

# **Oklahoma County**

## **Oklahoma County Employees Retirement System**

**GASB 67 & 68 Actuarial Valuation Report for the  
Plan Year Beginning July 1, 2022  
and the Fiscal Year Ending June 30, 2022**

**Includes the Calculation of the Recommended Contribution  
For Funding as of July 1, 2022**

**August, 2022**



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## ACTUARIAL CERTIFICATION

We are pleased to present this report that contains the results of the valuation of the Oklahoma County Employees Retirement System as of July 1, 2022 to meet the requirements of the Governmental Accounting Standards Board (GASB) Statement Nos. 67 & 68 as amended by GASB Statement 82. This valuation is based on census data provided by Oklahoma County, asset information provided by Oklahoma County, the plan as described in the official plan document as summarized in this report and the stated actuarial assumptions. This information is presented for the fiscal year ending June 30, 2022.

Oklahoma County has retained Sageview Consulting Group to perform an actuarial valuation of the plan for the purposes of:

- Determining the pension expense for the fiscal year ending June 30, 2022 under GASB 67 & 68,
- Provide the note disclosures and required supplementary information for the fiscal year ending June 30, 2022 under GASB 67 & 68,
- Determine the recommended contribution for the plan year beginning July 1, 2022.

This valuation has been conducted in accordance with generally accepted actuarial principles and practices including the Actuarial Standards of Practice (ASOPS) relating to pension plans. The employee census data, provided by Oklahoma County, has been reviewed for reasonableness but no attempt has been made to audit such information. The valuation was based on the provisions of the plan as amended through the beginning of the plan year. In our opinion, the actuarial assumptions used in this valuation are reasonably related to the past experience of the plan and represent reasonable expectations of future experience under the plan.

These results are for the purposes of financial reporting and may not be appropriate for funding purposes or other types of analysis. The use of this report for any other purpose other than those expressed here may not be appropriate.

The undersigned credentialed actuaries meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report. We are not aware of any direct or material indirect financial interest or relationship, including investments or other services, that could create a conflict of interest or that would impair the objectivity or our work.

We appreciate the opportunity to be of service to Oklahoma County and are available to answer questions regarding this report or to provide further details as may be requested.

Respectfully submitted,  
SageView Consulting Group



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## VALUATION SUMMARY

Presented in this report are the results of the actuarial valuation as of July 1, 2022 for the Oklahoma County Employees Retirement System.

### A. Net Pension Liability

Under GASB 67, the Net Pension Liability is the excess, if any, of the Total Pension Liability over the Fiduciary Net Position. The Total Pension Liability is determined under the Entry Age Normal actuarial cost method. The Net Pension Liability as of June 30, 2022 and June 30, 2021 is as follows:

	<b>June 30, 2022</b>	<b>June 30, 2021</b>
1. Total Pension Liability (TPL)	\$16,050,509	\$15,586,949
2. Fiduciary Net Position (FNP)	\$6,461,063	\$6,084,216
3. Net Pension Liability	\$9,589,446	\$9,502,733
4. FNP as a percentage of TPL (Funded Level)	40.25%	39.03%

### B. Pension Expense

Under the new accounting standards, the Pension Expense for the fiscal year is determined at the end of the fiscal year to reflect any plan amendments, assumption changes and gain and losses during the fiscal year. The Pension Expense for the fiscal years ending as of June 30, 2022 and June 30, 2021 is as follows:

	<b>June 30, 2022</b>	<b>June 30, 2021</b>
1. Pension Expense	\$1,586,546	(\$784,716)

### C. Actuarially Determined Contribution

The Actuarially Determined Contribution is based on the funding policy of the plan sponsor. The Actuarially Determined Contribution for the fiscal years ending as of June 30, 2023 and June 30, 2022 is as follows:

	<b>June 30, 2023</b>	<b>June 30, 2022</b>
1. Actuarially Determined Contribution	\$807,315	\$799,155

