

November 19, 2024

# Actuarial Summary Report

Oklahoma State Pension Commission

*Fiscal Year ending June 30, 2024*



# Table of Contents

	Page
<b>I. Executive Summary</b>	178
a. Overview	179
b. Funded Status Position	181
c. Rates of Return	184
d. Contributions	185
e. GASB 67 Summary	188
<b>II. Individual Plan Highlights</b>	189
<b>III. Appendix</b>	196



# Executive Summary



# Executive Summary

## Overview

RVK reviewed the Fiscal Year 2024 actuarial reports for each underlying plan within the Oklahoma State Pension Commission. This presentation summarizes several key plan metrics from FY 2024 as well as historical trends over the prior 20 years. The metrics include in the report are: funded status levels, asset balance changes, liabilities, and contributions. RVK also incorporated data obtained from RVK's semi-annual Public Fund Survey as well as Public Plans Data, which is an organization that collects data on more than 5,000 US public pension plans.

The information presented in this report is based on Actuarial Valuation reports for the Fiscal Year ending on June 30, 2024. The actuaries for each Plan provided all plan-specific data used in this presentation. RVK is not an actuarial firm and does not provide the actuarial services that generated the plan-specific data. This being the case, the information contained herein does not constitute a statement of actuarial opinion and may not be used in place of valuation results and recommendations provided by the plan actuary.

## Funded Status Highlights

1. **Change in Funded Status** – For the fiscal year ending June 30, 2024, the funded status of the plans increased by 0.9% based on the actuarial value of assets. Based on the market value of assets, the funded status of the plans increased by 4.0%:
  - **Actuarial Value of Assets Increase** – An increase of approximately \$2.1 billion (~5.0%) in the actuarial value of assets was the primary driver of improved funded status of the plans. This is a result of smoothing of gains from previous fiscal years to reduce the volatility of unfunded liabilities.
  - **Market Value of Assets Increase** – Market results over the FY 2024 continued to return positively, with both equity and fixed income assets experiencing positive returns. The market value of assets increased by approximately \$3.6 billion (~9.2%).
  - **Liability Increase** – Liabilities increased by approximately \$1.9 billion (~3.9%) over the last year partially offsetting the increase in the actuarial value of assets.
2. **Positive Impact of Excess Contributions** – In FY 2024, pension plan contributions exceeded the actuarially required contributions, contributing to a portion of market value gains.

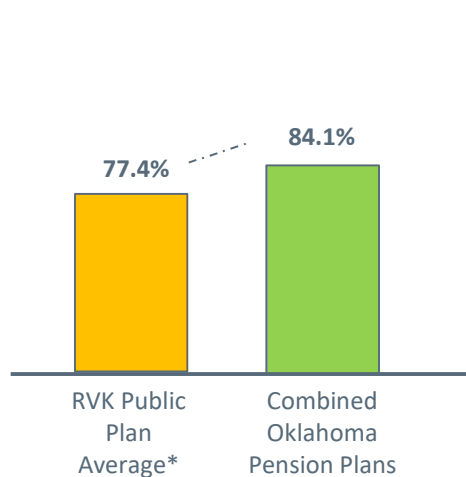
# Executive Summary (continued)

## Contribution Highlights

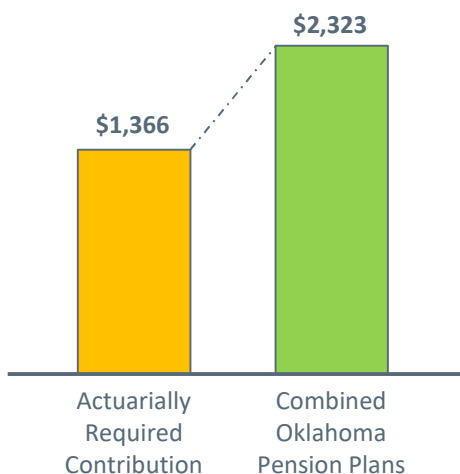
1. **Annual Contribution Increase** – Total contributions for the fiscal year were approximately \$2.32 Billion, which was a 6.9% increase relative to the prior fiscal year. Contributions from the State (\$1,028 M) and Employer + Federal (\$610 M) were the primary drivers of contribution increase.
2. **Actual Contributions Exceeded Required Contributions** – For the past Fiscal Year, the actual contribution exceeded the actuarially required contribution. Since 2012, total plan contributions have been higher than the actuarial requirement.

## Key Metrics for Oklahoma Pension Plans

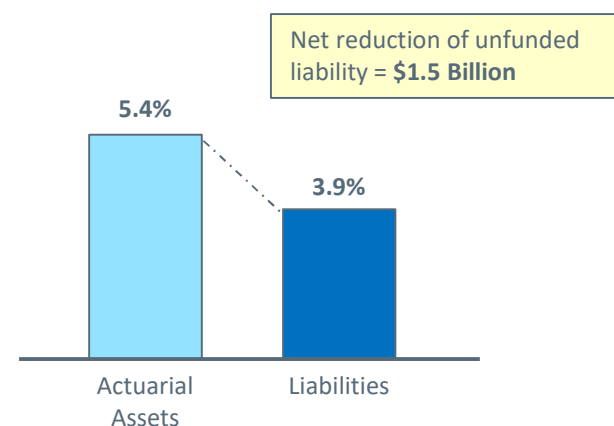
**Funded Status (AV) vs. RVK Survey Median**



