,053,931,159	246,156,906	830,272,874	25,064,368	2,635,295,808	41,080,046,631
2067	41,080,046,631	236,796,100	798,046,189	25,690,977	2,773,815,360	43,266,920,924
2068	43,266,920,924	226,691,596	764,188,745	26,333,251	2,923,295,652	45,626,386,177
2069	45,626,386,177	216,190,860	729,075,345	26,991,582	3,084,540,343	48,171,050,453
2070	48,171,050,453	204,868,068	693,276,423	27,666,372	3,258,373,451	50,913,349,177
2071	50,913,349,177	193,089,116	657,045,990	28,358,031	3,445,644,313	53,866,678,585
2072	53,866,678,585	180,407,879	620,135,008	29,066,982	3,647,257,268	57,045,141,742
2073	57,045,141,742	167,215,399	583,236,767	29,793,657	3,864,161,203	60,463,487,921
2074	60,463,487,921	153,043,608	546,943,748	30,538,498	4,097,323,588	64,136,372,870



# Single Discount Rate Development

## Projection of Plan Net Position

### Ending December 31 for 2075 to 2124 (concluded)

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expenses	Projected Investment Earnings at 6.800%	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)	(f)=(a)+(b)-(c)-(d)+(e)
2075	\$ 64,136,372,870	\$ 138,301,854	\$ 511,401,690	\$ 31,301,960	\$ 4,347,749,813	\$ 68,079,720,887
2076	68,079,720,887	122,501,327	476,733,764	32,084,509	4,616,502,251	72,309,906,192
2077	72,309,906,192	106,073,516	443,040,152	32,886,622	4,904,705,412	76,844,758,346
2078	76,844,758,346	88,505,866	410,407,717	33,708,788	5,213,551,644	81,702,699,351
2079	81,702,699,351	70,252,468	378,903,936	34,551,507	5,544,306,555	86,903,802,931
2080	86,903,802,931	53,596,192	348,598,386	35,415,295	5,898,409,156	92,471,794,598
2081	92,471,794,598	36,298,996	319,546,673	36,300,678	6,277,396,063	98,429,642,306
2082	98,429,642,306	37,201,857	291,789,475	37,208,194	6,683,457,775	104,821,304,269
2083	104,821,304,269	38,131,014	265,363,343	38,138,399	7,118,974,466	111,674,908,007
2084	111,674,908,007	39,083,671	240,291,022	39,091,859	7,585,857,934	119,020,466,731
2085	119,020,466,731	40,062,739	216,587,824	40,069,156	8,086,148,641	126,890,021,131
2086	126,890,021,131	41,065,233	194,258,959	41,070,885	8,622,025,062	135,317,781,582
2087	135,317,781,582	42,094,372	173,300,868	42,097,657	9,195,813,709	144,340,291,138
2088	144,340,291,138	43,148,041	153,709,314	43,150,098	9,809,999,558	153,996,579,324
2089	153,996,579,324	44,229,076	135,476,073	44,228,851	10,467,236,966	164,328,340,442
2090	164,328,340,442	45,335,814	118,588,817	45,334,572	11,170,361,480	175,380,114,347
2091	175,380,114,347	46,470,747	103,033,142	46,467,936	11,922,402,353	187,199,486,370
2092	187,199,486,370	47,633,134	88,791,905	47,629,635	12,726,595,913	199,837,293,876