## SECTION I - FINANCIAL STATEMENT

### Summary of Results

I. Report Dates		
A. Valuation Date	07/01/2022	07/01/2021
B. Reporting Date for Employer Under GASB 68	07/01/2022	07/01/2021
C. Measurement Date for Employer Under GASB 68	06/30/2022	06/30/2021
II. Participant Information		
A. Participant Counts for the Plan Year Beginning July 1:	<b>2022</b>	<b>2021</b>
1. Active participants	1	1
2. Terminated vested participants	8	8
3. Retirees	56	57
4. Beneficiaries	34	36
5. Total count	99	102
III. Valuation Results		
A. Disclosure Elements for the Fiscal Year Ending June 30:	<b>2022</b>	<b>2021</b>
1. Service cost	\$0	\$0
2. Total pension liability (TPL)	16,050,509	15,586,949
3. Plan fiduciary net position (FNP)	6,461,063	6,084,216
4. Net pension liability (NPL): (2) - (3)	9,589,446	9,502,733
5. Pension expense / (income)	\$1,586,546	(\$784,716)
6. FNP as a percentage of TPL (funded status): (3) ÷ (2)	40.25%	39.03%
B. Recommend Contribution for the Plan Year Beginning July 1:	<b>2022</b>	<b>2021</b>
1. Actuarially determined contribution	\$807,315	\$799,155
2. Actual contribution	N/A	1,610,245
3. Contribution deficiency (excess): (1) - (2)	N/A	(\$811,090)

## SECTION I - FINANCIAL STATEMENT

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### Summary of Results (continued)

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C. Single Equivalent Interest Rate Determined for the Fiscal Year		
Ending June 30:	<b>2022</b>	<b>2021</b>
1. Investment rate of return	2.75%	2.75%
2. Municipal bond index interest rate at measurement date	3.69%	2.16%
3. Fiscal year in which plan's fiduciary net position is projected to be depleted	N/A	N/A
4. Single equivalent interest rate	2.75%	2.75%
D. Key Assumptions for the Valuation Beginning on July 1:	<b>2022</b>	<b>2021</b>
1. Investment rate of return	2.75%	2.75%
2. Rate of inflation	2.25%	2.25%
3. Rate of salary inflation	5.00%	5.00%

## SECTION I - FINANCIAL STATEMENT

**Table 1 - Pension Expense**

	Fiscal Year Ending	
	06/30/2022	06/30/2021
A. Pension Expense / (Income)		
1. Service cost	\$0	\$0
2. Interest on the total pension liability and service cost	411,087	381,747
3. Current period benefit changes	0	0
4. Projected earnings on plan assets (negative for credit against expense)	(160,591)	(123,611)
5. Recognition of Outflow (Inflow) of resources due to differences between expected and actual experience in the measurement of the total pension liability	125,926	(324,109)
6. Recognition of Outflow (Inflow) of resources due to assumption change	1,203,176	(746,360)
7. Recognition of Outflow (Inflow) of resources due to differences between projected and actual earnings on plan investments	(11,052)	10,617
8. Pension Plan administrative expense	18,000	17,000
9. Other changes in plan fiduciary net position	0	0
10. Total pension expense / (income): sum of (1) through (9)	\$1,586,546	(\$784,716)

## SECTION I - FINANCIAL STATEMENT

**Table 2 - Increase (Decrease) in Pension Expense From Recognizing the Effect of Differences Between Expected and Actual Experience**

Plan Year Ending	Differences Between Expected & Actual Experience	Recognition Period (Years)	Annual Recognition Amount for Fiscal Year Ending				
			2021	2022	2023	2024	2025
2021	(\$324,109)	1.00	(\$324,109)	\$0	\$0	\$0	\$0
2022	125,926	1.00		125,926	0	0	0
2023							
2024							
2025							
2026							
2027							
2028							
Total			(\$324,109)	\$125,926	\$0	\$0	\$0

**Table 3 - Deferred Outflows of Resources and Deferred Inflows of Resources From The Differences Between Expected and Actual Experience**

Plan Year Ending	Experience Losses (a)	Experience Gains (b)	Amounts Recognized in Pension Expense Through June 30, 2022 (c)	Balances as of June 30, 2022	
				Deferred Outflows of Resources (a) - (c)	Deferred Inflows of Resources (b) - (c)
2021		(\$324,109)	(\$324,109)		\$0
2022	\$125,926		\$125,926	\$0	
2023					
2024					
2025					
2026					
2027					
2028					
Total Deferred Outflows and Inflows				\$0	\$0



## SECTION I - FINANCIAL STATEMENT

**Table 4 - Increase (Decrease) in Pension Expense From Recognizing the  
Effect of Changes in Assumptions**

Plan Year Ending	Change in Assumptions	Recognition Period (Years)	Annual Recognition Amount for Fiscal Year Ending				
			2021	2022	2023	2024	2025
2021	(\$746,360)	1.00	(\$746,360)	\$0	\$0	\$0	\$0
2022	\$1,203,176	1.00		1,203,176	0	0	0
2023							
2024							
2025							
2026							
2027							
2028							
Total			(\$746,360)	\$1,203,176	\$0	\$0	\$0