**Total Contributions FY 2024 (\$ Millions)**

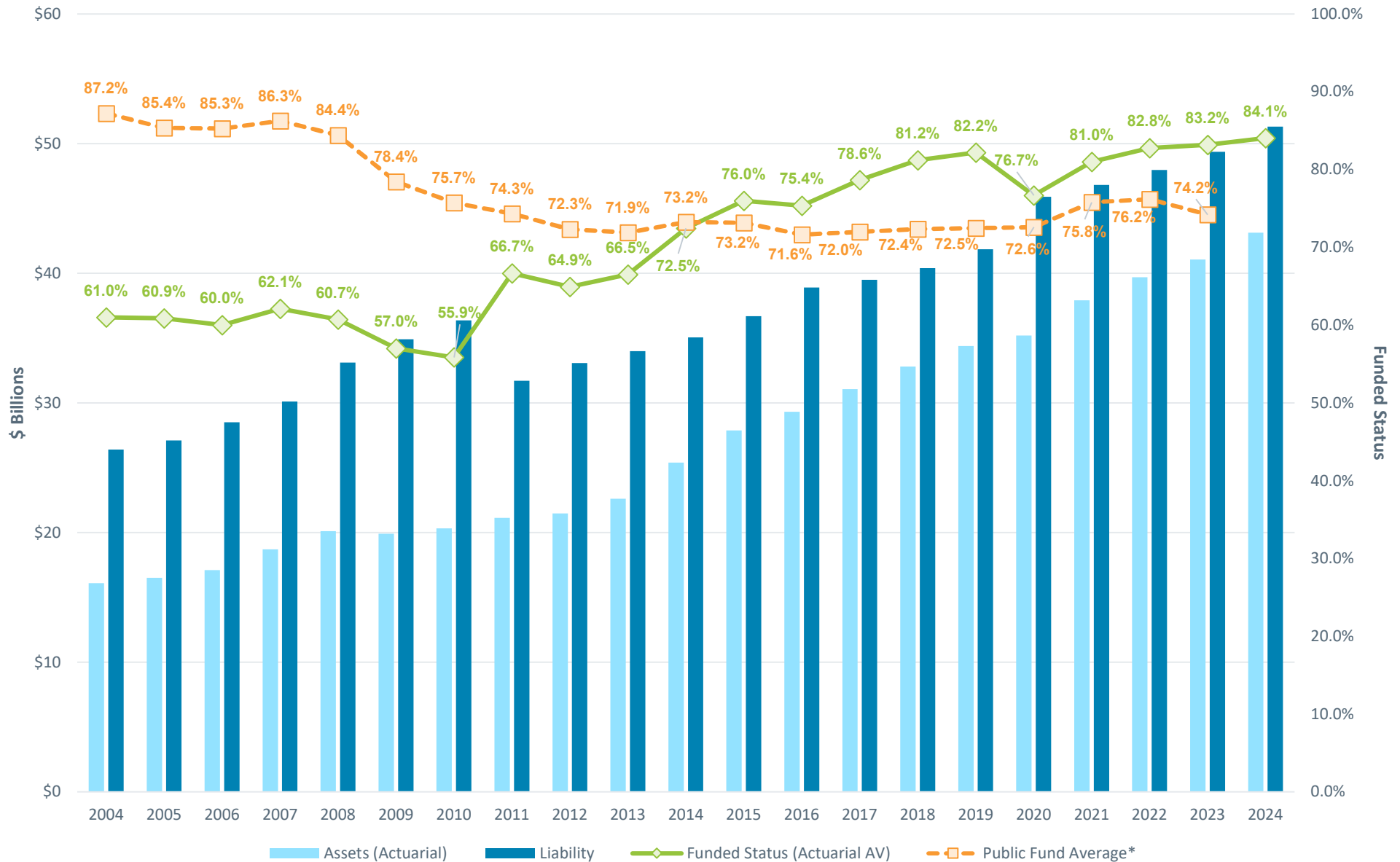


**10-Year Asset vs. Liability Growth Rate (FY 2014 – 2024)**



# OKSPC Funded Status

## Aggregate Funded Status (Actuarial Values)

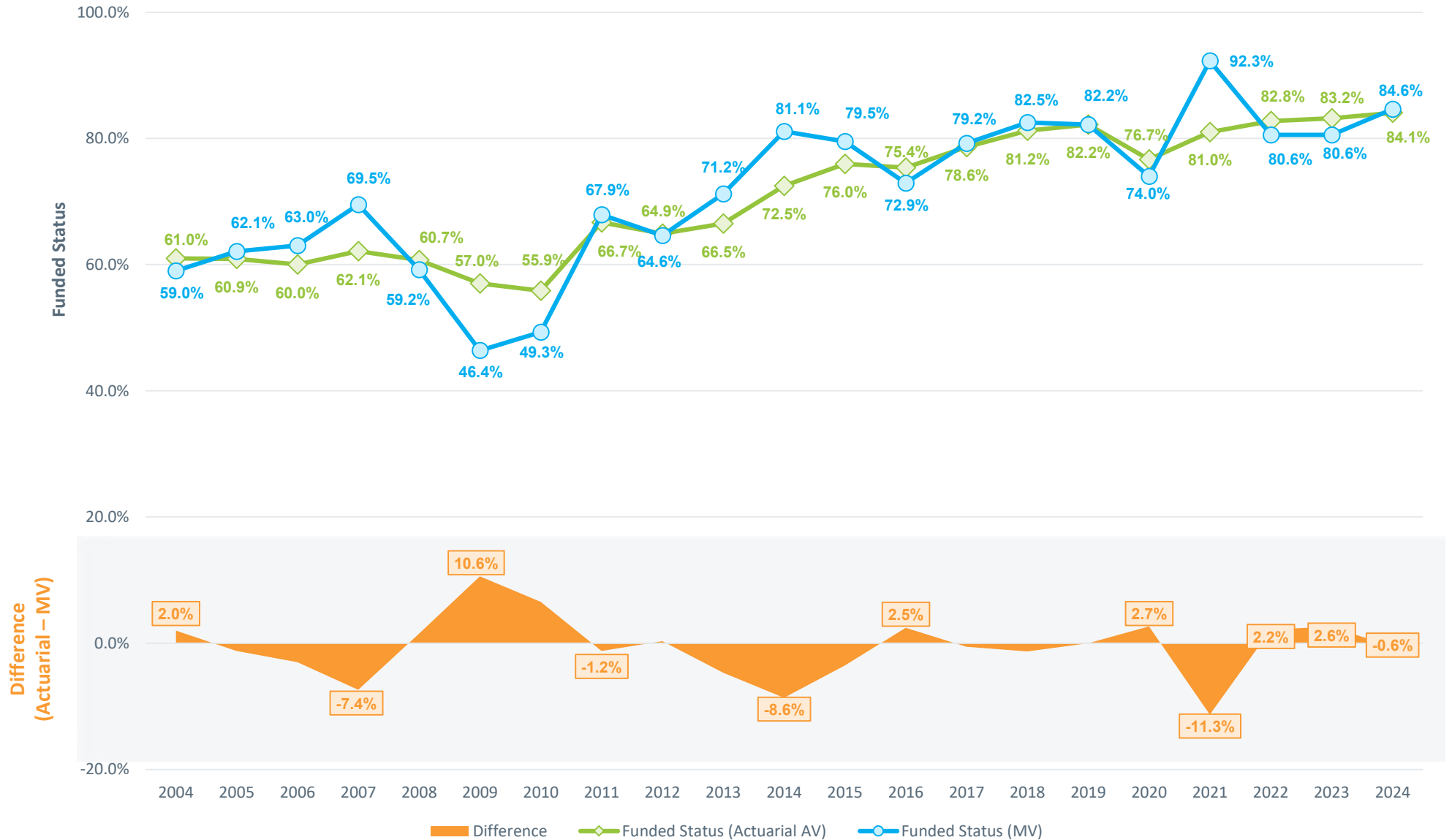


Data as of June 30, 2024.

\*Source: Public Plans Data (2024). 2024 Public Fund data is currently unavailable.

# OKSPC Funded Status

## Aggregate Funded Status (Actuarial Assets vs Market Values)



Differences may not be exact due to rounding.

# OKSPC Funded Status

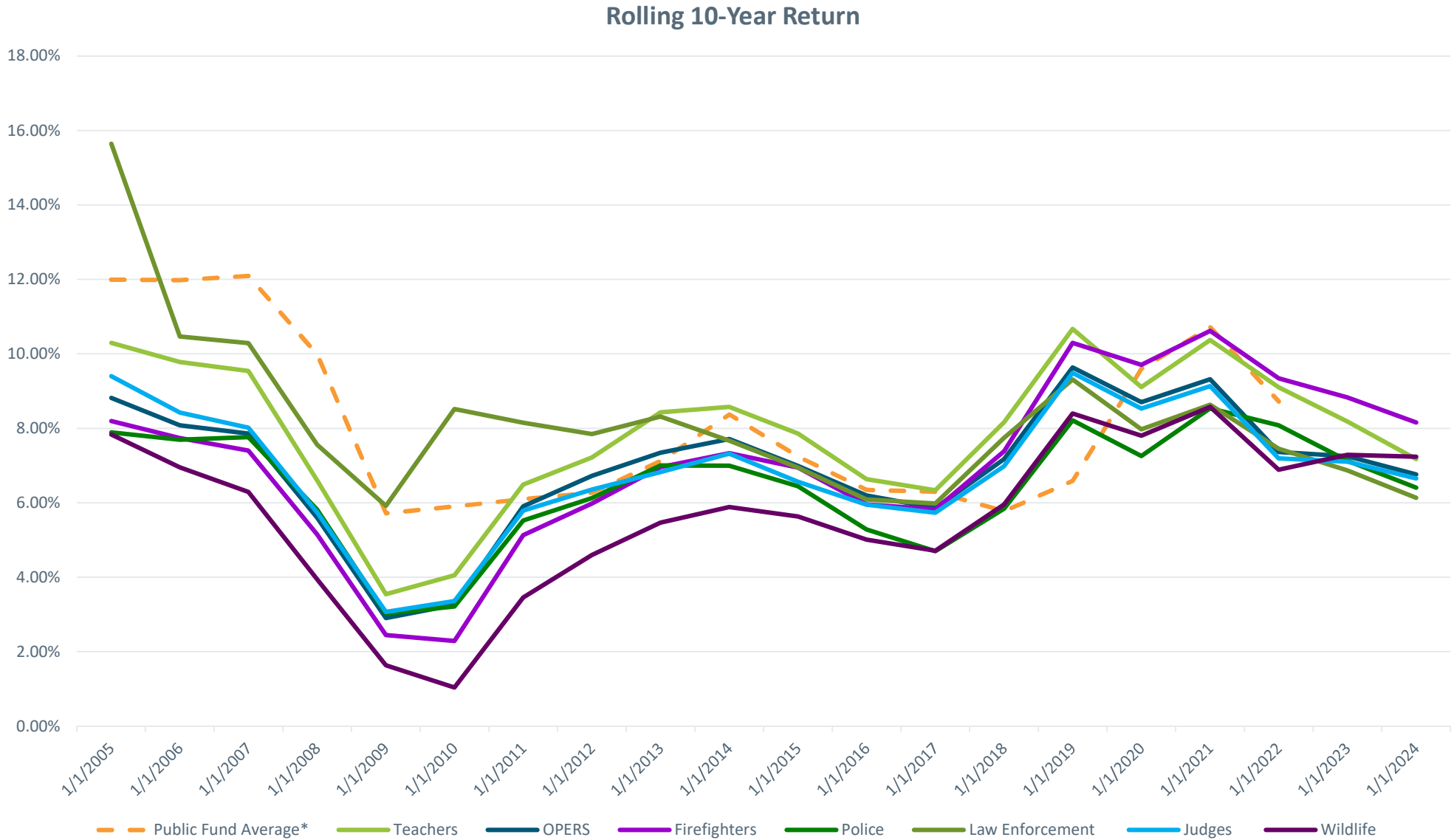
## Individual Plan Funded Status Summary