2093	199,837,293,876	48,824,866	75,844,805	48,820,376	13,586,399,819	213,347,853,380
2094	213,347,853,380	50,045,740	64,168,162	50,040,885	14,505,508,354	227,789,198,427
2095	227,789,198,427	51,297,198	53,731,988	51,291,907	15,487,868,826	243,223,340,556
2096	243,223,340,556	52,579,552	44,497,140	52,574,205	16,537,699,314	259,716,548,077
2097	259,716,548,077	53,893,838	36,414,919	53,888,560	17,659,507,700	277,339,646,136
2098	277,339,646,136	55,240,857	29,425,611	55,235,774	18,858,112,090	296,168,337,697
2099	296,168,337,697	56,621,299	23,458,635	56,616,668	20,138,662,641	316,283,546,335
2100	316,283,546,335	58,036,360	18,434,672	58,032,085	21,506,664,823	337,771,780,761
2101	337,771,780,761	59,486,488	14,267,302	59,482,887	22,968,004,101	360,725,521,161
2102	360,725,521,161	60,973,139	10,865,413	60,969,959	24,528,972,197	385,243,631,125
2103	385,243,631,125	62,496,645	8,135,252	62,494,208	26,196,294,948	411,431,793,258
2104	411,431,793,258	64,058,583	5,982,738	64,056,563	27,977,161,941	439,402,974,482
2105	439,402,974,482	65,659,289	4,317,019	65,657,977	29,879,257,944	469,277,916,719
2106	469,277,916,719	67,300,364	3,053,248	67,299,427	31,910,796,265	501,185,660,673
2107	501,185,660,673	68,982,237	2,114,286	68,981,913	34,080,554,233	535,264,100,944
2108	535,264,100,944	70,706,480	1,431,906	70,706,460	36,397,910,981	571,660,580,039
2109	571,660,580,039	72,473,661	947,415	72,474,122	38,872,887,745	610,532,519,908
2110	610,532,519,908	74,285,296	611,748	74,285,975	41,516,190,874	652,048,098,354
2111	652,048,098,354	76,142,122	385,087	76,143,124	44,339,257,777	696,386,970,042
2112	696,386,970,042	78,045,576	236,089	78,046,702	47,354,306,030	743,741,038,857
2113	743,741,038,857	79,996,583	140,846	79,997,870	50,574,385,889	794,315,282,614
2114	794,315,282,614	81,996,494	81,708	81,997,817	54,013,436,441	848,328,636,024
2115	848,328,636,024	84,046,424	46,072	84,047,762	57,686,345,664	906,014,934,278
2116	906,014,934,278	86,147,653	25,250	86,148,956	61,609,014,643	967,623,922,368
2117	967,623,922,368	88,301,471	13,458	88,302,680	65,798,426,231	1,033,422,333,931
2118	1,033,422,333,931	90,509,120	6,984	90,510,247	70,272,718,436	1,103,695,044,257
2119	1,103,695,044,257	92,772,035	3,534	92,773,003	75,051,262,859	1,178,746,302,613
2120	1,178,746,302,613	95,091,464	1,744	95,092,328	80,154,748,490	1,258,901,048,495
2121	1,258,901,048,495	97,468,958	837	97,469,637	85,605,271,247	1,344,506,318,226
2122	1,344,506,318,226	99,905,806	390	99,906,378	91,426,429,607	1,435,932,746,871
2123	1,435,932,746,871	102,403,649	175	102,404,037	97,643,426,768	1,533,576,173,077
2124	1,533,576,173,077	104,965,393	105	104,964,138	104,283,179,808	1,637,859,354,035



