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**Courage, Kindness, and Optimism are Contagious Too.**



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## Message to Our Members

To the Members of the Wyoming Retirement System,

**Your pension is safe.** The implications of the spread of COVID-19 now reach deep into every corner of our lives. We are all concerned about the health of our loved ones; and we know that many are also burdened by worries about jobs, bills, childcare and more. Many wonder what life will look like in the future and what we will be able to rely upon to provide for our families. As you consider these questions, please know that your pension is safe.

The Wyoming Retirement System remains committed to our partnership with you to build financial security for you and your families—today and in the future.

**We are long-term investors.** It is easy to understand member concern when portfolio assets decline 12% in one quarter. But it is also important to remember that we are focused on long-term return objectives. Investment returns over a 10 year period were approximately 6% per annum inclusive of this recent decline.

**We continue to make decisions today with the long-term horizon in our sights.**

We continue to make decisions today with the long-term horizon in our sights. The portfolio is intentionally well-diversified so that it is better positioned to weather

downturns. Our portfolio includes defensive assets that hold up or even prosper in these times. Our investment processes, structure and oversight also provide value. Fiduciary oversight includes periodic liquidity assessment to ensure that we have the capacity to pay benefits for many years to come in any number of market environments. The investment team carefully monitors portfolio changes and applies a consistent investment process. This measured approach is more important than ever in times of significant volatility.

**We are committed to maintaining operations without interruption.**

As of this writing, our offices are open, albeit with fewer on-site team members and with recommended healthcare practices in effect. We encourage members to do business with us via phone, mail, email, fax or our website. We recognize this may not be possible for everyone. If you call, you may hear additional background noise as our service representatives are working from home. Rest assured, we are still able to meet your needs promptly and consistently. The upgrades and improvements made to our IT systems over the last decade have paid off and enabled us to quickly install a remote work environment so that our team can stay connected, efficient and effective in service to members. We can be reached at our main telephone number 307-777-7691.

See Dir. Report page 2

## CARES Act

Congress recently passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) which expands access to the funds in your defined contribution plan (WRS 457 Plan) during this unprecedented time, if you qualify. We encourage you to consider retirement savings withdrawals as a last resort. Before making any decisions about taking money from your retirement savings, please discuss the options and consequences with a qualified tax professional. 💰

— STATE OF WYOMING —  
65<sup>th</sup> LEGISLATURE

## Wyoming's 2020 Legislative Recap

Here is a recap of bills that impacted or potentially impacted WRS. Please note that only one bill affecting any of the retirement plans actually passed: Senate File 92, Volunteer Pension Account Funding.

### Senate File 0092 Volunteer pension account-funding

Adjust the contribution rate for members and provide additional Fire Insurance Premium tax.

See Recap page 4

**Wyoming Retirement System by the Numbers**

Value of the Fund

**\$7,832,429,589**

All data is as of March 31, 2020

retirement.wyo.gov

### Recap continued

The following bills were considered, but did not pass.

### Senate File 0051 Wyoming retirement plans – contributions

Increase the employee contribution rate in the Law Enforcement and Warden/Patrol plans to improve the funding status of the plan.

### Senate File 0108 Public employee retirement

Increase the normal retirement age from 65 to 67 and change the rule of 85 to the rule of 90. In addition, a 1% increase to the contribution rate would be phased in over three years.

### Senate File 0124 Early retirement discount factor

Change the early retirement discount factor from 5% to 7%.

### House Bill 0110 Non-recurring retiree inflation adjustment

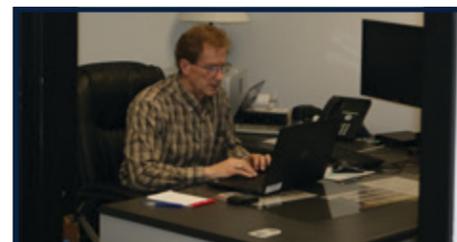
Provide two additional one-time payments to retirees, up to a maximum of 3%.

### House Bill 0112 Wyoming retirement plans-adjustments

The WRS board shall conduct a study regarding diminishing purchasing power and the funds actuarial funded ratio. In addition, the bill would provide two one-time payments to retirees, up to a maximum of 3%.

WRS provides updates during the session via our website and Facebook, and agency leadership provides regular testimony before Wyoming House and Senate Committees. Providing accurate information about the health of your funds is WRS' priority. 💰

## Educators Go Virtual



Jim Mantell hosts an education session!

WRS Educators' travel has been limited during the last few months due to Social Distancing and travel restrictions, to help slow the spread of COVID-19. However, this has not stopped their efforts to meet with members of the retirement system. Our Educators are available via the phone, Virtual Meetings and if necessary in person at our office in Cheyenne. 💰

Contact Educators directly  
307-777-3325 or by email at  
WRS-Educators@wyo.gov

We are here to serve members, communities and the Wyoming economy. WRS issues about \$55 million in pension benefits every month to over 30,000 people – this equates to \$660 million per year.

**Each year, over \$500 million is distributed to folks living in Wyoming.**

Each year, over \$500 million is distributed to folks living in Wyoming. These reliable deposits arrived in February as the COVID-19 crisis began, the deposits arrived again in March and

again in April as the crisis deepened. They will continue to arrive every month. These reliable benefits help stabilize families and local economies.