**Table 5 - Deferred Outflows of Resources and Deferred Inflows of Resources From  
The Effect of Changes in Assumptions**

Plan Year Ending	Increase in The Total Pension Liability (a)	Decrease in The Total Pension Liability (b)	Amounts Recognized in Pension Expense Through June 30, 2022 (c)	Balances as of June 30, 2022	
				Deferred Outflows of Resources (a) - (c)	Deferred Inflows of Resources (b) - (c)
2021		(\$746,360)	(\$746,360)		\$0
2022	\$1,203,176		\$1,203,176	\$0	
2023					
2024					
2025					
2026					
2027					
2028					
Total Deferred Outflows and Inflows				\$0	\$0

## SECTION I - FINANCIAL STATEMENT

**Table 6 - Increase (Decrease) in Pension Expense From Recognizing the Effect of Differences Between Projected and Actual Earnings on Pension Plan Investments**

Plan Year Ending	Differences Between Expected & Actual Experience	Recognition Period (Years)	Annual Recognition Amount for Fiscal Year Ending				
			2021	2022	2023	2024	2025
2017	\$208,193	5.00	\$41,637	\$0	\$0	\$0	\$0
2018	(\$19,218)	5.00	(3,844)	(3,842)	0	0	0
2019	(\$72,551)	5.00	(14,510)	(14,510)	(14,511)	0	0
2020	(\$104,743)	5.00	(20,949)	(20,949)	(20,949)	(20,947)	0
2021	\$41,416	5.00	8,283	8,283	8,283	8,283	8,284
2022	\$99,830	5.00		19,966	19,966	19,966	19,966
2023							
2024							
Total			\$10,617	(\$11,052)	(\$7,211)	\$7,302	\$28,250

**Table 7 - Deferred Outflows of Resources and Deferred Inflows of Resources From The Differences Between Projected and Actual Earnings on Pension Plan Investments**

Plan Year Ending	Investment Earnings Less than Projected (a)	Investment Earnings Greater than Projected (b)	Amounts Recognized in Pension Expense Through June 30, 2022 (c)	Balances as of June 30, 2022	
				Deferred Outflows of Resources (a) - (c)	Deferred Inflows of Resources (b) - (c)
2017	\$208,193		\$208,193	\$0	
2018		(\$19,218)	(\$19,218)		\$0
2019		(\$72,551)	(\$58,040)		(\$14,511)
2020		(\$104,743)	(\$62,847)		(\$41,896)
2021	\$41,416		\$16,566	\$24,850	
2022	\$99,830		\$19,966	\$79,864	
2023					
2024					
Total Deferred Outflows and Inflows				\$104,714	(\$56,407)

## SECTION I - FINANCIAL STATEMENT

**Table 8 - Statement of Fiduciary Net Position**

	Fiscal Year Ending	
	06/30/2022	06/30/2021
A. Fiduciary Net Position		
1. Cash and short-term investments	\$6,408,927	\$6,084,216
2. Bond funds		
a. Corporate bonds	0	0
b. Governmental bonds	0	0
c. Bond mutual funds	0	0
d. International bonds	0	0
e. Total bonds: (a) + (b) + (c) + (d)	0	0
3. Equity Funds		
a. Corporate equities	0	0
b. International equities	0	0
c. Equity mutual funds	0	0
d. Real estate funds	0	0
e. Total equities: (a) + (b) + (c) + (d)	0	0
4. Other asset classes	0	0
5. Receivables	52,136	0
6. Total Assets: (1) + (2e) + (3e) + (4) + (5)	6,461,063	6,084,216
7. Total deferred outflows of resources	0	0
8. Total liabilities	0	0
9. Total deferred inflows of resources	0	0
10. Net position restricted for pensions: (6) + (7) + (8) + (9)	\$6,461,063	\$6,084,216
11. Estimated time-weighted return on assets for the fiscal year	1.00%	1.45%

## SECTION II - NOTES TO FINANCIAL STATEMENT

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### Net Pension Liability Assumptions

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The County's net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25% per year
Salary increases	5.00% per year
Investment rate of return	2.75% per year

Mortality rates were based on the Pub-2010 Mortality Table for General Employees amount weighted with Improvement Scale MP-2021.