# Single Discount Rate Development

## Present Values of Projected Benefits

### Ending December 31 for 2025 to 2074

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 <sup>^(a)-.5)</sup>	(g)=(e)*vf <sup>^(a)-.5)</sup>	(h)=((c)/(1+SDR) <sup>^(a)-.5)</sup>
2025	\$ 9,801,724,315	\$ 746,638,881	\$ 746,638,881	\$ 0	\$ 722,478,580	\$ 0	\$ 722,478,580
2026	11,159,949,921	763,104,824	763,104,824	0	691,396,728	0	691,396,728
2027	11,540,135,486	783,831,804	783,831,804	0	664,958,818	0	664,958,818
2028	11,920,979,995	803,845,531	803,845,531	0	638,518,107	0	638,518,107
2029	12,301,324,205	826,540,416	826,540,416	0	614,742,809	0	614,742,809
2030	12,679,660,753	848,917,914	848,917,914	0	591,185,548	0	591,185,548
2031	13,054,896,944	871,228,027	871,228,027	0	568,092,029	0	568,092,029
2032	13,427,721,506	892,654,505	892,654,505	0	545,003,142	0	545,003,142
2033	13,799,569,030	913,736,414	913,736,414	0	522,354,433	0	522,354,433
2034	14,171,325,388	935,423,884	935,423,884	0	500,704,569	0	500,704,569
2035	14,542,692,189	957,134,081	957,134,081	0	479,705,422	0	479,705,422
2036	14,913,805,995	978,658,940	978,658,940	0	459,263,532	0	459,263,532
2037	15,285,061,145	999,928,614	999,928,614	0	439,367,913	0	439,367,913
2038	15,656,961,754	1,020,127,655	1,020,127,655	0	419,703,518	0	419,703,518
2039	16,031,028,101	1,039,606,553	1,039,606,553	0	400,484,622	0	400,484,622
2040	16,408,664,236	1,058,213,329	1,058,213,329	0	381,697,056	0	381,697,056
2041	16,791,506,626	1,075,215,688	1,075,215,688	0	363,136,516	0	363,136,516
2042	17,182,047,767	1,090,334,724	1,090,334,724	0	344,796,558	0	344,796,558
2043	17,583,283,786	1,103,208,766	1,103,208,766	0	326,655,165	0	326,655,165
2044	17,998,790,919	1,113,699,779	1,113,699,779	0	308,765,456	0	308,765,456
2045	18,432,569,766	1,122,056,367	1,122,056,367	0	291,275,525	0	291,275,525
2046	18,888,655,470	1,127,601,862	1,127,601,862	0	274,077,795	0	274,077,795
2047	19,372,042,433	1,130,581,041	1,130,581,041	0	257,305,170	0	257,305,170
2048	19,887,845,285	1,130,981,127	1,130,981,127	0	241,007,701	0	241,007,701
2049	20,431,632,301	1,128,948,792	1,128,948,792	0	225,257,133	0	225,257,133
2050	21,008,105,882	1,124,517,994	1,124,517,994	0	210,087,138	0	210,087,138
2051	21,621,979,867	1,117,518,809	1,117,518,809	0	195,486,443	0	195,486,443
2052	22,278,637,267	1,108,326,213	1,108,326,213	0	181,534,075	0	181,534,075
2053	22,983,122,181	1,097,842,127	1,097,842,127	0	168,367,859	0	168,367,859
2054	23,740,131,834	1,086,248,812	1,086,248,812	0	155,983,033	0	155,983,033
2055	24,554,164,504	1,073,938,164	1,073,938,164	0	144,396,301	0	144,396,301
2056	25,429,860,077	1,060,189,739	1,060,189,739	0	133,471,683	0	133,471,683
2057	26,372,594,233	1,044,179,230	1,044,179,230	0	123,086,193	0	123,086,193
2058	27,389,240,013	1,026,520,468	1,026,520,468	0	113,300,193	0	113,300,193
2059	28,486,202,132	1,007,085,603	1,007,085,603	0	104,077,816	0	104,077,816
2060	29,670,742,354	985,805,906	985,805,906	0	95,391,998	0	95,391,998
2061	30,950,328,360	962,979,400	962,979,400	0	87,250,168	0	87,250,168
2062	32,332,896,733	939,353,898	939,353,898	0	79,690,631	0	79,690,631
2063	33,825,770,334	914,821,591	914,821,591	0	72,667,995	0	72,667,995
2064	35,437,170,112	888,390,014	888,390,014	0	66,075,307	0	66,075,307
2065	37,176,501,712	860,250,155	860,250,155	0	59,908,580	0	59,908,580
2066	39,053,931,159	830,272,874	830,272,874	0	54,139,453	0	54,139,453
2067	41,080,046,631	798,046,189	798,046,189	0	48,724,769	0	48,724,769
2068	43,266,920,924	764,188,745	764,188,745	0	43,686,892	0	43,686,892
2069	45,626,386,177	729,075,345	729,075,345	0	39,025,787	0	39,025,787
2070	48,171,050,453	693,276,423	693,276,423	0	34,746,769	0	34,746,769
2071	50,913,349,177	657,045,990	657,045,990	0	30,834,188	0	30,834,188
2072	53,866,678,585	620,135,008	620,135,008	0	27,249,074	0	27,249,074
2073	57,045,141,742	583,236,767	583,236,767	0	23,996,016	0	23,996,016
2074	60,463,487,921	546,943,748	546,943,748	0	21,070,054	0	21,070,054