Plan	Actuarial Value of Assets (\$M)	Actuarial Accrued Liability (\$M)	Market Value of Assets (\$M)	Funded Status (per Actuarial Assets)	Funded Status (per MV Assets)	Change YoY (Actuarial)	Change YoY (MV)
Teachers	\$22,676	\$29,434	\$22,964	77.04%	78.02%	1.96%	4.87%
Public Employees	\$12,012	\$11,692	\$12,196	102.74%	104.31%	2.08%	7.18%
Firefighters	\$3,367	\$4,694	\$3,377	71.73%	71.94%	-1.05%	1.09%
Police	\$3,323	\$3,445	\$3,183	96.47%	92.40%	-9.61%	-8.62%
Law Enforcement	\$1,202	\$1,495	\$1,153	80.40%	77.16%	-1.44%	0.64%
Judges	\$409	\$391	\$414	104.66%	106.07%	0.54%	5.99%
Wildlife	\$135	\$154	\$139	87.93%	90.68%	-4.40%	0.28%



# OKSPC Rates of Return

## Individual Plan Rates of Return

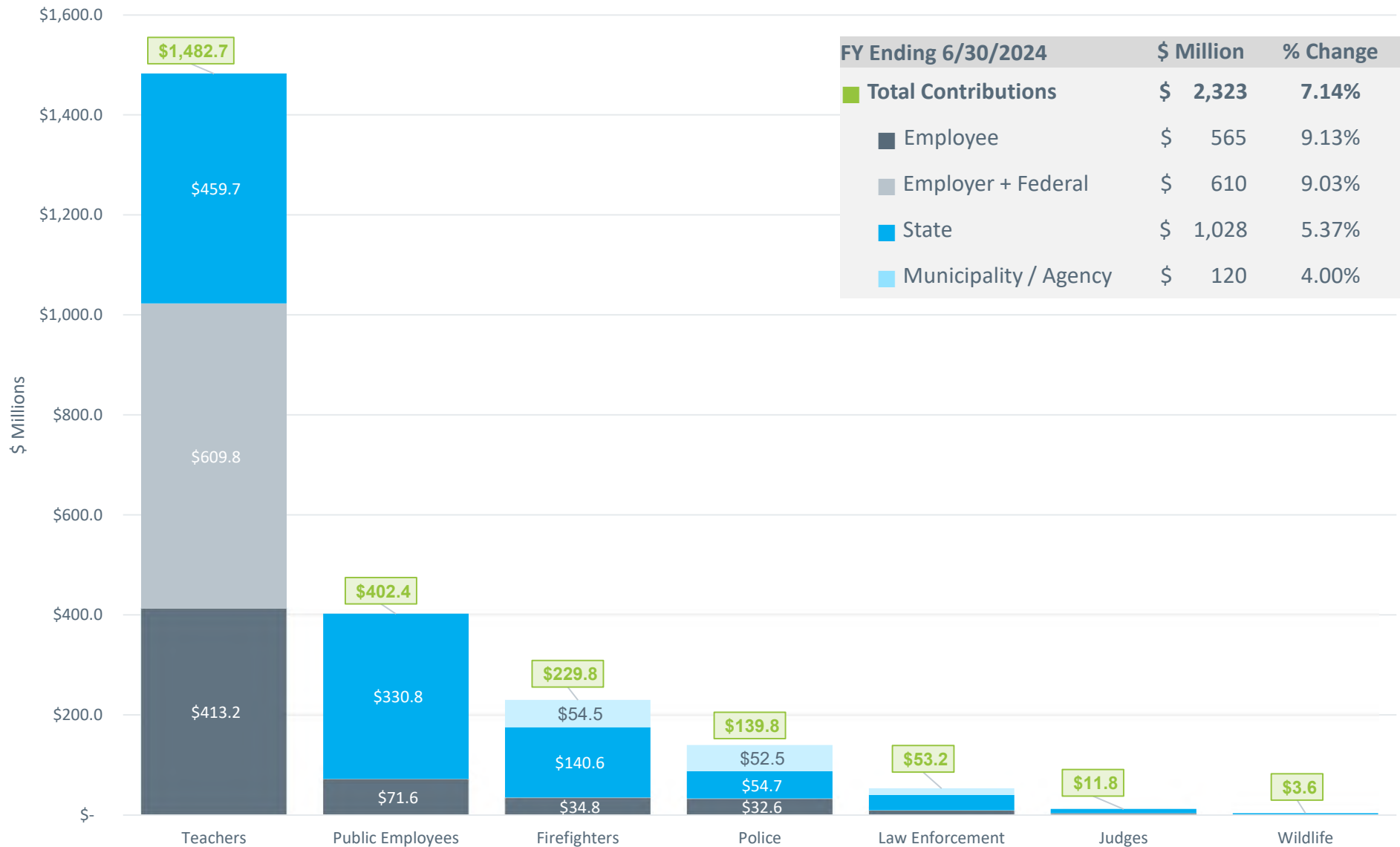


Data as of June 30, 2024.

\*Source: Public Plans Data (2023). 2023 and 2024 data are currently unavailable.

# OKSPC Contributions

## Individual Plan 2024 Contributions



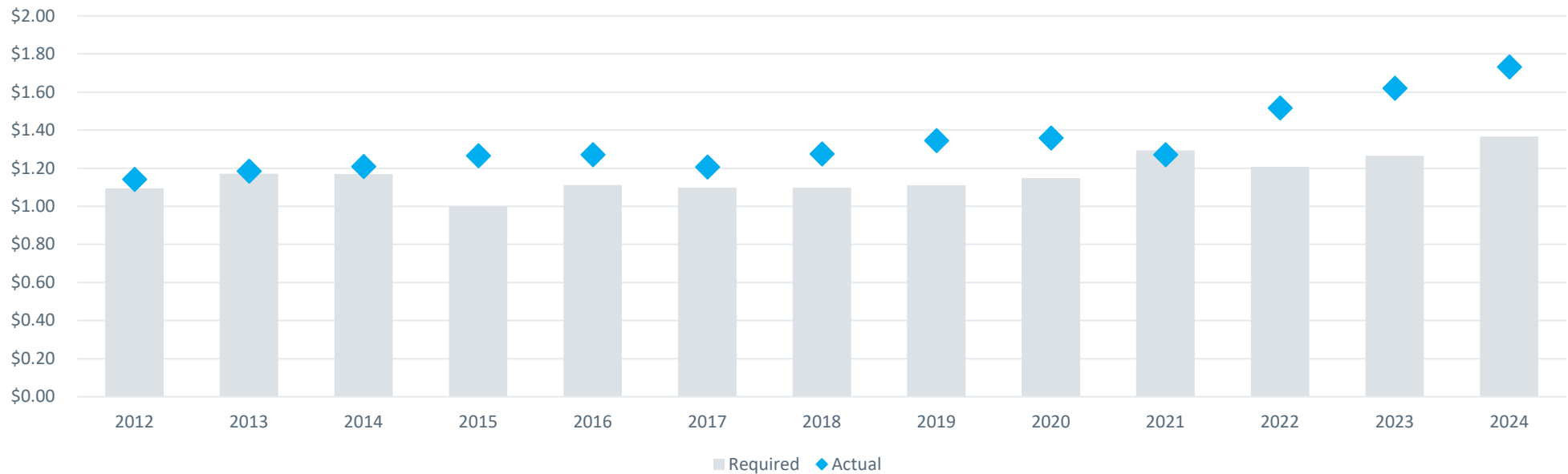
Teachers "Employer + Federal" contribution includes grant matching funds.