We are not aware of the last time an experience study was performed for this plan. However, because the plan only covers one active and the rest inactive participants, an actuarial experience study is not necessary to update the pre-retirement decrements since it will have very little impact on the valuation results. In addition, the plan doesn't have enough participants to be credible for a mortality study.

The discount rate used to measure the total pension liability was 2.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions, if any, will be made at the current contribution rate and that County contributions will be made at rates equal to the average ratio of the previous three year's contributions to actual benefit payments paid from the trust. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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.

## SECTION II - NOTES TO FINANCIAL STATEMENT

**Table 9 - Changes in the Net Pension Liability**

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
A. Balances at June 30, 2021	\$15,586,949	\$6,084,216	\$9,502,733
B. Changes for the year			
1. Service cost	0		0
2. Interest on the total pension liability	411,087		411,087
3. Difference between expected and actual experience	125,926		125,926
4. Changes in plan provisions	0		0
5. Employer contributions		1,610,245	(1,610,245)
6. Changes in assumptions	1,203,176		1,203,176
7. Net investment income		60,761	(60,761)
8. Benefit payments	(1,276,629)	(1,276,629)	0
9. Administrative expenses		(17,530)	17,530
10. Other changes	0	0	0
11. Net changes: (1) + (2) + (3) + (4) + (5) + (6) + (7) + (8) + (9) + (10)	463,560	376,847	86,713
C. Balances at June 30, 2022: A + B(11)	\$16,050,509	\$6,461,063	\$9,589,446

## SECTION II - NOTES TO FINANCIAL STATEMENT

### Sensitivity of the Net Pension Liability

The following presents the net pension liability of the County, calculated using the discount rate of 2.75%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1% lower (1.75%) or 1% higher (3.75%) than the current rate:

	1% Decrease (1.75%)	Current Discount Rate (2.75%)	1% Increase (3.75%)
A. Total Pension Liability	\$17,754,301	\$16,050,509	\$14,619,220
B. Plan Fiduciary Net Position	\$6,461,063	\$6,461,063	\$6,461,063
C. Net Pension Liability: A - B	\$11,293,238	\$9,589,446	\$8,158,157

### Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

Since certain pension expense items are amortized over closed periods each year, the deferred portions of these items must be tracked annually. If the amounts increase the pension expense, they are labeled as deferred outflows and amounts that decrease the pension expense are labeled as deferred inflows. These outflows and inflows are amortized on a level dollar basis with no interest added for the deferred amounts. Deferred experience gains/losses and changes in assumptions are amortized over the average remaining service lives of all employees that are provided with pensions through the pension plan at the beginning of the measurement period. Investment gains/losses are amortized over a five year period. The following shows the summary of the deferred outflows and inflows as of June 30, 2022.

	Deferred Outflows of Resources	Deferred Inflows of Resources
A. Difference between expected and actual experience	\$0	\$0
B. Changes in assumptions	\$0	\$0
C. Net difference between projected and actual earnings on pension plan investments	\$104,714	(\$56,407)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	Amounts
2023	(\$7,211)
2024	7,302
2025	28,250
2026	19,966
2027	0
Thereafter	\$0

