
Oklahoma Municipal Retirement Fund

ACTUARIAL VALUATION OF FUNDING REQUIREMENTS

Effective for the Year Starting

July 1, 2003

May 30, 2003

Prepared by

DEAN & COMPANY

CONSULTING ACTUARIES

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Certification

This report presents the actuarial position of the member plans of the Oklahoma Municipal Retirement Fund as of January 1, 2003, in accordance with generally accepted actuarial principles applied on a basis consistent with the preceding valuation. The purposes of the valuation are:

- to determine the required contribution for the retirement program effective July 1, 2003.
- to provide accounting information required by GASB 25 (funding progress).

The valuation results in this report are based on participant data provided by the member employers and financial data provided by the Oklahoma Municipal Retirement Fund.

In our opinion, each assumption used in combination to calculate liabilities and costs represents our best estimate of anticipated experience under the plan and is reasonably related to the plan experience and to reasonable expectations.

DEAN & COMPANY

May 30, 2003

Date



Charles E. Dean, FSA, FCA
Enrolled Actuary 02-1249



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I

Comparison of Required Contribution Rates

I Comparison of Required Contribution Rates

The exhibit in this section shows the required contribution rates determined by the 2003 actuarial valuation. These rates will be in effect from July 1, 2003 through June 30, 2004. The following information is presented for each city:

- Whether the plan has an unfunded actuarial liability or a surplus (*UAL or Surplus*). In general, as long as there is an unfunded actuarial accrued liability, it is amortized as a level dollar amount over 30 years. When plan assets equal or exceed the actuarial accrued liability, the surplus is amortized as a level percent of pay over the future working lifetime of active plan participants. The amortization amount is redetermined each year.
- The *total rate*. This is the aggregate contribution rate determined under the 2003 valuation for each plan. The rate determined under the 2002 valuation is also shown for comparison.
- The *employee rate*. This rate, determined by plan provisions, is the percent of pay to be contributed to the plan by employees for the 2003-04 plan year. The employer rate is generally determined by subtracting the employee rate from the total rate. In some cases the employee rate actually exceeds the total rate because of favorable plan experience in the past (that is, investment performance better than the assumed 7½%, or demographic changes more favorable than assumed). In these cases, the required employer contribution rate effective 7/1/03 is 0.00%.
- A brief summary of the *plan provisions* elected in the adoption agreement. See Section V for a more detailed description of the plan provisions of the OMRF Master Plan. Those municipalities which have upgraded the plan level or other provision such as vesting since the prior valuation are indicated in the final column.

Oklahoma Municipal Retirement Fund
 COMPARISON OF REQUIRED CONTRIBUTION RATES

*Replaced Exhibit 1
 Due to Bethany Warr Acres,
 Altus & Mtn. Park.*

City	UAL or Surplus	Total rate		Employee Rate	Plan Provisions	Changes
		7/1/02	7/1/03			
Adair	UAL	8.89%	9.01%	2.25%	Plan B, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Altus	Surplus	9.58%	10.40%	4.00%	Plan AA, normal retirement age 62/30, 10 year vesting, 5 years certain, no COLA	
Alva	Surplus	0.87%	1.68%	0.00%	Plan B, normal retirement age 65, 10 year vesting, 5 years certain, COLA	
Antlers	UAL	7.00%	6.41%	2.25%	Plan B, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Bartlesville	UAL	8.41%	8.07%	0.00%	Non-OMRF formula	
Bethany	Surplus	19.49%	21.82%	4.60%	Plan AAA, normal retirement age 65, 10 year vesting, 10 years certain, COLA	
Bethany/Warr Acres	Surplus	9.71%	9.91%	2.53%	Plan AAA, normal retirement age 65, 7 year vesting, 5 years certain, no COLA	
Billings	UAL	9.68%	6.15%	3.00%	Plan A, normal retirement age 65, 7 year vesting, 5 years certain, no COLA	
Binger	UAL	5.77%	5.17%	1.50%	Plan C, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Blackwell	Surplus	8.56%	9.24%	4.50%	Plan AAA, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
Blair	UAL	9.83%	10.70%	3.41%	Plan AA, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
Boise City	UAL	15.87%	15.00%	0.00%	Plan BB, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Braman	UAL	10.00%	11.64%	3.75%	Plan A, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	Upgrade
Bristow	UAL	23.70%	20.22%	5.25%	Plan AA, normal retirement age 65, 5 year vesting, 5 years certain, COLA	
Broken Bow	UAL	9.05%	7.69%	3.00%	Plan A, Rule of 80, 10 year vesting, 5 years certain, no COLA	
Buffalo	Surplus	7.43%	9.65%	3.50%	Plan AA, normal retirement age 62/30, 10 year vesting, 5 years certain, no COLA	
Burns Flat	UAL	5.47%	8.48%	2.25%	Plan C, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	Upgrade
Calera	UAL	6.13%	5.63%	1.50%	Plan C, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Central Okla Master Cons	UAL	22.18%	22.79%	6.00%	Plan AAA, normal retirement age 65, 10 year vesting, 5 years certain, COLA	

*Dean & Co.
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**Oklahoma Municipal Retirement Fund
COMPARISON OF REQUIRED CONTRIBUTION RATES**

