

FISCAL NOTE

	FY 2024	FY 2025	FY 2026
NON-ADMINISTRATIVE IMPACT			
Anticipated Expenditure increase			
GENERAL FUND	\$5,254	\$5,254	\$5,254

Source of expenditure increase:

The expenditure increase in the table is the net increased employer-paid retirement contribution (2.26 percent of salary) between the Law Enforcement Retirement Plan (LE Plan) and Public Employee Retirement Plan (PE Plan).

This legislation allows full-time state park rangers employed after July 1, 2023, to participate in the LE Plan and existing full-time state park rangers to elect either the LE Plan or the PE Plan. There is a small population of employees in this category. The contribution rate for the LE Plan is 17.20 percent and it is fully paid by the employer for state executive branch employees. For state executive branch employees, the employer-paid portion of the PE Plan contribution is 14.94 percent and the entire contribution rate is 18.62 percent.

The Wyoming Retirement System (WRS) had its actuaries evaluate this legislation. WRS' actuaries calculated the existing liability for the eligible employees under the PE Plan and the LE Plan. If this legislation were enacted, and most eligible employees elected to switch plans, the PE Plan would be relieved of certain liabilities and transfer commensurate assets to the LE Plan. The LE Plan has more enhanced benefits and earlier retirement eligibility compared to the PE Plan. The WRS indicates that the commensurate assets transferred from the PE Plan would not fully fund the new liability. WRS' actuaries estimate the LE Plan would need an additional \$186,238 to fully fund future benefits in FY 2024. This would become part of the unfunded liability of the LE Plan if no contribution were made to offset the impact of this legislation. The LE Plan is currently 85 percent funded with \$790 million in assets and \$933 million in liabilities. WRS indicated the estimated \$186,238 increase in the unfunded liability is within a rounding error compared to the size of the LE Plan.

Assumptions:

The Department of Parks and Cultural Resources assumes the expenditure increase includes no over-time or holiday pay and that most eligible employees transfer to the LE Plan.

All the WRS Board adopted assumptions apply to WRS' estimates and that actual results will likely differ from these estimates.

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