# OKSPC Historical Contributions

## Historical State and Employer Contributions

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Required</b>	\$1.09	\$1.17	\$1.17	\$1.00	\$1.11	\$1.10	\$1.10	\$1.11	\$1.15	\$1.29	\$1.21	\$1.27	\$1.37
<b>Actual</b>	\$1.14	\$1.18	\$1.21	\$1.27	\$1.27	\$1.21	\$1.27	\$1.35	\$1.36	\$1.27	\$1.52	\$1.62	\$1.73
<b>% Actual vs Required</b>	<b>104.3%</b>	<b>101.1%</b>	<b>103.3%</b>	<b>126.8%</b>	<b>114.2%</b>	<b>109.8%</b>	<b>116.0%</b>	<b>121.1%</b>	<b>118.3%</b>	<b>98.2%</b>	<b>125.5%</b>	<b>128.02%</b>	<b>126.76%</b>

Historical Contributions



# OKSPC Actuarially Determined Contribution Rates

	Teachers	Public Employees	Firefighters	Police	Law Enforcement	Judges	Wildlife
Total Normal Cost	10.7%	11.0%	20.2%	24.1%	24.5%	27.6%	13.1%
Expenses	0.1%	0.6%	1.0%	0.6%	1.7%	0.7%	0.0%
<b>*Total ADC</b>	<b>10.8%</b>	<b>11.5%</b>	<b>21.2%</b>	<b>24.7%</b>	<b>26.2%</b>	<b>28.3%</b>	<b>13.1%</b>
Employee Contribution	7.0%	4.3%	9.0%	8.0%	8.0%	8.0%	5.0%
<b>*Total Employer ADC</b>	<b>3.8%</b>	<b>7.2%</b>	<b>12.2%</b>	<b>16.7%</b>	<b>18.2%</b>	<b>20.3%</b>	<b>8.1%</b>
Employer Contribution	9.3%	16.5%	14.1%	13.0%	11.1%	22.0%	27.5%
<b>Total State ADC</b>	<b>8.0%</b>	<b>16.5%</b>	<b>30.5%</b>	<b>10.5%</b>	<b>30.9%</b>	<b>22.0%</b>	<b>27.5%</b>

\*Calculation excludes Amortization of UAAL percentage.

# GASB 67 : Funding Position and Contributions

## Funding Position:

	Net Position	Total Pension Liability (\$M)	Unfunded Accrued Liability (\$M)	Funded Status	Discount Rate
Teachers	\$22,471	\$29,058	\$6,587	77.33%	7.00%
Public Employees	\$11,723	\$11,391	(\$332)	102.91%	6.50%
Firefighters	\$3,377	\$4,694	\$1,317	71.94%	7.50%
Police	\$3,183	\$3,445	\$262	92.40%	7.50%
Law Enforcement	\$1,150	\$1,484	\$334	77.50%	7.50%
Judges	\$410	\$388	(\$22)	105.78%	6.50%
Wildlife	\$139	\$154	\$14	90.68%	7.00%
<b>Total</b>	<b>\$42,454</b>	<b>\$50,614</b>	<b>\$8,160</b>	<b>83.88%</b>	

## Contributions:

	ADEC	Actual Contributions	Contribution Deficiency/Excess	Covered Payroll	ADEC % Payroll	Actual % Payroll
Teachers	\$1,016	\$1,068	\$52	\$5,677	17.90%	18.81%
Public Employees	\$108	\$315	\$206	\$1,513	7.17%	20.80%
Firefighters	\$159	\$187	\$28	\$388	41.09%	48.27%
Police	\$36	\$107	\$71	\$404	8.91%	26.53%
Law Enforcement	\$42	\$43	\$1	\$114	37.11%	37.59%
Judges	\$1	\$8	\$7	\$38	2.90%	22.18%
Wildlife	\$2	\$3	\$1	\$11	21.32%	27.14%



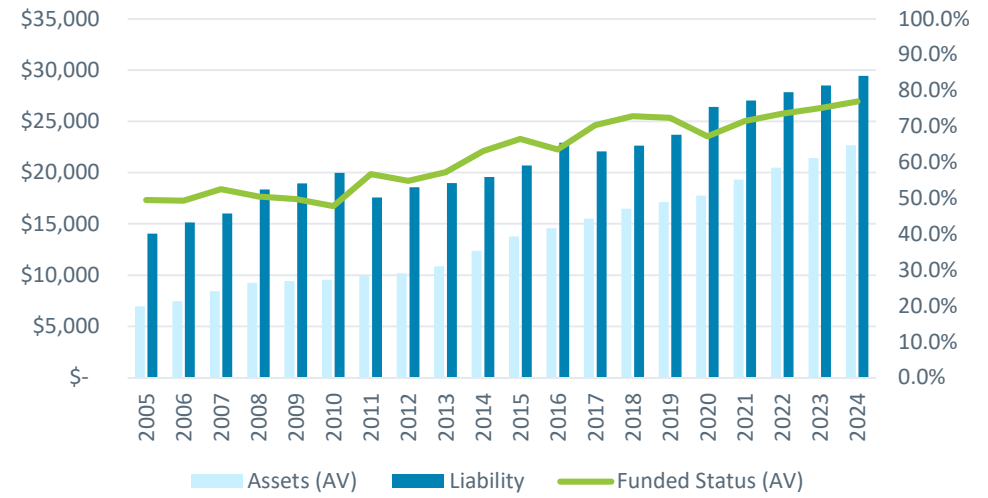
# Individual Plan Highlights



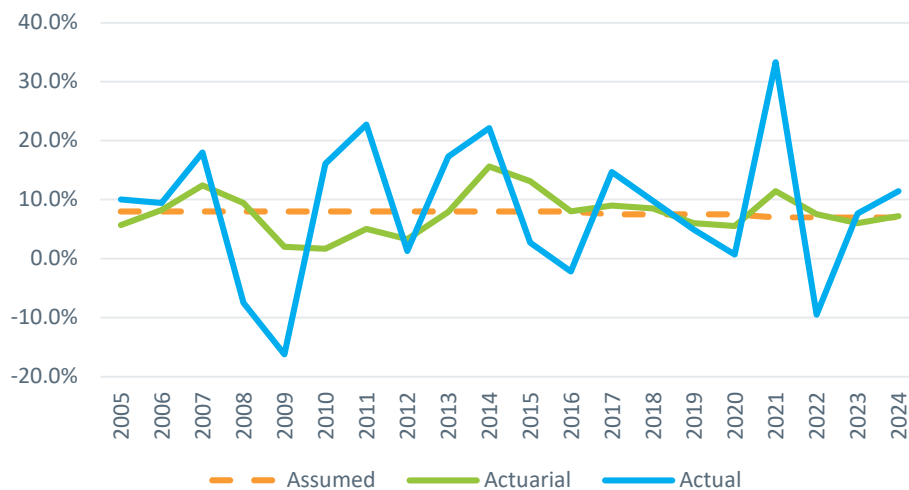
# Teachers

	2024	2023	Change
<b>Assets (AV)</b>	\$22,676 M	\$21,405 M	+ \$1,271 M
<b>Liability</b>	\$29,434 M	\$28,510 M	+ \$924 M
<b>Funded Status (AV)</b>	77.0%	75.1%	+ 2.0%
<b>Assets (MV)</b>	\$22,964 M	\$20,854 M	+ \$2,110 M
<b>Funded Status (MV)</b>	78.0%	73.1%	+ 4.9%