City	UAL or Surplus	Total rate		Employee Rate	Plan Provisions	Changes
		7/1/02	7/1/03			
Chandler	UAL	9.61%	8.66%	3.75%	Plan CC, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
Checotah	#N/A	#N/A	10.27%	3.00%	Plan AAA, normal retirement age 65, 10 year vesting, 10 years certain, COLA	New plan
Chickasha	Surplus	2.50%	2.50%	2.50%	Plan AAA, normal retirement age 65, 7 year vesting, 5 years certain, no COLA	
Claremore	UAL	14.48%	14.08%	3.75%	Plan AAA, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
Cleo Springs	UAL	29.19%	27.73%	3.73%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Cleveland	Surplus	8.03%	10.52%	0.00%	Plan AA, normal retirement age 62/30, 7 year vesting, 10 years certain, COLA	
Clinton	Surplus	5.25%	5.25%	5.25%	Plan BB, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Collinsville	Surplus	6.61%	7.93%	2.00%	Plan AA, normal retirement age 65, 7 year vesting, 5 years certain, COLA	
Cordell	Surplus	8.65%	8.58%	0.00%	Plan AA, special retirement provisions, 10 year vesting, 5 years certain, no COLA	
Cushing	UAL	13.14%	14.13%	0.00%	Plan CC, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Davis	UAL	9.49%	8.70%	3.75%	Plan AAA, special retirement provisions, 7 year vesting, 10 years certain, COLA	
Del City	Surplus	5.42%	12.90%	0.00%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Dewey	Surplus	4.00%	4.00%	4.00%	Plan BB, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Drumright	UAL	13.76%	14.24%	4.50%	Plan AA, normal retirement age 65, 7 year vesting, 5 years certain, COLA	
Durant	Surplus	3.94%	4.88%	0.00%	Plan CC, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Eufaula	UAL	9.08%	8.93%	3.75%	Plan BB, normal retirement age 62/30, 10 year vesting, 5 years certain, no COLA	Ee rate
Fort Cobb	#N/A	#N/A	10.60%	3.00%	Plan BB, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	New plan
Foss Reservoir Public Works	UAL	11.77%	11.23%	3.75%	Plan C, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Frederick	UAL	16.82%	16.29%	4.07%	Plan BB, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	

Oklahoma Municipal Retirement Fund
COMPARISON OF REQUIRED CONTRIBUTION RATES

City	UAL or Surplus	Total rate		Employee Rate	Plan Provisions	Changes
		7/1/02	7/1/03			
Garber	UAL	5.09%	4.55%	1.50%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, COLA	
Geary	Surplus	4.79%	6.26%	1.88%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Gore and Gore PWA	#N/A	#N/A	8.83%	3.00%	Plan CC, normal retirement age 65, 7 year vesting, 5 years certain, no COLA	New plan
Granite	Surplus	9.37%	8.42%	4.00%	Plan CC, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
Guthrie	Surplus	3.69%	5.54%	3.69%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Guymon	UAL	7.58%	7.09%	0.00%	Plan CC, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Harrah	UAL	10.84%	15.33%	4.50%	Plan A, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	Upgrade
Healdton	Surplus	8.52%	9.18%	3.75%	Plan B, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Henryetta	Surplus	3.79%	7.37%	0.65%	Plan A, normal retirement age 62/30, 7 year vesting, 5 years certain, no COLA	Ret age
Hooker	UAL	10.25%	8.81%	3.00%	Plan C, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Hulbert	#N/A	#N/A	10.34%	2.25%	Plan A, normal retirement age 62/30, 10 year vesting, 5 years certain, no COLA	
Hydro	UAL	7.92%	8.23%	3.00%	Plan A, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Kansas	UAL	6.74%	7.36%	1.50%	Plan A, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Kingston	UAL	8.24%	8.19%	2.00%	Plan BB, normal retirement age 65, 10 year vesting, 5 years certain, COLA	
Krebs & Krebs Utility Auth.	UAL	9.36%	9.88%	3.00%	Plan CC, normal retirement age 65, 7 year vesting, 5 years certain, no COLA	
Laverne	UAL	8.32%	7.51%	3.00%	Plan AA, Rule of 80, 5 year vesting, 5 years certain, no COLA	
Lindsay	UAL	12.53%	12.82%	3.75%	Plan BB, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Madill	Surplus	6.61%	8.56%	3.74%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Mannford	UAL	18.28%	16.02%	5.25%	Plan B, normal retirement age 65, 7 year vesting, 5 years certain, COLA	

**Oklahoma Municipal Retirement Fund
COMPARISON OF REQUIRED CONTRIBUTION RATES**

City	UAL or Surplus	Total rate		Employee Rate	Plan Provisions	Changes
		7/1/02	7/1/03			
Marietta	Surplus	5.99%	7.97%	4.50%	Plan AA, normal retirement age 62/30, 10 year vesting, 10 years certain, COLA	
Marietta PWA	UAL	12.32%	17.69%	5.00%	Plan BB, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
McLoud	UAL	8.95%	8.31%	2.25%	Plan BB, special retirement provisions, 10 year vesting, 5 years certain, no COLA	
Medford	UAL	16.09%	20.06%	2.00%	Plan AAA, special retirement provisions, 10 year vesting, 5 years certain, no COLA	
Meeker	Surplus	3.00%	5.32%	3.00%	Plan CC, normal retirement age 65, 7 year vesting, 5 years certain, no COLA	
Mooreland	Surplus	1.20%	4.18%	1.20%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Mountain Park Master Cons	UAL	6.01%	12.04%	4.81%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Muldrow	UAL	9.09%	8.65%	3.75%	Plan AA, Rule of 80, 7 year vesting, 10 years certain, COLA	
Mustang	UAL	16.14%	13.64%	5.25%	Plan BB, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	Ee rate
Newkirk	UAL	15.14%	15.38%	4.50%	Plan AAA, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
Nichols Hills	Surplus	17.98%	22.37%	5.00%	Plan B, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Noble	UAL	11.07%	12.17%	3.35%	Plan AAA, normal retirement age 65, 7 year vesting, 5 years certain, no COLA	
Nowata	Surplus	8.86%	7.58%	5.00%	Plan B, normal retirement age 65, 7 year vesting, 5 years certain, no COLA	
Oilton	Surplus	3.29%	4.03%	2.25%	Plan AAA, normal retirement age 65, 5 year vesting, 5 years certain, COLA	
Okeene	Surplus	5.51%	3.60%	3.60%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, COLA	
Okemah	UAL	5.93%	5.39%	2.25%	Plan AA, normal retirement age 62/30, 5 year vesting, 5 years certain, no COLA	
Oklahoma Municipal League Surplus		7.94%	9.64%	0.00%	Plan CC, normal retirement age 62/30, 10 year vesting, 5 years certain, no COLA	
Okmulgee	Surplus	3.09%	3.50%	0.00%	Plan CC, normal retirement age 65, 10 year vesting, 5 years certain, COLA	
Owasso	UAL	10.20%	12.32%	4.26%	Plan BB, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	