### SECTION III - REQUIRED SUPPLEMENTARY INFORMATION

**Table 10 - Schedules of Changes in Net Pension Liability**

	Fiscal Year Ending June 30:			
	2022	2021	2020	2019
A. Schedule of Changes in Net Pension Liability				
1. Total Pension Liability				
a. Service cost	\$0	\$0	\$0	\$0
b. Interest	411,087	381,747	439,558	516,290
c. Change in benefit terms	0	0	0	0
d. Difference between expected and actual experience	125,926	(324,109)	(356,654)	(185,966)
e. Change in assumptions	1,203,176	(746,360)	316,290	555,858
f. Benefit payments	(1,276,629)	(1,381,754)	(1,512,929)	(1,642,391)
g. Net change in Total Pension Liability: sum of (a) through (f)	463,560	(2,070,476)	(1,113,735)	(756,209)
h. Total Pension Liability - beginning	15,586,949	17,657,425	18,771,160	19,527,369
i. Total Pension Liability - ending	16,050,509	15,586,949	17,657,425	18,771,160
2. Plan Fiduciary Net Position				
a. Contributions - Employer	\$1,610,245	\$1,609,912	\$1,609,523	\$1,209,249
b. Net investment income	\$60,761	\$82,195	\$220,125	\$190,063
c. Benefit payments	(\$1,276,629)	(\$1,381,754)	(\$1,512,929)	(\$1,642,391)
d. Administrative expenses	(\$17,530)	(\$16,730)	(\$16,540)	(\$16,287)
e. Other	\$0	\$0	\$0	\$0
f. Net change in Plan Fiduciary Net Position: sum of (a) through (e)	376,847	293,623	300,179	(259,366)
g. Plan Fiduciary Net Position - beginning	6,084,216	5,790,593	5,490,414	5,749,780
h. Plan Fiduciary Net Position - ending	6,461,063	6,084,216	5,790,593	5,490,414
i. Net pension liability: (1i) - (h)	\$9,589,446	\$9,502,733	\$11,866,832	\$13,280,746
j. Plan fiduciary net position as a percentage of the total pension liability: (h) ÷ (1i)	40.25%	39.03%	32.79%	29.25%
k. Covered employee payroll	92,075	86,732	83,397	80,968
l. Plan net pension liability as a percentage of the covered employee payroll: (j) ÷ (l)	10414.82%	10956.43%	14229.33%	16402.46%

### SECTION III - REQUIRED SUPPLEMENTARY INFORMATION

**Table 10 - Schedules of Changes in Net Pension Liability (continued)**

	Fiscal Year Ending June 30:			
	2018	2017	2016	2015
A. Schedule of Changes in Net Pension Liability				
1. Total Pension Liability				
a. Service cost	\$21,857	\$47,585	\$54,584	\$38,022
b. Interest	857,331	885,190	861,955	1,004,381
c. Change in benefit terms	0	0	0	0
d. Difference between expected and actual experience	(335,074)	232,174	(88,516)	342,993
e. Change in assumptions	3,926,990	(78,174)	(1,020,961)	1,668,014
f. Benefit payments	(1,714,769)	(1,814,117)	(1,822,278)	(1,938,597)
g. Net change in Total Pension Liability: sum of (a) through (f)	2,756,335	(727,342)	(2,015,216)	1,114,813
h. Total Pension Liability - beginning	16,771,034	17,498,376	19,513,592	18,398,779
i. Total Pension Liability - ending	19,527,369	16,771,034	17,498,376	19,513,592
2. Plan Fiduciary Net Position				
a. Contributions - Employer	\$1,209,072	\$1,220,793	\$1,227,012	\$1,029,880
b. Net investment income	\$137,927	\$120,429	\$126,547	\$85,829
c. Benefit payments	(\$1,714,769)	(\$1,814,117)	(\$1,822,278)	(\$1,938,597)
d. Administrative expenses	(\$15,791)	(\$15,983)	(\$27,064)	(\$13,568)
e. Other	\$0	\$0	\$0	\$0
f. Net change in Plan Fiduciary Net Position: sum of (a) through (e)	(383,561)	(488,878)	(495,783)	(836,456)
g. Plan Fiduciary Net Position - beginning	6,133,341	6,622,219	7,118,002	7,954,458
h. Plan Fiduciary Net Position - ending	5,749,780	6,133,341	6,622,219	7,118,002
i. Net pension liability: (1i) - (h)	\$13,777,589	\$10,637,693	\$10,876,157	\$12,395,590
j. Plan fiduciary net position as a percentage of the total pension liability: (h) ÷ (1i)	29.44%	36.57%	37.84%	36.48%
k. Covered employee payroll	79,380	78,840	198,634	258,839
l. Plan net pension liability as a percentage of the covered employee payroll: (j) ÷ (l)	17356.50%	13492.76%	5475.48%	4788.92%



### SECTION III - REQUIRED SUPPLEMENTARY INFORMATION

**Table 11 - Schedules of Contributions**

Last 10 Fiscal Years				
	Fiscal Year Ending June 30:			
	2022	2021	2020	2019
A. Actuarially Determined Contribution	\$799,155	\$958,286	\$1,096,714	\$1,186,835
B. Contribution in Relation to the Actuarially Determined Contribution	\$1,610,245	\$1,609,912	\$1,609,523	\$1,209,249
C. Contribution Deficiency (Excess): A - B	(811,090)	(651,626)	(512,809)	(22,414)
D. Covered Employee Payroll	\$92,075	\$86,732	\$83,397	\$80,968
E. Contributions as a Percentage of Covered Employee Payroll: B ÷ D	1748.84%	1856.19%	1929.95%	1493.49%