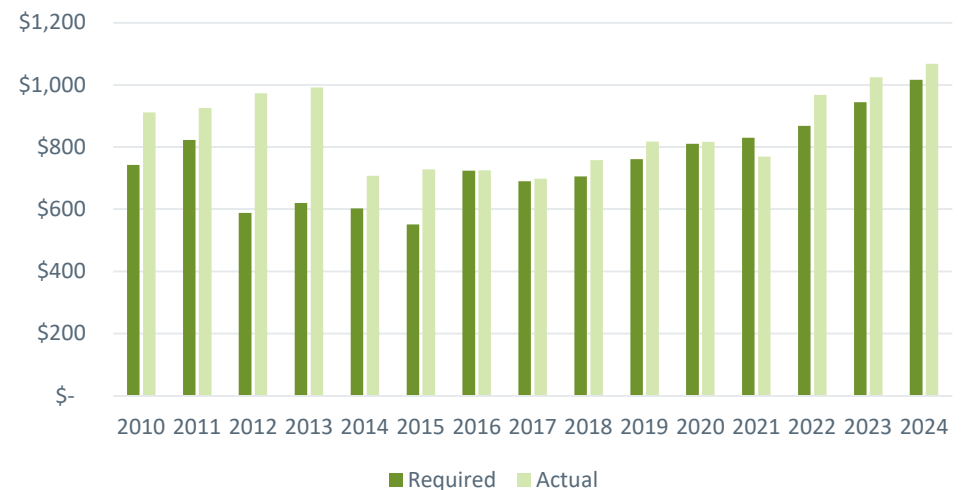
## Historical Funded Status



## Rate of Return (Annual)



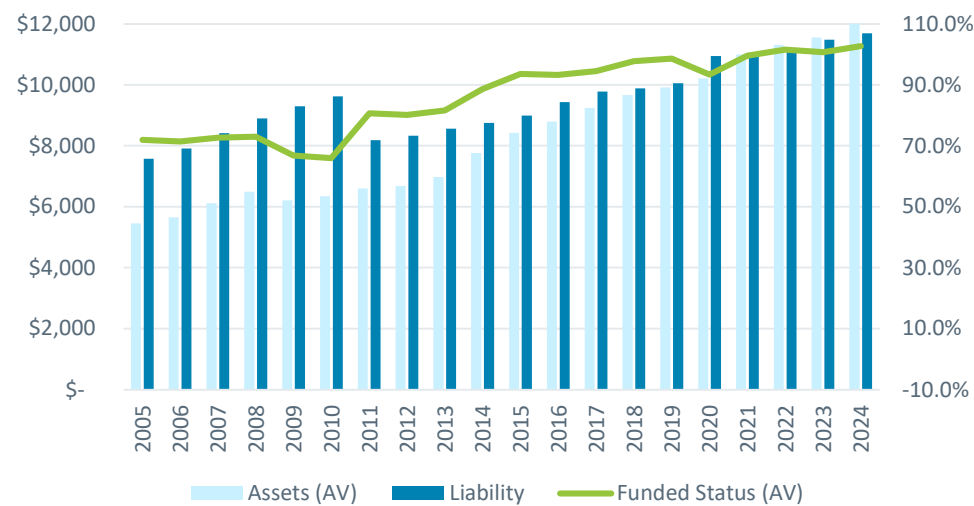
## Historical Contributions



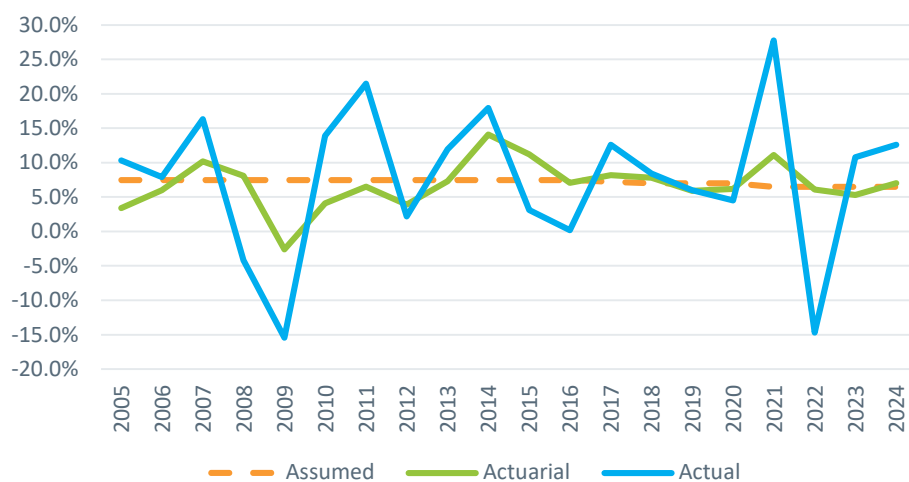
# Public Employees

	2024	2023	Change
<b>Assets (AV)</b>	\$12,012 M	\$11,557 M	+ \$455 M
<b>Liability</b>	\$11,692 M	\$11,482 M	+ \$210 M
<b>Funded Status (AV)</b>	102.7%	100.7%	+ 2.1%
<b>Assets (MV)</b>	\$12,196 M	\$11,152 M	+ \$1,044 M
<b>Funded Status (MV)</b>	104.3%	97.1%	+ 7.2%