Oklahoma Municipal Retirement Fund
COMPARISON OF REQUIRED CONTRIBUTION RATES

City	UAL or Surplus	Total rate		Employee Rate	Plan Provisions	Changes
		7/1/02	7/1/03			
Pawnee	Surplus	7.22%	7.86%	3.75%	Plan A, normal retirement age 62/30, 10 year vesting, 5 years certain, no COLA	
Perkins	UAL	16.01%	15.09%	3.75%	Plan BB, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Perry	Surplus	3.00%	3.00%	3.00%	Plan B, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Pond Creek	UAL	11.65%	11.36%	3.00%	Plan AAA, Rule of 80, 10 year vesting, 5 years certain, no COLA	
Poteau	Surplus	7.72%	10.50%	3.75%	Plan AA, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
Ringling	UAL	6.26%	5.89%	2.25%	Plan AA, Rule of 80, 7 year vesting, 10 years certain, COLA	
Sallisaw	UAL	17.49%	18.51%	6.00%	Plan AA, normal retirement age 62/30, 7 year vesting, 5 years certain, no COLA	
Seiling	Surplus	11.87%	12.21%	4.90%	Plan A, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Shawnee	Surplus	5.52%	11.48%	0.00%	Plan A, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
Spencer	Surplus	9.33%	5.25%	5.25%	Plan C, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Spiro	UAL	9.41%	9.26%	3.00%	Plan CC, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Stillwell	UAL	10.85%	9.87%	3.00%	Plan AAA, Rule of 80, 10 year vesting, 5 years certain, no COLA	
Stratford	Surplus	3.27%	2.54%	1.39%	Plan BB, normal retirement age 62/30, 5 year vesting, 5 years certain, no COLA	
Stroud	UAL	8.42%	8.97%	3.75%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Sulphur	UAL	13.18%	12.96%	5.00%	Plan C, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Talihina & TPWA	#N/A	#N/A	10.74%	2.25%	Plan AAA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	New plan
Thomas	UAL	12.69%	14.65%	5.25%	Plan B, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
Tipton	#N/A	#N/A	5.91%	1.50%	Plan C, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Tonkawa	Surplus	8.72%	9.57%	3.00%	Plan AA, special retirement provisions, 10 year vesting, 5 years certain, COLA	

Oklahoma Municipal Retirement Fund
COMPARISON OF REQUIRED CONTRIBUTION RATES

City	UAL or Surplus	Total rate		Employee Rate	Plan Provisions	Changes
		7/1/02	7/1/03			
Velma	UAL	6.31%	6.00%	1.87%	Plan B, normal retirement age 65, 10 year vesting, 5 years certain, COLA	
Vian	UAL	5.42%	5.94%	1.50%	Plan AA, special retirement provisions, 10 year vesting, 5 years certain, no COLA	
Vinita	UAL	16.15%	18.54%	5.25%	Plan AAA, normal retirement age 62/30, 10 year vesting, 5 years certain, no COLA	
Wakita	UAL	13.68%	11.98%	2.25%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Warr Acres	Surplus	3.59%	10.01%	2.13%	Plan AAA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Watonga	UAL	18.51%	20.01%	4.00%	Plan A, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Waukomis	Surplus	8.81%	9.07%	4.40%	Plan B, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	Ee rate
Waurika	Surplus	2.97%	9.75%	2.50%	Plan BB, Rule of 80, 10 year vesting, 5 years certain, no COLA	Ret age
Webbers Falls	#N/A	#N/A	4.23%	1.50%	Plan C, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	New plan
Weilston	UAL	8.46%	7.66%	3.00%		
Westville Utility Authority	UAL	5.43%	6.10%	1.50%		
Wetumka	UAL	20.57%	19.29%	4.50%		
Yale	Surplus	7.59%	12.40%	2.00%	Plan AAA, Rule of 80, 10 year vesting, 5 years certain, no COLA	
Yukon	UAL	13.14%	15.01%	0.00%	Plan AA, normal retirement age 62/30, 5 year vesting, 5 years certain, no COLA	
Weighted Avg Contribution Rates		9.61%	10.82%	2.65%		

Averages exclude the City of Bartlesville

Oklahoma Municipal Retirement Fund

Summary of Plan Provisions

Eligibility	All regular, full-time employees of a participating employer except police, firefighters and other employees covered under a state system.
Service	
Credited service	The last period of continuous employment with the employer excluding any periods before the effective date of the plan specified in the adoption agreement.
Vesting	Credited service plus transferred service from other OMRF employers.
Service requirement for benefit eligibility	5, 7 or 10 years of vesting service, as specified in the adoption agreement.
Normal Retirement and Unreduced Early Retirement Ages	<p>Age 65 with service requirement fulfilled.</p> <p>If specified in the adoption agreement, normal retirement age for an employee with 30 years of vesting service may be as early as age 62.</p> <p>Also if specified in the adoption agreement, an employee may receive unreduced benefits when the sum of an employee's age in years and number of years of credited service equals 80 or more, as provided under the Rule of 80 alternative.</p> <p>Four cities have adopted special retirement provisions not provided in the standard adoption agreements:</p> <ul style="list-style-type: none">▪ For employees of Cushing, normal retirement age is 60 with 10 years of service.▪ Normal retirement age for an employee of Altus with 25 years of vesting service may be as early as age 62.▪ An employee of Warr Acres may receive unreduced benefits when the sum of an employee's age in years and number of years of credited service equals 75 or more.▪ For employees of Del City, normal retirement age is 60 with 7 years of service. Employees with 20 years of vesting service may also receive unreduced benefits as early as age 55.
Normal Retirement and Unreduced Early Retirement Benefits	<p>The percentage of final average compensation specified in the adoption agreement, multiplied by the number of years of credited service. The percentages that may be elected are:</p> <ul style="list-style-type: none">- Plan AAA 3.000%- Plan AA 2.625%- Plan BB 2.250%- Plan CC 1.875%- Plan A 1.500%- Plan B 1.125%- Plan C 0.750% <p>Final average compensation is the average of the five highest consecutive annual salaries out to the last 10 calendar years of service.</p>