  

	Fiscal Year Ending June 30:			
	2018	2017	2016	2015
A. Actuarially Determined Contribution	\$1,067,876	\$785,650	\$811,130	\$789,368
B. Contribution in Relation to the Actuarially Determined Contribution	\$1,209,072	\$1,220,793	\$1,227,012	\$1,029,880
C. Contribution Deficiency (Excess): A - B	(141,196)	(435,143)	(415,882)	(240,512)
D. Covered Employee Payroll	\$79,380	\$78,840	\$198,634	\$258,839
E. Contributions as a Percentage of Covered Employee Payroll: B ÷ D	1523.14%	1548.44%	617.73%	397.88%

  

	Fiscal Year Ending June 30:	
	2014	2013
A. Actuarially Determined Contribution	\$777,390	\$692,283
B. Contribution in Relation to the Actuarially Determined Contribution	\$1,132,520	\$1,126,635
C. Contribution Deficiency (Excess): A - B	(355,130)	(434,352)
D. Covered Employee Payroll	\$238,621	\$214,192
E. Contributions as a Percentage of Covered Employee Payroll: B ÷ D	474.61%	525.99%

## SECTION III - REQUIRED SUPPLEMENTARY INFORMATION

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**Table 11 - Schedules of Contributions (continued)**

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### **Last 10 Fiscal Years (continued)**

#### F. Notes to Schedule

1. Actuarially determined contribution is determined for the plan year that ends in the fiscal year.
2. Methods and Assumptions used to determine the contribution:
  - a. Actuarial cost method                      Entry age normal
  - b. Amortization method                      Level dollar, open
  - c. Remaining amortization period              15 years
  - d. Asset valuation method                      Market value of assets
  - e. Rate of inflation                              2.25% per year
  - f. Salary increase                                5.00% per year
  - g. Investment rate of return                    2.75% per year
  - h. Mortality table                                RP-2000 Combined Mortality Table for males and females  
projected with scale AA to 2020
  - i. Retirement age                                The earlier of age 62 or age 55 with at least 30 years of service

## SECTION IV - ACTUARIALLY DETERMINED CONTRIBUTION

**Table 12 - Recommended Contribution**

	Plan Year Ending:	
	June 30, 2023	June 30, 2022
A. Normal Cost		
1. Normal cost without expense load	\$0	\$0
2. Expense load for administrative expenses	18,000	17,000
3. Total normal cost: (1) + (2)	18,000	17,000
B. Amortization Amount		
1. Unfunded liability		
a. Actuarial liability for recommended contribution	16,050,509	15,586,949
b. Value of plan assets for recommended contribution	6,461,063	6,084,216
c. Unfunded/(surplus) liability: (a) - (b)	9,589,446	9,502,733
2. Amortization period in years	15	15
3. Discount rate	2.75%	2.75%
4. Amortization amount	767,708	760,766
C. Recommended Contribution at Beginning of Plan Year: A(3) + B(4)	785,708	777,766
D. Interest Adjustment for Timing of Contribution		
1. Estimated contribution date	06/30/2023	06/30/2022
2. Fractional year from beginning of plan year	1.00	1.00
3. Interest on contribution to end of the fiscal year	21,607	21,389
E. Expected Member Contributions	0	0
F. Expected State Contributions	0	0
G. Recommended Contribution at the end of the Fiscal Year: C + D(3) - E - F	\$807,315	\$799,155

## SECTION V - PLAN DEMOGRAPHICS

**Table 13 - Plan Participant Demographics**

		Plan Year Beginning:	
		July 1, 2022	July 1, 2021
A.	Participant Count		
1.	Active participants	1	1
2.	Terminated vested participants	8	8
3.	Retirees	56	57
4.	Beneficiaries	34	36
5.	Total participant count: (1) + (2) + (3) + (4)	99	102
B.	Participant Averages		
1.	Active participants		
a.	Average age	58.58	57.58
b.	Average service	39.47	38.47
c.	Average pay	\$92,075	\$86,732
2.	Terminated vested participants		
a.	Average age	62.40	61.40
b.	Average monthly benefit	\$444	\$444
3.	Retirees		
a.	Average age	76.44	75.62
b.	Average monthly benefit	\$1,281	\$1,286
4.	Beneficiaries		
a.	Average age	82.72	82.32
b.	Average monthly benefit	\$894	\$909