# Single Discount Rate Development

## Present Values of Projected Benefits

### Ending December 31 for 2075 to 2124 (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)-.5)	(g)=(e)*vf ^((a)-.5)	(h)=((c)/(1+SDR)^(a-.5))
2075	\$ 64,136,372,870	\$ 511,401,690	\$ 511,401,690	\$ 0	\$ 18,446,497	\$ 0	\$ 18,446,497
2076	68,079,720,887	476,733,764	476,733,764	0	16,101,132	0	16,101,132
2077	72,309,906,192	443,040,152	443,040,152	0	14,010,458	0	14,010,458
2078	76,844,758,346	410,407,717	410,407,717	0	12,152,161	0	12,152,161
2079	81,702,699,351	378,903,936	378,903,936	0	10,504,995	0	10,504,995
2080	86,903,802,931	348,598,386	348,598,386	0	9,049,422	0	9,049,422
2081	92,471,794,598	319,546,673	319,546,673	0	7,767,093	0	7,767,093
2082	98,429,642,306	291,789,475	291,789,475	0	6,640,834	0	6,640,834
2083	104,821,304,269	265,363,343	265,363,343	0	5,654,870	0	5,654,870
2084	111,674,908,007	240,291,022	240,291,022	0	4,794,552	0	4,794,552
2085	119,020,466,731	216,587,824	216,587,824	0	4,046,441	0	4,046,441
2086	126,890,021,131	194,258,959	194,258,959	0	3,398,201	0	3,398,201
2087	135,317,781,582	173,300,868	173,300,868	0	2,838,556	0	2,838,556
2088	144,340,291,138	153,709,314	153,709,314	0	2,357,359	0	2,357,359
2089	153,996,579,324	135,476,073	135,476,073	0	1,945,435	0	1,945,435
2090	164,328,340,442	118,588,817	118,588,817	0	1,594,508	0	1,594,508
2091	175,380,114,347	103,033,142	103,033,142	0	1,297,145	0	1,297,145
2092	187,199,486,370	88,791,905	88,791,905	0	1,046,680	0	1,046,680
2093	199,837,293,876	75,844,805	75,844,805	0	837,134	0	837,134
2094	213,347,853,380	64,168,162	64,168,162	0	663,159	0	663,159
2095	227,789,198,427	53,731,988	53,731,988	0	519,948	0	519,948
2096	243,223,340,556	44,497,140	44,497,140	0	403,169	0	403,169
2097	259,716,548,077	36,414,919	36,414,919	0	308,932	0	308,932
2098	277,339,646,136	29,425,611	29,425,611	0	233,743	0	233,743
2099	296,168,337,697	23,458,635	23,458,635	0	174,480	0	174,480
2100	316,283,546,335	18,434,672	18,434,672	0	128,382	0	128,382
2101	337,771,780,761	14,267,302	14,267,302	0	93,034	0	93,034
2102	360,725,521,161	10,865,413	10,865,413	0	66,340	0	66,340
2103	385,243,631,125	8,135,252	8,135,252	0	46,508	0	46,508
2104	411,431,793,258	5,982,738	5,982,738	0	32,025	0	32,025
2105	439,402,974,482	4,317,019	4,317,019	0	21,637	0	21,637
2106	469,277,916,719	3,053,248	3,053,248	0	14,329	0	14,329
2107	501,185,660,673	2,114,286	2,114,286	0	9,290	0	9,290
2108	535,264,100,944	1,431,906	1,431,906	0	5,891	0	5,891
2109	571,660,580,039	947,415	947,415	0	3,650	0	3,650
2110	610,532,519,908	611,748	611,748	0	2,207	0	2,207
2111	652,048,098,354	385,087	385,087	0	1,301	0	1,301
2112	696,386,970,042	236,089	236,089	0	747	0	747
2113	743,741,038,857	140,846	140,846	0	417	0	417
2114	794,315,282,614	81,708	81,708	0	227	0	227
2115	848,328,636,024	46,072	46,072	0	120	0	120
2116	906,014,934,278	25,250	25,250	0	61	0	61
2117	967,623,922,368	13,458	13,458	0	31	0	31
2118	1,033,422,333,931	6,984	6,984	0	15	0	15
2119	1,103,695,044,257	3,534	3,534	0	7	0	7
2120	1,178,746,302,613	1,744	1,744	0	3	0	3
2121	1,258,901,048,495	837	837	0	1	0	1
2122	1,344,506,318,226	390	390	0	1	0	1
2123	1,435,932,746,871	175	175	0	0	0	0
2124	1,533,576,173,077	105	105	0	0	0	0
<b>Totals</b>					\$ 13,713,395,384	\$ 0	\$ 13,713,395,384



