



Cavanaugh Macdonald  
CONSULTING, LLC  
*The experience and dedication you deserve*

Cavanaugh Macdonald  
3550 Busbee Pkwy, Suite 250  
Kennesaw, GA 30144

Phone (678) 388-1700  
Fax (678) 388-1730  
[www.CavMacConsulting.com](http://www.CavMacConsulting.com)

October 18, 2012

Board of Trustees  
Oklahoma Public Employees Retirement System  
5801 N. Broadway Extension, Suite 400  
P.O. Box 53007  
Oklahoma City, OK 73152-3007

Members of the Board:

We have completed an actuarial valuation of the Oklahoma Uniform Retirement System for Justices and Judges as of July 1, 2012 for the purpose of determining the actuarial contribution rate and calculating and analyzing key financial measurements. Actuarial valuations are performed annually. This valuation reflects the benefit provisions and contribution rates in effect as of July 1, 2012.

In preparing the valuation, we, as the actuary, relied on the data provided by the System. As part of our work, we performed a limited review of the data for consistency and reasonableness and did not find material defects in the data.

All of the information and supporting schedules in the Actuarial Section have been provided by Cavanaugh Macdonald Consulting, LLC. We also prepared the *Schedule of Funding Progress* and *Schedule of Employer Contributions* shown in the financial section of the Comprehensive Annual Financial Report. All historical information that references a valuation date prior to July 1, 2010 was prepared by the prior actuarial firm.

The assumptions recommended by the actuary and adopted by the Board are, in the aggregate, reasonably related to the experience under the System and to reasonable expectations of anticipated experience under the System and meet the parameters for the disclosures under GASB 25 and 27.

Future actuarial results may differ significantly from the current results presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period