## SECTION V - PLAN DEMOGRAPHICS

**Table 13 - Plan Participant Demographics (Continued)**

### C. Participant Reconciliation

	Active Participants	Terminated Vested Participants	Retirees	Beneficiaries	Total Participants
1. Participants as of July 1, 2021	1	8	57	36	102
2. New participants	0	0	0	0	0
3. Retirements	0	0	0	0	0
4. Vested terminations	0	0	0	0	0
5. Non-vested terminations	0	0	0	0	0
6. Death without beneficiary	0	0	0	(3)	(3)
7. Death with beneficiary	0	0	(1)	1	0
8. Adjustments	0	0	0	0	0
9. Participants as of July 1, 2022	1	8	56	34	99

## SECTION V - PLAN DEMOGRAPHICS

**Table 14 - Active Participant Scatter**

A. Active Attained Age/Service Scatter as of July 1, 2022

Attained Age	Years of Service									Total
	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40+	
Under 25	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0
35 to 39	0	0	0	0	0	0	0	0	0	0
40 to 44	0	0	0	0	0	0	0	0	0	0
45 to 49	0	0	0	0	0	0	0	0	0	0
50 to 54	0	0	0	0	0	0	0	0	0	0
55 to 59	0	0	0	0	0	0	0	1	0	1
60 to 64	0	0	0	0	0	0	0	0	0	0
65 to 69	0	0	0	0	0	0	0	0	0	0
70+	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	1	0	1

## SECTION V - PLAN DEMOGRAPHICS

**Table 15 - Inactive Participant Scatter**

A. Inactive Attained Age and Average Benefit Scatter as of July 1, 2022

<u>Attained Age</u>	<u>Retirees and Beneficiaries</u>		<u>Terminated Vested Participants</u>	
	<u>Count</u>	<u>Average Monthly Benefit</u>	<u>Count</u>	<u>Average Monthly Benefit</u>
Under 35	0	\$0	0	\$0
35 to 39	0	\$0	0	\$0
40 to 44	0	\$0	0	\$0
45 to 49	0	\$0	0	\$0
50 to 54	0	\$0	0	\$0
55 to 59	2	\$3,195	2	\$585
60 to 64	6	\$2,112	4	\$424
65 to 69	13	\$1,094	2	\$344
70 to 74	12	\$927	0	\$0
75 to 79	12	\$914	0	\$0
80 to 84	15	\$1,321	0	\$0
85 to 89	18	\$810	0	\$0
90 to 94	8	\$1,031	0	\$0
95+	4	\$1,023	0	\$0
Total	90	\$1,135	8	\$444

## APPENDIX A - PLAN PROVISIONS

A. Plan Effective Date	The plan was originally established in 1961, with the latest Resolution No. 1983-98 approved July 27, 1998. The plan was frozen to new participants in September, 1991.
B. Fiscal Year	The period beginning July 1, and ending on the next June 30.
C. Eligibility for Participation	Employees of Oklahoma County, including all departments and agencies, that were employed by the County prior to 1991 and who elected not to convert to the defined contribution plan in 1991.
D. Average Compensation	The average of the highest three years of compensation during the participant's employment with the County at the time of termination of service.
E. Accrued Benefit	The annual accrued benefit is determined based on the sum of (1), (2) and (3) below:
1. First 15 years of service	2 2/3% of average compensation times years of service, not to exceed 15 years,
2. Next 15 years of service	2% of average compensation times years of service in excess of 15 years, but not more than 15 years,
3. Service over 30 years	1% of average compensation times years of service in excess of 30 years, but not more than five years.
F. Normal Retirement	
1. Eligibility	The attainment of age 62.
2. Benefit	An unreduced accrued benefit payable immediately.
G. Early Retirement	
1. Eligibility	Members may elect to retire early after the completion of the following requirements:
	a. The attainment of age 55 and the completion of 30 years of service.
	b. The attainment of age plus service equal to or greater than 80 points.
2. Benefit	An unreduced accrued benefit payable immediately.
H. Termination of Service	
1. Eligibility	Termination after the completion of eight years of service but prior to eligibility for retirement.
2. Benefit	The vested portion of the accrued benefit at normal retirement date.