Oklahoma Municipal Retirement Fund
COMPARISON OF PLAN ASSETS AND OBLIGATIONS

City	Cost Method	Valuation Assets	Valuation Payroll	PVB Actives	PVB Retired	Actuarial Acc'd Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	UAAL as % of Val Pay	Actives	Nonactives
Adair	EAN	63,709	80,999	80,865	62,832	120,255	56,546	53.0%	69.8%	3	3
Altus	EAN	12,593,195	4,083,685	11,300,973	4,262,344	12,759,189	165,994	98.7%	4.1%	149	50
Alva	EAN	1,752,511	1,298,889	1,630,945	263,750	1,425,109	(327,402)	123.0%	(25.2)%	61	5
Antlers	EAN	315,053	493,259	480,831	103,577	420,117	105,063	75.0%	21.3%	29	9
Bartlesville	UC	2,326,665	5,753,077	5,749,284	1,820,708	3,732,622	1,405,957	62.3%	24.4%	178	54
Bethany	EAN	10,402,397	2,622,050	9,719,856	3,297,731	11,245,023	842,626	92.5%	32.1%	73	37
Bethany/Warr Acres	EAN	1,038,526	322,393	1,255,788	49,601	1,066,961	28,435	97.3%	8.8%	9	1
Billings	EAN	57,536	82,002	61,916	37,741	60,090	2,554	95.7%	3.1%	4	2
Binger	EAN	17,504	80,817	58,963	0	37,021	19,517	47.3%	24.1%	3	0
Blackwell	EAN	4,328,871	1,102,665	3,350,114	1,645,229	4,136,872	(191,999)	104.6%	(17.4)%	43	35
Blair	EAN	74,387	108,000	188,174	0	96,979	22,591	76.7%	20.9%	5	0
Boise City	EAN	707,692	259,418	728,841	280,768	909,723	202,031	77.8%	77.9%	11	5
Braman	EAN	28,847	47,857	69,229	0	46,652	17,805	61.8%	37.2%	2	0
Bristow	EAN	968,825	464,742	1,210,467	344,506	1,126,140	157,316	86.0%	33.9%	23	8
Broken Bow	EAN	859,098	1,056,492	1,254,081	257,652	1,081,586	222,487	79.4%	21.1%	48	10
Buffalo	EAN	889,192	338,595	910,142	226,927	859,982	(29,210)	103.4%	(8.6)%	13	2
Burns Flat	EAN	45,834	135,873	155,789	14,088	130,528	84,694	35.1%	62.3%	6	1
Calera	EAN	79,970	289,503	212,397	30,852	188,223	108,252	42.5%	37.4%	14	3
Central Okla Master Cons	EAN	549,246	201,296	498,617	442,215	730,102	180,856	75.2%	89.8%	7	4

Oklahoma Municipal Retirement Fund
COMPARISON OF PLAN ASSETS AND OBLIGATIONS

City	Cost Method	Valuation Assets	Valuation Payroll	PVB Actives	PVB Retired	Actuarial Acc'd Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	UAAL as % of Val Pay	Actives	Nonactives
Velma	EAN	50,019	75,332	81,850	3,295	56,940	6,921	87.8%	9.1%	4	1
Vian	EAN	36,445	134,049	91,718	33,308	97,438	60,993	37.4%	45.5%	6	3
Vinita	EAN	3,751,146	1,262,640	3,995,808	1,519,023	4,378,542	627,396	85.7%	49.7%	57	19
Wakita	EAN	45,978	73,994	134,742	0	103,535	57,557	44.4%	77.8%	3	0
Warr Acres	EAN	3,924,891	999,470	2,912,028	1,741,994	3,981,149	56,259	98.6%	5.6%	35	17
Watonga	EAN	2,931,112	742,010	2,053,742	2,278,702	3,704,225	773,114	79.1%	104.2%	30	18
Waukomis	EAN	272,097	131,308	298,281	51,192	271,956	(142)	100.1%	(0.1)%	7	2
Waurika	EAN	533,795	245,898	494,258	182,968	466,924	(66,871)	114.3%	(27.2)%	12	4
Webbers Falls	EAN	6,860	263,848	108,870	8,174	53,088	46,228	12.9%	17.5%	13	1
Wellston	EAN	187,136	194,191	252,201	48,695	224,817	37,681	83.2%	19.4%	10	2
Westville Utility Authority	EAN	76,103	198,268	189,402	0	139,132	63,030	54.7%	31.8%	9	0
Wetumka	EAN	522,734	359,228	971,101	216,746	1,000,955	478,221	52.2%	133.1%	19	9
Yale	EAN	1,011,214	402,023	1,242,904	100,022	1,002,129	(9,085)	100.9%	(2.3)%	20	4
Yukon	EAN	7,291,927	3,020,062	6,430,603	5,006,468	9,317,130	2,025,203	78.3%	67.1%	96	60
Total		209,254,523	90,159,122	207,117,309	73,122,271	219,680,987	10,426,464	95.3%	11.6%	3,527	1,201

Totals exclude plans with only nonactive participants.

Oklahoma Municipal Retirement Fund
COMPARISON OF REQUIRED CONTRIBUTION RATES

City	UAL or Surplus	Total rate		Employee Rate	Plan Provisions	Changes
		7/1/2002	7/1/2003			
Adair	UAL	8.89%	9.01%	2.25%	Plan B, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Altus	Surplus	9.58%	10.40%	4.00%	Plan AA, special retirement provisions, 10 year vesting, 5 years certain, no COLA	
Alva	Surplus	0.87%	1.68%	0.00%	Plan B, normal retirement age 65, 10 year vesting, 5 years certain, COLA	
Antlers	UAL	7.00%	6.41%	2.25%	Plan B, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Bartlesville	UAL	8.41%	8.07%	0.00%	Plan 0, normal retirement age 65, 7 year vesting, 0 years certain, no COLA	
Bethany	Surplus	19.49%	21.82%	4.60%	Plan AAA, normal retirement age 65, 10 year vesting, 10 years certain, COLA	
Bethany/Warr Acres	UAL	9.71%	11.03%	2.53%	Plan AAA, normal retirement age 65, 7 year vesting, 10 years certain, no COLA	
Billings	UAL	9.68%	6.15%	3.00%	Plan A, normal retirement age 65, 7 year vesting, 5 years certain, no COLA	
Binger	UAL	5.77%	5.17%	1.50%	Plan C, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Blackwell	Surplus	8.56%	9.24%	4.50%	Plan AAA, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
Blair	UAL	9.83%	10.70%	3.41%	Plan AA, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
Boise City	UAL	15.87%	15.00%	0.00%	Plan BB, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Braman	UAL	10.00%	11.64%	3.75%	Plan CC, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	Upgrade
Bristow	UAL	23.70%	20.22%	5.25%	Plan AA, normal retirement age 65, 5 year vesting, 5 years certain, COLA	
Broken Bow	UAL	9.05%	7.69%	3.00%	Plan A, Rule of 80, 10 year vesting, 5 years certain, no COLA	
Buffalo	Surplus	7.43%	9.65%	3.50%	Plan AA, normal retirement age 62/30, 10 year vesting, 5 years certain, no COLA	
Burns Flat	UAL	5.47%	8.48%	2.25%	Plan B, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	Upgrade
Calera	UAL	6.13%	5.63%	1.50%	Plan C, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Central Okla Master Cons	UAL	22.18%	22.79%	6.00%	Plan AAA, normal retirement age 65, 10 year vesting, 5 years certain, COLA	
Chandler	UAL	9.61%	8.66%	3.75%	Plan CC, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	