WRS payments are an economic engine that runs all year, every year. Consistent contributions from the legislature and employees, coupled with prudent investments over many decades, have made this engine what it is today. With fewer economic engines running at this time, WRS' economic engine matters more.

We owe a debt of gratitude to the many public employees who are on

the front lines supporting Wyoming. So many of our members are working to ensure our communities run smoothly, that our children receive an education and that the government services many seek now more than ever, remain available.

We know that you and everyone else is adapting and fighting their own battles. Particularly in these times, we're proud to partner with you to build financial security for members and their families. Take care and be kind. 🙌

Dave Swindell Executive Director      Laura Ladd Board Chair

**Board**

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Garth Shanklin

**Representing Retirees**

Vicci Colgan

**Wyoming State Treasurer**

The Honorable Curt Meier

**The Importance of Beneficiary Designations**

Beneficiaries are more than just names on a sheet of paper, it is your statement to WRS and the world about who receives the benefit of your retirement account. Having a beneficiary affects not only retirees but also active members. Active members who pass away may have assets in their retirement account from their contributions. The beneficiary designation tells WRS how to distribute these funds. Retirees select a form of their annuity, which informs us of how and whether the pension will continue after the member passes -- but for some of those forms, there can be a remaining account balance, even if the pension doesn't continue to another person. How should that lump sum be distributed? The beneficiary designation does that.

When creating or reviewing an estate plan, reviewing beneficiary designations on retirement plans or life insurance policies may not be given the weight it deserves. Is a will or trust enough to make sure your money goes where you want it to go when you pass?

You can update your beneficiaries online or obtain the forms from us to update your beneficiary designations. It is an easy process;

distributing your assets once you pass without designating a beneficiary is not. Take the time today to name or review your beneficiary designations. It can help you make sure your money goes where you intended. Beneficiary forms are easily obtainable on our website (retirement.wyo.gov) or by requesting them with a phone call.

The advantage of naming beneficiaries is the ability to potentially avoid probate. Probate is the legal process for distributing your assets after your death, and, in most cases, will not benefit your beneficiaries. It is often a time-consuming, expensive process that simply adds one more hoop for your heirs to jump through.

Beneficiaries should be updated. If you designated a spouse as a beneficiary and now that spouse is an ex-spouse, your ex-spouse will receive the benefit if you pass away, not your current spouse.

Simply stating in your will how you want the money in a retirement account to be distributed is not enough. Having an up-to-date beneficiary designation ensures your assets go where you intended. 🙌

**What is Your Ikigai?**



Google translates ikigai from Japanese to English as "reason to live." And, this is probably a good, if simple, description. Living a long life does seem to require having a sense of purpose well into old age. At least one international study found that people who have a sense of purpose in life are at lower risk of death and heart disease. Those who feel purpose often have healthier lifestyles. And, they are more motivated and resilient, which protects them from stress and burnout.

**So, how do you figure out your ikigai / reason to live?**

The Japanese construct of ikigai describes the intersection of what you love, what you are good at, what the world needs and what you can get paid for.

**Deferred Compensation 457(b) Update**

COVID-19 has one certainty for everyone across Wyoming, we are in unprecedented times. There are some things that haven't changed. The Wyoming Retirement System 457 Plan is just as committed to our participants as ever. We want to help you make sure you're staying on track to your goals. Even if you have to alter how you save, much like altering how we live, we never quit. We are partners with you during your work years and at retirement, and at difficult times. We are committed to helping you achieve successful retirement outcomes. The WRS 457 is a successful well-managed retirement savings plan, which exists only for the benefit of public employees. Retiring members who have taken advantage of optional savings through the WRS 457 Plan, and stayed on course, have

**Other essential qualities of ikigai:**

- It is challenging to you. Your ikigai should be something that you need to strive to master.
- Ikigai is your choice, not something forced upon you.
- It involves commitment from you. 🙌

retired with an additional income source from their elective savings.

Partner to partner, although it is a challenging time, we encourage you to stay the course, stay invested, and continue to save if you are able. For long term retirement savers who participate and potentially have the capacity to increase contributions, the 457 Plan provides for generous savings limits, up to \$19,500 annually, or \$26,000 if you're 50 years of age or over. It's a "bear market," which can be an opportunity to buy more shares at cheaper prices. When coupled with a "bull market" which is a time when shares are more expensive, you take advantage of averaging out the costs of what you are paying for your investments, and what you're gaining on your investments over a long period of time. Regardless of your circumstances, we encourage you to visit with one of WRS's experienced, knowledgeable educators, who can help you evaluate your long term strategies before making decisions that could have a lasting outcome on your long term retirement savings goals. 🙌

**Online Services**

WRS encourages the use of our online Member Pension Portal to gain access to your pension account. Many of our services are available to you on the Portal. The address to the Portal is https://pension.wyo.gov. If you do not have an online account, you can register for one on the Account Login screen.

Once logged in, you can help yourself to the following services: apply for a future retirement benefit, create or request a benefit estimate, manage your beneficiaries, update your phone and address, and download annual statements.

If you have separated from service, you can also apply for a refund.

If you are retired, you can update contact information, update your tax withholding, and between the 1st and 15th of the month you can securely update your banking information. You can also download monthly payroll statements and your year-end 1099-R tax form. 🙌