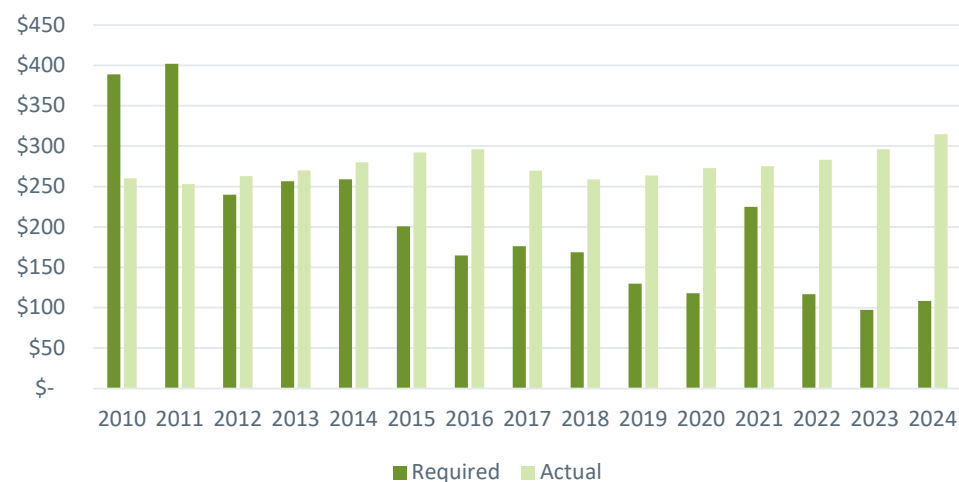
## Historical Funded Status



## Rate of Return (Annual)



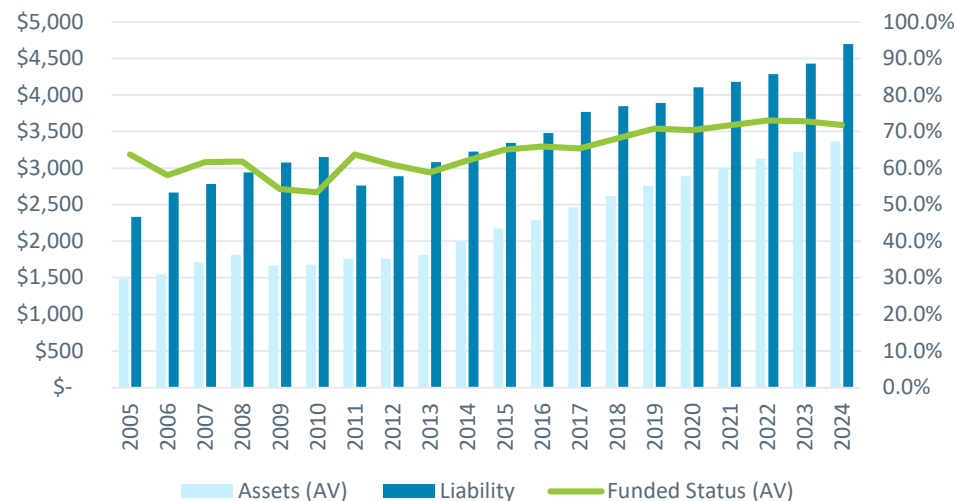
## Historical Contributions



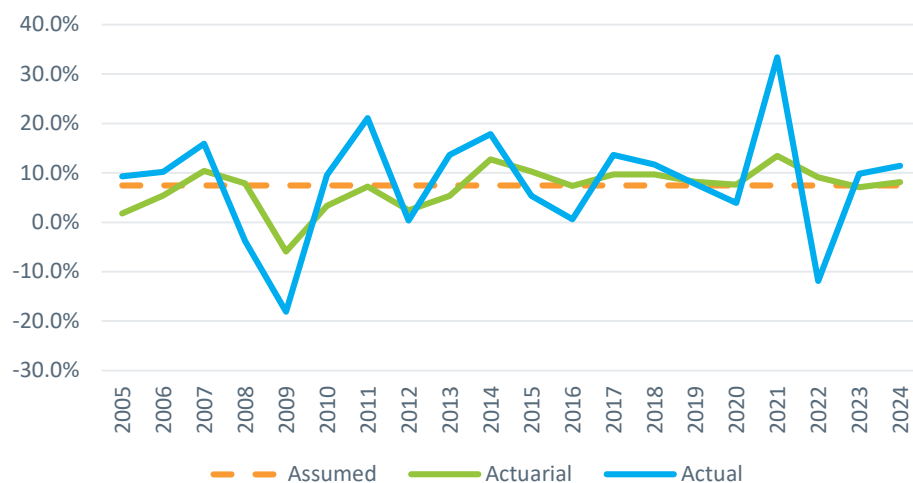
# Firefighters

	2024	2023	Change
<b>Assets (AV)</b>	\$3,367 M	\$3,222 M	+ \$145 M
<b>Liability</b>	\$4,694 M	\$4,427 M	+ \$267 M
<b>Funded Status (AV)</b>	71.7%	72.8%	- 1.0%
<b>Assets (MV)</b>	\$3,377 M	\$3,137 M	+ \$240 M
<b>Funded Status (MV)</b>	71.9%	70.9%	+ 1.1%

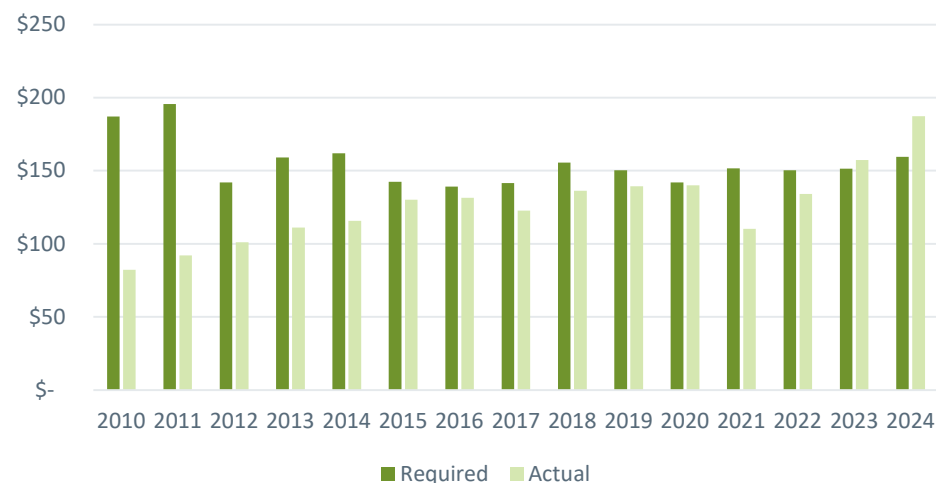
## Historical Funded Status



## Rate of Return (Annual)



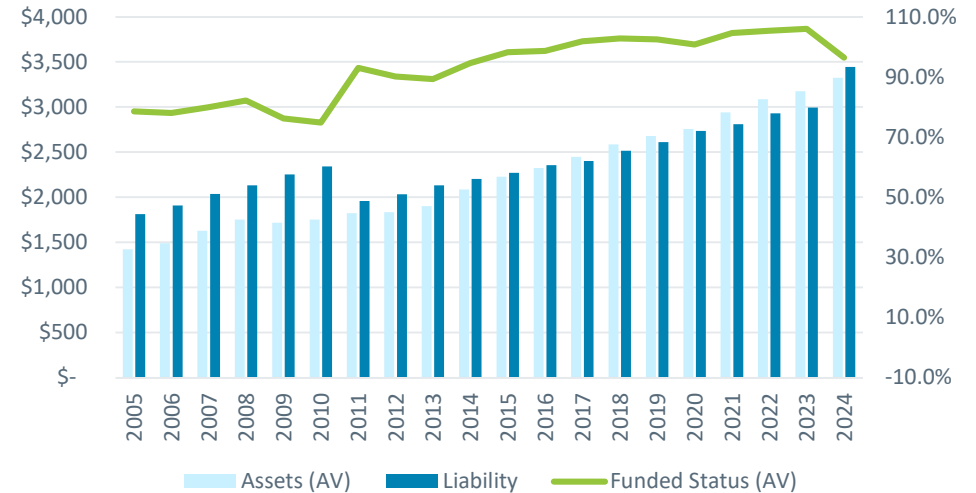
## Historical Contributions



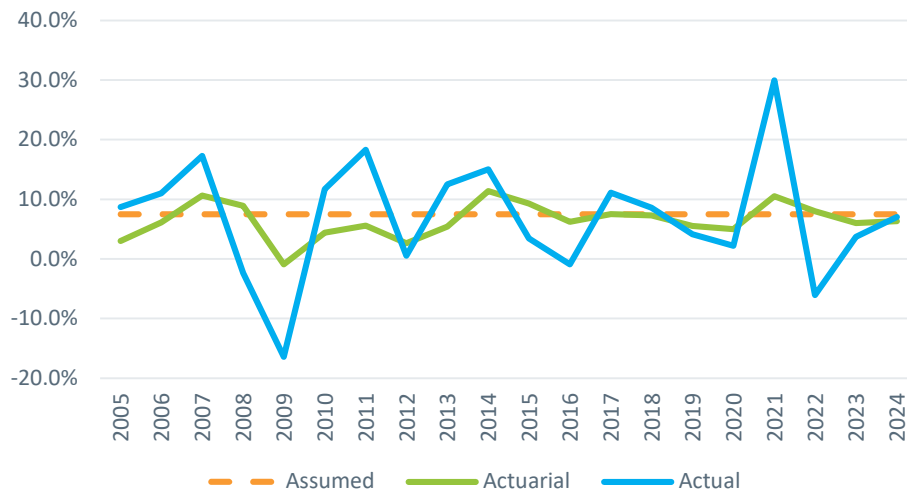
# Police

	2024	2023	Change
<b>Assets (AV)</b>	\$3,323 M	\$3,175 M	+ \$149 M
<b>Liability</b>	\$3,445 M	\$2,993 M	+ \$452 M
<b>Funded Status (AV)</b>	96.5%	106.1%	- 9.6%
<b>Assets (MV)</b>	\$3,183 M	\$3,023 M	+ \$160 M
<b>Funded Status (MV)</b>	92.4%	101.0%	- 8.6%