Oklahoma Municipal Retirement Fund
COMPARISON OF REQUIRED CONTRIBUTION RATES

City	UAL or Surplus	Total rate		Employee Rate	Plan Provisions	Changes
		7/1/2002	7/1/2003			
Checotah	#N/A	#N/A	10.27%	3.00%	Plan A, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	New plan
Chickasha	Surplus	2.50%	2.50%	2.50%	Plan AAA, normal retirement age 65, 10 year vesting, 10 years certain, COLA	
Claremore	UAL	14.48%	14.08%	3.75%	Plan AAA, normal retirement age 65, 7 year vesting, 5 years certain, no COLA	
Cleo Springs	UAL	29.19%	27.73%	3.73%	Plan AAA, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
Cleveland	Surplus	8.03%	10.52%	0.00%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Clinton	Surplus	5.25%	5.25%	5.25%	Plan AA, normal retirement age 62/30, 7 year vesting, 10 years certain, COLA	
Collinsville	Surplus	6.61%	7.93%	2.00%	Plan BB, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Cordell	Surplus	8.65%	8.58%	0.00%	Plan AA, normal retirement age 65, 7 year vesting, 5 years certain, COLA	
Cushing	UAL	13.14%	14.13%	0.00%	Plan AA, special retirement provisions, 10 year vesting, 5 years certain, no COLA	
Davis	UAL	9.49%	8.70%	3.75%	Plan CC, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Del City	Surplus	5.42%	12.90%	0.00%	Plan AAA, special retirement provisions, 7 year vesting, 10 years certain, COLA	
Dewey	Surplus	4.00%	4.00%	4.00%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Drumright	UAL	13.76%	14.24%	4.50%	Plan BB, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Durant	Surplus	3.94%	4.88%	0.00%	Plan AA, normal retirement age 65, 7 year vesting, 5 years certain, COLA	
Eufaula	UAL	9.08%	8.93%	3.75%	Plan CC, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	Ee rate
Fort Cobb	#N/A	#N/A	10.60%	3.00%	Plan A, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	New plan
Foss Reservoir Public Works	UAL	11.77%	11.23%	3.75%	Plan BB, normal retirement age 62/30, 10 year vesting, 5 years certain, no COLA	
Frederick	UAL	16.82%	16.29%	4.07%	Plan BB, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Garber	UAL	5.09%	4.55%	1.50%	Plan C, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Geary	Surplus	4.79%	6.26%	1.88%	Plan BB, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	

Oklahoma Municipal Retirement Fund
COMPARISON OF REQUIRED CONTRIBUTION RATES

City	UAL or Surplus	Total rate		Employee Rate	Plan Provisions	Changes
		7/1/2002	7/1/2003			
Gore and Gore PWA	#N/A	#N/A	8.83%	3.00%	Plan A, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	New plan
Granite	Surplus	9.37%	8.42%	4.00%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, COLA	
Guthrie	Surplus	3.69%	5.54%	3.69%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Guymon	UAL	7.58%	7.09%	0.00%	Plan CC, normal retirement age 65, 7 year vesting, 5 years certain, no COLA	
Harrah	UAL	10.84%	15.33%	4.50%	Plan BB, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	Upgrade
Healdton	Surplus	8.52%	9.18%	3.75%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Henryetta	Surplus	3.79%	7.37%	0.65%	Plan CC, Rule of 80, 10 year vesting, 5 years certain, no COLA	Ret age
Hooker	UAL	10.25%	8.81%	3.00%	Plan A, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
Hulbert	#N/A	#N/A	10.34%	2.25%	Plan B, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Hydro	UAL	7.92%	8.23%	3.00%	Plan A, normal retirement age 62/30, 7 year vesting, 5 years certain, no COLA	
Kansas	UAL	6.74%	7.36%	1.50%	Plan C, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Kingston	UAL	8.24%	8.19%	2.00%	Plan A, normal retirement age 62/30, 10 year vesting, 5 years certain, no COLA	
Krebs & Krebs Utility Auth.	UAL	9.36%	9.88%	3.00%	Plan A, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Laverne	UAL	8.32%	7.51%	3.00%	Plan A, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Lindsay	UAL	12.53%	12.82%	3.75%	Plan BB, normal retirement age 65, 10 year vesting, 5 years certain, COLA	
Madill	Surplus	6.61%	8.56%	3.74%	Plan CC, normal retirement age 65, 7 year vesting, 5 years certain, no COLA	
Mannford	UAL	18.28%	16.02%	5.25%	Plan AA, Rule of 80, 5 year vesting, 5 years certain, no COLA	
Marietta	Surplus	5.99%	7.97%	4.50%	Plan BB, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Marietta PWA	UAL	12.32%	17.69%	5.00%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
McLoud	UAL	8.95%	8.31%	2.25%	Plan B, normal retirement age 65, 7 year vesting, 5 years certain, COLA	