## APPENDIX A - PLAN PROVISIONS (continued)

I. Death Before Retirement	
1. Eligibility	Participation in the plan.
2. Benefit	If a married participant dies prior to commencing benefits, the participant's surviving spouse, if any, will receive a monthly benefit of 66 2/3% of the participant's accrued benefit.
J. Disability	
1. Eligibility	After the completion of eight years of service.
2. Benefit	The accrued benefit at the time of disability payable immediately.
K. Vesting	Participants will become 100% vested in their accrued benefit after the completion of eight years of service.
L. Normal Form of Payment	
1. Single Participants	A monthly benefit payable for the lifetime of the participant.
2. Married Participants	A 66 2/3% joint and survivor annuity which is an unreduced monthly benefit payable for the member's lifetime. If the spouse is alive at the time of the participant's death, they will receive 66 2/3% of the participant's benefit for the remainder of their lifetime.
M. Contributions	Contributions to the plan are paid by the County. Participants are not required or allowed to contribute to the plan.
N. Cost-of-Living Adjustments	None.
O. Plan Provisions Not Included	We are not aware of any plan provisions that have not been included in the valuation.
P. Adjustments Made for Subsequent Events	We are not aware of any events following the measurement date and prior to the date of this report that would materially impact the results contained in this report.

## APPENDIX B - ACTUARIAL METHODS AND ASSUMPTIONS

### A. Actuarial Methods

- |  |  |
|--|--|
| 1. Actuarial Cost Method               | The actuarial cost method used to determine the actuarial accrued liability and the normal cost for both funding and financial reporting purposes is the Entry Age Actuarial Cost Method. The accrued liability and the normal cost are used to determine the County's contribution requirement. Under this method, the cost of each individual's pension is allocated on a level percent of payroll basis between the time employment starts (entry age) and the assumed retirement date. The normal cost is the amount allocated for a given year and actuarial liability is the accumulation of prior normal costs as of the determination date. The total actuarial liability for retirement benefits is the sum of the actuarial liability for all members. |
|  |  |
| 2. Asset Cost Method                   |  |
| a. GASB 68                             | Market value of assets   |
| b. Actuarially determined contribution | Market value of assets   |
|  |  |
| 3. Amortization Method                 |  |
| a. GASB 68 recognition period          | Level dollar amortization for differences between expected and actual experience with regard to economic or demographic factors and for changes in assumptions, the amounts will be amortized over a closed period equal to the average of the expected remaining service lives of all employees determined at the beginning of the measurement period. The differences between projected and actual earnings on pension plan investments will be recognized over a closed five-year period.   |
| b. Actuarially determined contribution | The unfunded liability will be amortized on a level dollar method over an open 15 year period.   |

### B. Actuarial Assumptions for GASB 68 Results

- |                                      |                |              |
|--------------------------------------|----------------|--------------|
| 1. Valuation date                    | July 1, 2022   |              |
|                                      |                |              |
| 2. Measurement date                  | July 1, 2022   |              |
|                                      |                |              |
|                                      | July 1, 2022   | July 1, 2021 |
|                                      | Valuation      | Valuation    |
| 3. Interest rate                     |                |              |
| a. Discount rate                     | 2.75%          | 2.75%        |
| b. Expected long term rate of return | 2.75%          | 2.75%        |
| c. Municipal bond rate               | 3.69%          | 2.16%        |
|                                      |                |              |
| 4. Inflation                         | 2.25% per year |              |
|                                      |                |              |
| 5. Salary Increase                   | 5.00% per year |              |
|                                      |                |              |
| 6. Ad-hoc COLA                       | None           |              |

## APPENDIX B - ACTUARIAL METHODS AND ASSUMPTIONS (continued)

7. Mortality table	Pub-2010 Mortality Table for General Employees amount weighted with Improvement Scale MP-2021
8. Termination rates	None assumed
9. Disability rates	None assumed
10. Retirement rates	
a. Active participants	The earlier of age 62 or age 55 with at least 30 years of service
b. Inactive not receiving benefits	Age 62
11. Percent married	
a. Active participants	Based on their actual marital status on the valuation date
b. Inactives not receiving benefits	50% of the participants are assumed to be married at retirement
12. Age difference	Males are assumed to be three years older than females if actual ages are not known
13. Administrative expenses	It is the actual expenses incurred and paid from the pension trust for the prior year rounded to the nearest \$1,000.
14. Form of payment	Married participants are assumed to elect a 66 2/3% joint and survivor annuity at retirement and single participants assumed to elect a life annuity at retirement.
15. Collection date of census data and asset information	July 1, 2022
C. Actuarial Assumptions for Recommended Contribution that Differ from the GASB 68 Assumptions	None