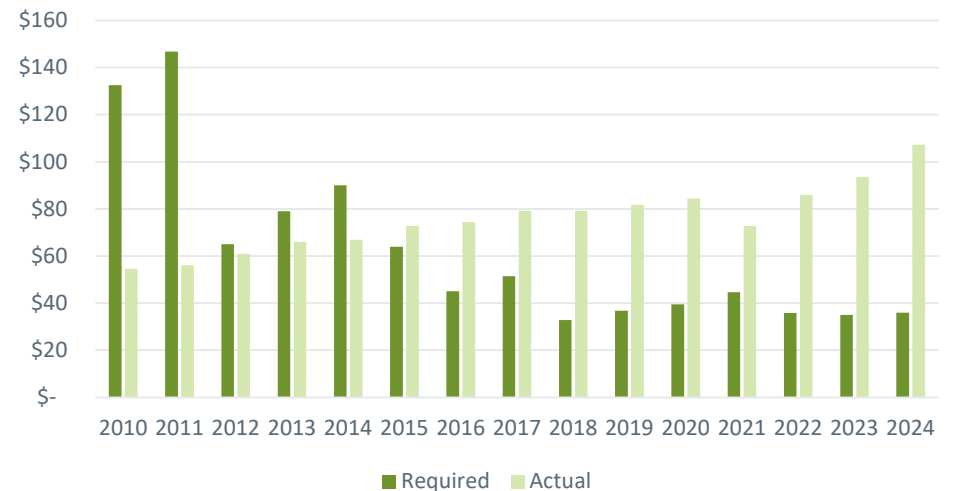
## Historical Funded Status



## Rate of Return (Annual)



## Historical Contributions

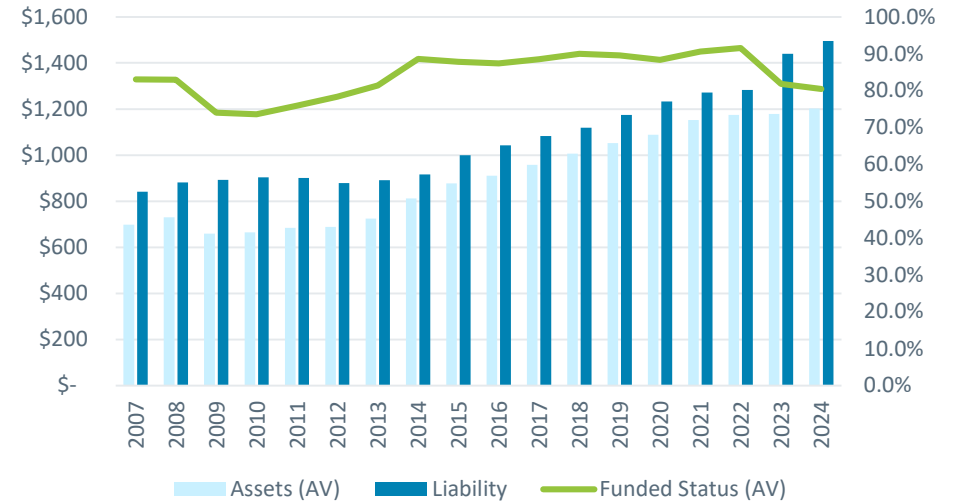




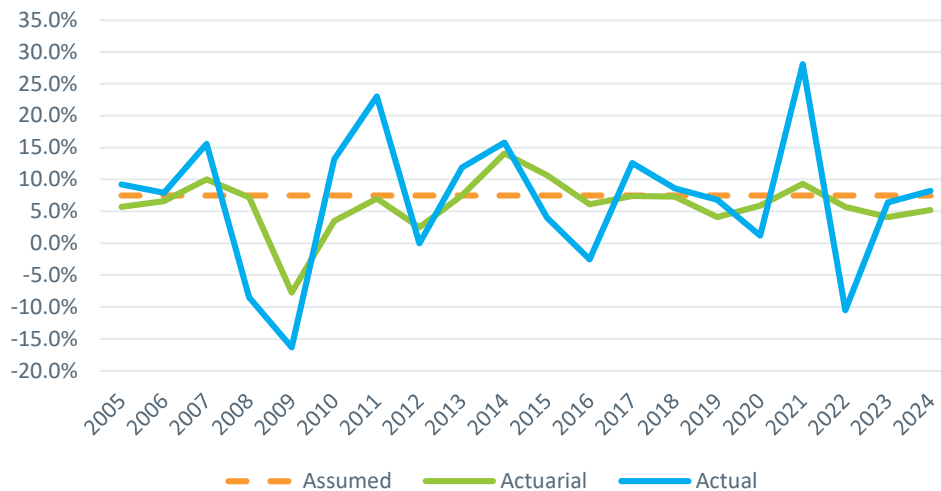
# Law Enforcement

	2024	2023	Change
<b>Assets (AV)</b>	\$1,202 M	\$1,179 M	+ \$23 M
<b>Liability</b>	\$1,495 M	\$1,440 M	+ \$55 M
<b>Funded Status (AV)</b>	80.4%	81.8%	- 1.4%
<b>Assets (MV)</b>	\$1,153 M	\$1,102 M	+ \$51 M
<b>Funded Status (MV)</b>	77.2%	76.5%	+ 0.6%