Oklahoma Municipal Retirement Fund
COMPARISON OF REQUIRED CONTRIBUTION RATES

City	UAL or Surplus	Total rate		Employee Rate	Plan Provisions	Changes
		7/1/2002	7/1/2003			
Medford	UAL	16.09%	20.06%	2.00%	Plan AA, normal retirement age 62/30, 10 year vesting, 10 years certain, COLA	
Meeker	Surplus	3.00%	5.32%	3.00%	Plan BB, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
Mooreland	Surplus	1.20%	4.18%	1.20%	Plan BB, Rule of 80, 10 year vesting, 5 years certain, no COLA	
Mountain Park Master Cons	UAL	6.01%	12.04%	4.81%	Plan AAA, Rule of 80, 10 year vesting, 5 years certain, no COLA	
Muldrow	UAL	9.09%	8.65%	3.75%	Plan CC, normal retirement age 65, 7 year vesting, 5 years certain, no COLA	
Mustang	UAL	16.14%	13.64%	5.25%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	Es rate
Newkirk	UAL	15.14%	15.38%	4.50%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Nichols Hills	Surplus	17.98%	22.37%	5.00%	Plan AA, Rule of 80, 7 year vesting, 10 years certain, COLA	
Noble	UAL	11.07%	12.17%	3.35%	Plan BB, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
Nowata	Surplus	8.86%	7.58%	5.00%	Plan AAA, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
Oilton	Surplus	3.29%	4.03%	2.25%	Plan B, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Okeene	Surplus	5.51%	3.60%	3.60%	Plan AAA, normal retirement age 65, 7 year vesting, 5 years certain, no COLA	
Okemah	UAL	5.93%	5.39%	2.25%	Plan B, normal retirement age 65, 7 year vesting, 5 years certain, no COLA	
Oklahoma Municipal League	Surplus	7.94%	9.64%	0.00%	Plan AAA, normal retirement age 65, 5 year vesting, 5 years certain, COLA	
Okmulgee	Surplus	3.09%	3.50%	0.00%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, COLA	
Owasso	UAL	10.20%	12.32%	4.26%	Plan AA, normal retirement age 62/30, 5 year vesting, 5 years certain, no COLA	
Pawnee	Surplus	7.22%	7.86%	3.75%	Plan CC, normal retirement age 62/30, 10 year vesting, 5 years certain, no COLA	
Perkins	UAL	16.01%	15.09%	3.75%	Plan CC, normal retirement age 65, 10 year vesting, 5 years certain, COLA	
Perry	Surplus	3.00%	3.00%	3.00%	Plan BB, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Pond Creek	UAL	11.65%	11.36%	3.00%	Plan A, normal retirement age 62/30, 10 year vesting, 5 years certain, no COLA	

Oklahoma Municipal Retirement Fund
COMPARISON OF REQUIRED CONTRIBUTION RATES

City	UAL or Surplus	Total rate		Employee Rate	Plan Provisions	Changes
		7/1/2002	7/1/2003			
Poteau	Surplus	7.72%	10.50%	3.75%	Plan BB, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Ringling	UAL	6.26%	5.89%	2.25%	Plan B, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Sallisaw	UAL	17.49%	18.51%	6.00%	Plan AAA, Rule of 80, 10 year vesting, 5 years certain, no COLA	
Seiling	Surplus	11.87%	12.21%	4.90%	Plan AA, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
Shawnee	Surplus	5.52%	11.48%	0.00%	Plan AA, Rule of 80, 7 year vesting, 10 years certain, COLA	
Spencer	Surplus	9.33%	5.25%	5.25%	Plan AA, normal retirement age 62/30, 7 year vesting, 5 years certain, no COLA	
Spiro	UAL	9.41%	9.26%	3.00%	Plan A, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Stilwell	UAL	10.85%	9.87%	3.00%	Plan A, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
Stratford	Surplus	3.27%	2.54%	1.39%	Plan C, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Stroud	UAL	8.42%	8.97%	3.75%	Plan CC, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Sulphur	UAL	13.18%	12.96%	5.00%	Plan AAA, Rule of 80, 10 year vesting, 5 years certain, no COLA	
Talihina & TPWA	#N/A	#N/A	10.74%	2.25%	Plan B, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	New plan
Thomas	UAL	12.69%	14.65%	5.25%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Tipton	#N/A	#N/A	5.91%	1.50%	Plan C, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Tonkawa	Surplus	8.72%	9.57%	3.00%	Plan AAA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Velma	UAL	6.31%	6.00%	1.87%	Plan B, normal retirement age 65, 5 year vesting, 5 years certain, no COLA	
Vian	UAL	5.42%	5.94%	1.50%	Plan C, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Vinita	UAL	16.15%	18.54%	5.25%	Plan AA, Rule of 80, 10 year vesting, 5 years certain, COLA	
Wakita	UAL	13.68%	11.98%	2.25%	Plan B, normal retirement age 65, 7 year vesting, 5 years certain, COLA	
Warr Acres	Surplus	3.59%	10.01%	2.13%	Plan AA, special retirement provisions, 10 year vesting, 5 years certain, no COLA	

Oklahoma Municipal Retirement Fund
COMPARISON OF REQUIRED CONTRIBUTION RATES

City	UAL or Surplus	Total rate		Employee Rate	Plan Provisions	Changes
		7/1/2002	7/1/2003			
Watonga	UAL	18.51%	20.01%	4.00%	Plan AAA, normal retirement age 62/30, 10 year vesting, 5 years certain, no COLA	
Waukomis	Surplus	8.81%	9.07%	4.40%	Plan AA, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	Ee rate
Waurika	Surplus	2.97%	9.75%	2.50%	Plan AAA, Rule of 80, 10 year vesting, 5 years certain, no COLA	Ret age
Webbers Falls	#N/A	#N/A	4.23%	1.50%	Plan C, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	New plan
Wellston	UAL	8.46%	7.66%	3.00%	Plan A, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Westville Utility Authority	UAL	5.43%	6.10%	1.50%	Plan B, normal retirement age 65, 10 year vesting, 5 years certain, no COLA	
Wetumka	UAL	20.57%	19.29%	4.50%	Plan BB, Rule of 80, 10 year vesting, 5 years certain, no COLA	
Yale	Surplus	7.59%	12.40%	2.00%	Plan AAA, Rule of 80, 10 year vesting, 5 years certain, no COLA	
Yukon	UAL	13.14%	15.01%	0.00%	Plan AA, normal retirement age 62/30, 5 year vesting, 5 years certain, no COLA	
Weighted Avg Contribution Rates		9.61%	10.82%	2.65%		