# SECTION H

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## GLOSSARY OF TERMS

# Glossary of Terms

<b>Accrued Service</b>	Service credited under the system that was rendered before the date of the actuarial valuation.
<b>Actuarial Accrued Liability (AAL)</b>	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."
<b>Actuarial Assumptions</b>	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.
<b>Actuarial Cost Method</b>	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.
<b>Actuarial Equivalent</b>	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.
<b>Actuarial Gain (Loss)</b>	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.
<b>Actuarial Present Value (APV)</b>	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.
<b>Actuarial Valuation</b>	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.
<b>Actuarial Valuation Date</b>	The date as of which an actuarial valuation is performed.
<b>Actuarially Determined Contribution (ADC) or Annual Required Contribution (ARC)</b>	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

<b>Amortization Method</b>	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).
<b>Amortization Payment</b>	The amortization payment is the periodic payment required to pay off an interest-discounted amount with payments of interest and principal.
<b>Cost-of-Living Adjustments</b>	Postemployment benefit changes intended to adjust benefit payments for the effects of inflation.
<b>Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (cost-sharing pension plan)</b>	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.
<b>Covered-Employee Payroll</b>	The payroll of employees that are provided with pensions through the pension plan.
<b>Deferred Inflows and Outflows</b>	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.
<b>Deferred Retirement Option Program (DROP)</b>	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.

# Glossary of Terms

## Discount Rate

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:

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.

## Entry Age Actuarial Cost Method (EAN)

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.

## Fiduciary Net Position

The fiduciary net position is the market value of the assets of the trust dedicated to the defined benefit provisions.

## GASB

The Governmental Accounting Standards Board is an organization that exists in order to promulgate accounting standards for governmental entities.

## Money-Weighted Rate of Return

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.

## Multiple-Employer Defined Benefit Pension Plan

A multiple-employer plan is a defined benefit pension plan that is used to provide pensions to the employees of more than one employer.

## Municipal Bond Rate

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.

## Net Pension Liability (NPL)

The NPL is the liability of employers and non-employer contributing entities to plan members for benefits provided through a defined benefit pension plan.



## Glossary of Terms

<b>Other Postemployment Benefits (OPEB)</b>	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.
<b>Real Rate of Return</b>	The real rate of return is the rate of return on an investment after adjustment to eliminate inflation.
<b>Service Cost</b>	The service cost is the portion of the actuarial present value of projected benefit payments that is attributed to a valuation year.
<b>Total Pension Expense</b>	<p>The total pension expense is the sum of the following items that are recognized at the end of the employer’s fiscal year:</p> <ol style="list-style-type: none"><li>1. Service Cost</li><li>2. Interest on the Total Pension Liability</li><li>3. Current-Period Benefit Changes</li><li>4. Employee Contributions (made negative for addition here)</li><li>5. Projected Earnings on Plan Investments (made negative for addition here)</li><li>6. Pension Plan Administrative Expense</li><li>7. Other Changes in Plan Fiduciary Net Position</li><li>8. Recognition of Outflow (Inflow) of Resources due to Liabilities</li><li>9. Recognition of Outflow (Inflow) of Resources due to Assets</li></ol>
<b>Total Pension Liability (TPL)</b>	The TPL is the portion of the actuarial present value of projected benefit payments that is attributed to past periods of member service.
<b>Unfunded Actuarial Accrued Liability (UAAL)</b>	The UAAL is the difference between actuarial accrued liability and valuation assets.
<b>Valuation Assets</b>	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.