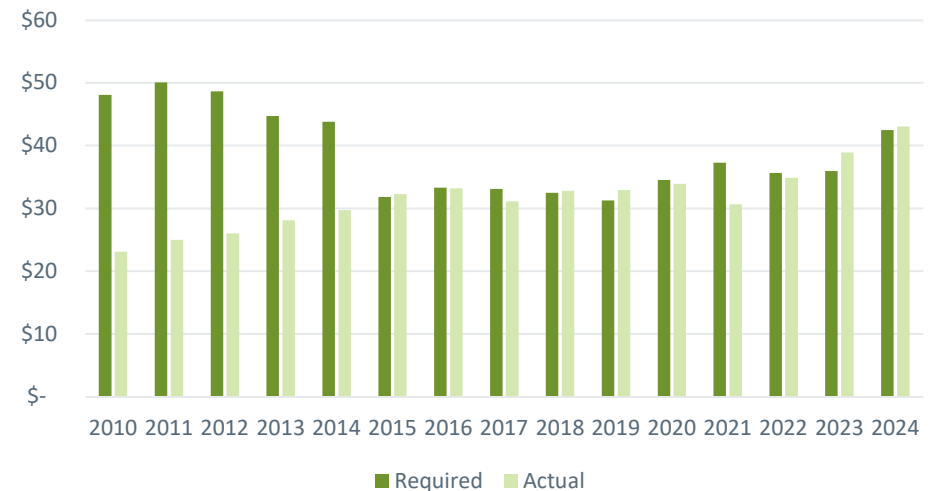
## Historical Funded Status



## Rate of Return (Annual)



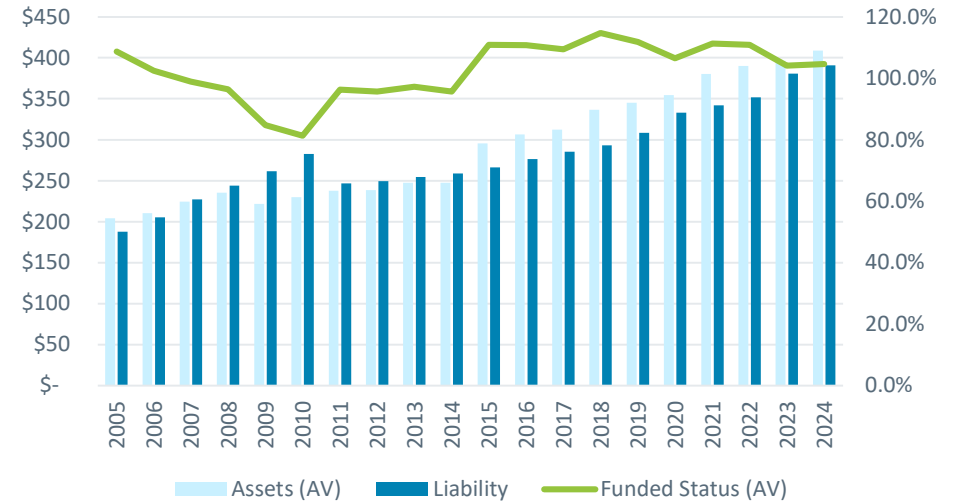
## Historical Contributions



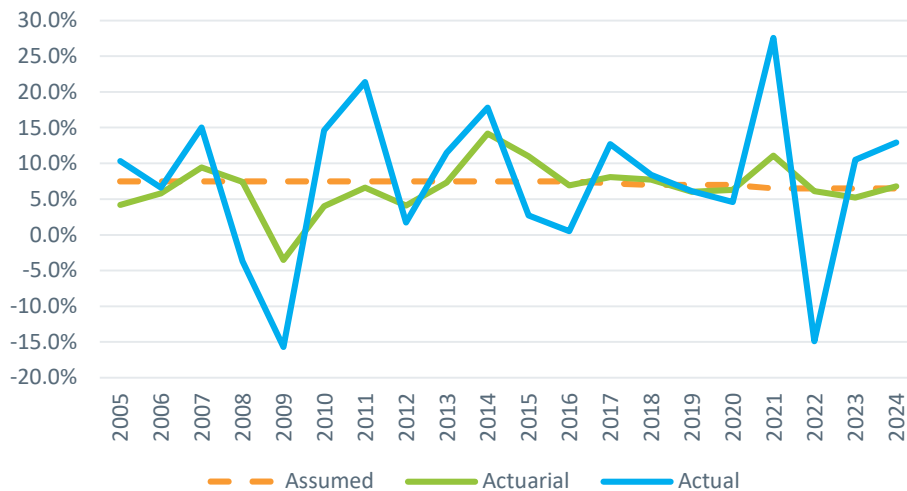
# Judges

	2024	2023	Change
Assets (AV)	\$409 M	\$396 M	+ \$13 M
Liability	\$391 M	\$381 M	+ \$10 M
Funded Status (AV)	104.7%	104.1%	+ 0.5%
Assets (MV)	\$414 M	\$381 M	+ \$33 M
Funded Status (MV)	106.1%	100.1%	+ 6.0%

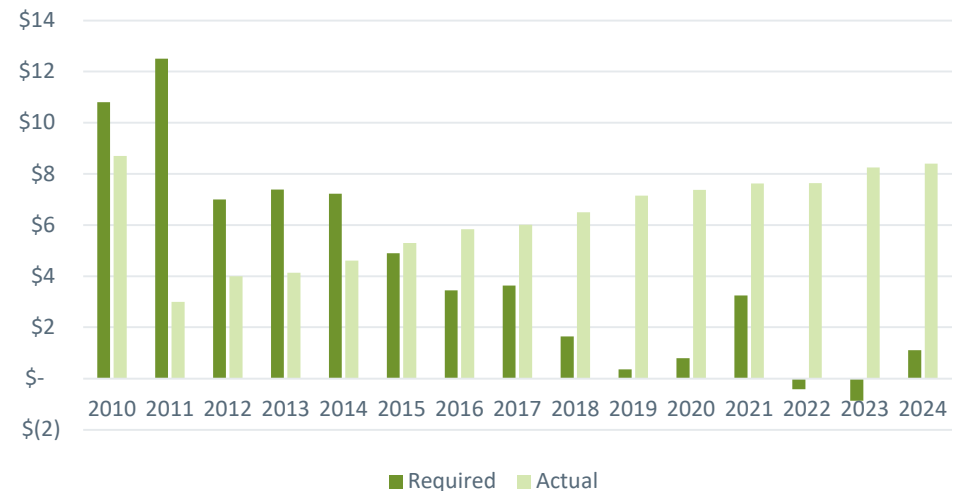
## Historical Funded Status



## Rate of Return (Annual)



## Historical Contributions



# Appendix



# RVK Public Funds Survey

RVK conducts a semi-annual survey of public pension plans, aggregating various portfolio and actuarial factors. Below is the list of participants from the latest edition:

Pennsylvania State Employees' Retirement System  
Montana Teachers' Retirement System  
State of New Jersey Pension Fund  
Maryland State Retirement and Pension System  
Merced County Employees' Retirement Association  
Alameda County Employees' Retirement Association  
Nevada Public Employees' Retirement System  
Fire and Police Pension Association of Colorado  
Montana Public Employees' Retirement System  
New York State Common Retirement Fund  
Teachers' Retirement System of the State of Illinois  
State Teachers Retirement System of Ohio  
Pennsylvania Public School Employees' Retirement System  
California State Teachers' Retirement System  
New Mexico State Investment Council  
Kansas Public Employees' Retirement System  
Employees Retirement System of Texas  
Los Angeles Fire and Police Pension System  
Teachers' Retirement System of Kentucky  
Mendocino County Employees' Retirement Association  
Ventura County Employees' Retirement Association  
Imperial County Employees' Retirement System  
Wyoming Retirement System  
Public School and Education ERS of Missouri  
Sonoma County Employees' Retirement Association  
Marin County Employees' Retirement Association  
Orange County Employees' Retirement System  
Police Retirement System of Kansas City, Missouri  
San Mateo County Employees' Retirement Association  
Fresno County Employees' Retirement Association  
Los Angeles County Employees Retirement Association  
West Virginia Investment Management Board  
City of Fresno Retirement Systems  
The Navajo Nation Permanent Fund  
Santa Barbara County Employees' Retirement System  
San Bernardino County Employees' Retirement Association  
The Navajo Nation Retirement Plan  
City of Milwaukee Employees' Retirement System  
New Mexico Land Grant Permanent Fund  
Contra Costa County Employees' Retirement Association

Kern County Employees' Retirement Association  
Los Angeles City Employees' Retirement System  
San Diego City Employees' Retirement System  
Public Employees Retirement Association of New Mexico  
Kansas City Employees' Retirement System  
San Diego County Employees Retirement Association  
State of Michigan Retirement Systems  
Civilian Employees' Retirement System of the Police Department of Kansas City, Missouri  
Arlington County Employees' Retirement System  
Ohio Public Employees' Retirement System  
Teachers Retirement System of Louisiana  
Virginia Retirement System  
Gila River Indian Community Retirement Plan  
Los Angeles Water & Power Employees Retirement Plan  
Chicago Teachers' Pension Fund  
Commissioners of the Land Office, State of Oklahoma  
North Carolina Retirement System  
South Dakota Retirement System  
Ohio Bureau of Workers' Compensation  
North Dakota Board of University and School Lands  
Idaho Endowment Fund Investment Board  
Anchorage Police & Fire Retirement System  
The Navajo Nation Worker's Compensation Fund  
Confederated Tribes of the Warm Springs Tribal Council Pension Fund  
San Diego Transit Corporation Employee Retirement  
Municipality of Anchorage Trust Fund  
Municipality of Anchorage Pre-Funding Program  
City of Plano Retirement Security Plan  
Nebraska Investment Council  
**Oklahoma Fire Fighters Pension & Retirement System**  
**Oklahoma Public Employees Retirement System**  
**Oklahoma Teachers Retirement System**  
**Oklahoma Law Enforcement Pension & Retirement System**  
**Oklahoma Judicial Retirement System**  
**Oklahoma Police Pension and Retirement System**  
**Oklahoma Wildlife Conservation Retirement System**  
City of Jacksonville Retirement System  
City of Fresno Fire & Police Retirement System  
City of Jacksonville Police and Fire Retirement Fund  
Nuclear Electric Insurance Limited  
Vermont Pension Investment Committee