Averages exclude the City of Bartlesville

II

Comparison of Plan Assets and Obligations

II Comparison of Plan Assets and Obligations

The exhibit in this section shows the plan assets and obligations as of January 1, 2003, disclosure information required under GASB 25, and the number of active and nonactive participants. The following is presented for each plan with active participants:

- The *cost method* used for the plan. The entry age normal (EAN) cost method is used for all plans except Bartlesville, which uses the unit credit (UC) cost method. See Section V for a further description of the actuarial cost methods.
- The *valuation assets*. The valuation assets are generally the actuarial value of assets. For hybrid plans, however, the employee account balances are subtracted from the actuarial value of assets to determine the valuation assets. See Section IV for the development of the actuarial value of assets.
- The *valuation payroll*. This is the total compensation pay in calendar year 2002 to employees who were active participants on January 1, 2003. Pay for employees hired in 2002 is annualized in determining valuation payroll.
- The *present value of benefits (PVB)*. This is the total of all future benefits expected to be paid to plan participants as of January 1, 2003, discounted to the valuation date at the assumed rate of return (8% for the City of Mustang, 7.5% for all other plans). The PVB is shown separately for active and nonactive participants.
- The *actuarial accrued liability*. This amount, required to be disclosed in the employer's financial statements under GASB 25, is the liability for benefits attributable to past service under the cost method used for determining the required contribution rate.
- The *unfunded actuarial accrued liability*. This amount, required to be disclosed in the employer's financial statements under GASB 25, is the excess of the actuarial accrued liability over the valuation assets. If the assets exceed the actuarial accrued liability, the surplus is reported as a negative unfunded liability.
- Two percentages are required to be disclosed in the employer's financial statements under GASB 25. The *funded ratio* is the valuation assets as a percent of the actuarial accrued liability. The other percentage is the *unfunded actuarial accrued liability as a percent of valuation payroll*.
- The number of *active and nonactive participants* included in the valuation. See Section VI for more details on the participants included in the valuation.

Dean & Co
mailed
replacement
on 6/26/03
Pg
Due to Bethany
Warr Acres ①

① Study was done on
5 yr. Certain should
have been 10 yr.
Sent replacement
Study.

Exhibit 2

Oklahoma Municipal Retirement Fund
COMPARISON OF PLAN ASSETS AND OBLIGATIONS

City	Cost Method	Valuation Assets	Valuation Payroll	PVB Actives	PVB Retired	Actuarial Acc'd Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	UAAL as % of Val Pay	Actives	Nonactives
Adair	EAN	63,709	80,999	80,865	62,832	120,255	56,546	53.0%	69.8%	3	3
Altus	EAN	12,593,195	4,083,685	11,300,973	4,262,344	12,759,189	165,994	98.7%	4.1%	149	50
Alva	EAN	1,752,511	1,298,889	1,630,945	263,750	1,425,109	(327,402)	123.0%	(25.2)%	61	5
Antlers	EAN	315,053	493,259	480,831	103,577	420,117	105,063	75.0%	21.3%	29	9
Bartlesville	UC	2,326,665	5,753,077	5,749,284	1,820,708	3,732,622	1,405,957	62.3%	24.4%	178	54
Bethany	EAN	10,402,397	2,622,050	9,719,856	3,297,731	11,245,023	842,626	92.5%	32.1%	73	37
Bethany/Warr Acres	EAN	1,038,526	322,393	1,218,139	49,601	1,035,739	(2,788)	100.3%	(0.9)%	9	1
Billings	EAN	57,536	82,002	61,916	37,741	60,090	2,554	95.7%	3.1%	4	2
Binger	EAN	17,504	80,817	58,963	0	37,021	19,517	47.3%	24.1%	3	0
Blackwell	EAN	4,328,871	1,102,665	3,350,114	1,645,229	4,138,872	(191,999)	104.6%	(17.4)%	43	35
Blair	EAN	74,387	108,000	188,174	0	96,979	22,591	76.7%	20.9%	5	0
Boise City	EAN	707,692	259,418	728,841	280,768	909,723	202,031	77.8%	77.9%	11	5
Braman	EAN	28,847	47,857	69,229	0	46,652	17,805	61.8%	37.2%	2	0
Bristow	EAN	968,625	464,742	1,210,467	344,506	1,126,140	157,316	86.0%	33.9%	23	8
Broken Bow	EAN	859,098	1,056,492	1,254,081	257,652	1,081,586	222,487	79.4%	21.1%	48	10
Buffalo	EAN	889,192	338,595	910,142	226,927	859,982	(29,210)	103.4%	(8.6)%	13	2
Burns Flat	EAN	45,834	135,873	155,789	14,088	130,528	84,694	35.1%	62.3%	6	1
Calera	EAN	79,970	289,503	212,397	30,852	188,223	108,252	42.5%	37.4%	14	3
Central Okla Master Cons	EAN	549,246	201,296	498,617	442,215	730,102	180,856	75.2%	89.8%	7	4

gc

Oklahoma Municipal Retirement Fund
COMPARISON OF PLAN ASSETS AND OBLIGATIONS

City	Cost Method	Valuation Assets	Valuation Payroll	PVB Actives	PVB Retired	Actuarial Acc'd Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	UAAL as % of Val Pay	Actives	Nonactives
Chandler	EAN	587,087	555,431	704,815	262,610	649,537	62,450	90.4%	11.2%	24	8
Checotah	EAN	53,592	948,640	934,459	25,099	592,483	538,891	9.0%	56.8%	45	3
Chickasha	EAN	10,320,907	1,832,522	7,251,336	2,636,846	8,026,274	(2,294,633)	128.6%	(125.2)%	86	47
Claremore	EAN	8,292,013	5,704,380	12,991,573	1,841,074	10,263,213	1,971,200	80.8%	34.6%	210	31
Cleo Springs	EAN	42,417	19,236	67,608	0	64,766	22,348	65.5%	116.2%	1	0
Cleveland	EAN	1,219,094	409,961	1,027,811	527,935	1,288,944	69,850	94.6%	17.0%	16	11
Clinton	EAN	7,119,440	1,437,796	4,029,361	2,903,566	5,435,075	(1,684,366)	131.0%	(117.1)%	62	33
Collinsville	EAN	1,608,911	1,044,518	1,700,348	497,092	1,578,739	(30,172)	101.9%	(2.9)%	42	11
Cordell	EAN	2,891,731	704,080	2,389,728	885,001	2,710,740	(180,991)	106.7%	(25.7)%	32	15
Cushing	EAN	8,196,303	2,684,851	8,090,121	3,497,930	9,919,422	1,723,118	82.6%	64.2%	101	65
Davis	EAN	762,692	706,226	1,135,120	73,981	848,874	86,182	89.8%	12.2%	35	3
Del City	EAN	11,302,101	2,414,949	9,620,203	2,975,021	10,753,794	(548,307)	105.1%	(22.7)%	84	30
Dewey	EAN	1,151,884	328,260	625,674	550,013	939,977	(211,907)	122.5%	(64.6)%	16	10
Drumright	EAN	1,037,458	579,846	933,282	819,966	1,382,447	344,990	75.0%	59.5%	23	10
Durant	EAN	9,622,026	2,724,369	7,034,516	3,438,173	7,832,262	(1,789,764)	122.9%	(65.7)%	111	41
Eufaula	EAN	516,983	491,582	693,270	189,084	612,324	95,341	84.4%	19.4%	20	4
Fort Cobb	EAN	605	124,528	139,592	0	100,390	99,785	0.6%	80.1%	6	0
Foss Reservoir Public Works	EAN	379,573	131,728	414,274	112,711	462,662	83,089	82.0%	63.1%	4	3
Frederick	EAN	1,424,363	870,715	2,086,783	655,615	2,286,517	862,154	62.3%	99.0%	40	14

Oklahoma Municipal Retirement Fund
COMPARISON OF PLAN ASSETS AND OBLIGATIONS

City	Cost Method	Valuation Assets	Valuation Payroll	PVB Actives	PVB Retired	Actuarial Acc'd Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	UAAL as % of Val Pay	Actives	Nonactives
Garber	EAN	10,349	85,231	38,521	0	23,087	12,738	44.8%	14.9%	4	0
Geary	EAN	429,892	311,566	396,985	167,625	371,889	(58,003)	115.6%	(18.6)%	17	8
Gore and Gore PWA	EAN	1,624	305,366	230,867	0	120,442	118,818	1.3%	38.9%	14	0
Granite	EAN	696,271	208,811	460,908	342,686	593,647	(102,625)	117.3%	(49.1)%	9	2
Guthrie	EAN	3,317,619	1,642,469	3,696,263	274,437	2,763,076	(554,543)	120.1%	(33.8)%	68	11
Guymon	EAN	3,255,759	2,248,628	3,987,263	429,983	3,403,610	147,852	95.7%	6.6%	85	17
Harrah	EAN	503,062	379,684	883,930	179,379	808,773	305,711	62.2%	80.5%	13	4
Healdton	EAN	517,270	374,525	637,981	125,999	500,027	(17,242)	103.4%	(4.6)%	18	2
Henryetta	EAN	1,972,967	964,496	1,633,608	832,183	2,018,517	45,551	97.7%	4.7%	43	22
Hooker	EAN	156,201	248,206	290,705	35,100	224,086	67,885	69.7%	27.4%	11	3
Hulbert	EAN	31,424	232,950	276,766	1,989	224,595	193,171	14.0%	82.9%	10	0
Hydro	EAN	194,972	119,421	131,161	139,400	220,596	25,624	88.4%	21.5%	6	3
Kansas	EAN	22,954	69,649	76,338	4,502	73,279	50,325	31.3%	72.3%	3	1
Kingston	EAN	179,964	251,735	371,237	1,274	290,662	110,699	61.9%	44.0%	12	0
Krebs & Krebs Utility Auth.	EAN	57,618	211,044	153,191	90,725	166,783	109,166	34.5%	51.7%	11	3
Laverne	EAN	571,971	452,280	584,942	248,472	668,858	96,887	85.5%	21.4%	20	6
Lindsay	EAN	2,723,222	802,232	2,534,119	876,913	2,840,091	116,869	95.9%	14.6%	33	13
Madill	EAN	1,085,497	653,870	997,360	475,432	1,123,141	37,644	96.6%	5.8%	25	8
Mannford	EAN	1,268,230	794,627	1,328,629	1,028,152	1,724,733	456,503	73.5%	57.4%	31	14

Oklahoma Municipal Retirement Fund
COMPARISON OF PLAN ASSETS AND OBLIGATIONS

City	Cost Method	Valuation Assets	Valuation Payroll	PVB Actives	PVB Retired	Actuarial Acc'd Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	UAAL as % of Val Pay	Actives	Nonactives
Marietta	EAN	723,098	393,281	705,249	217,282	695,202	(27,895)	104.0%	(7.1)%	18	8
Marietta PWA	EAN	390,804	148,749	450,047	199,250	578,413	187,609	67.6%	126.1%	5	2
McLoud	EAN	155,278	237,176	205,019	104,322	215,495	60,217	72.1%	25.4%	13	8
Medford	EAN	833,097	233,884	590,985	562,521	996,274	163,177	83.6%	69.8%	10	5
Meeker	EAN	227,317	215,281	281,370	34,044	195,871	(31,446)	116.1%	(14.6)%	10	5
Mooreland	EAN	638,293	176,702	527,214	153,958	587,160	(51,133)	108.7%	(28.9)%	7	3
Mountain Park Master Cons	EAN	342,975	97,484	417,327	34,764	396,842	53,867	86.4%	55.3%	4	1
Muldrow	EAN	475,754	541,141	818,566	42,507	554,443	78,689	85.8%	14.5%	23	2
Mustang	EAN	1,182,521	1,110,020	2,038,896	351,678	1,595,757	413,236	74.1%	37.2%	30	7
Newkirk	EAN	999,130	399,820	964,521	575,596	1,262,113	262,983	79.2%	65.8%	16	9
Nichols Hills	EAN	3,670,016	986,923	3,455,672	1,216,129	3,966,054	296,038	92.5%	30.0%	33	16
Noble	EAN	618,924	374,405	753,641	286,706	816,872	197,948	75.8%	52.9%	17	8
Nowata	EAN	957,274	408,143	671,502	482,303	731,342	(225,932)	130.9%	(55.4)%	20	17
Oilton	EAN	144,390	181,288	104,764	91,064	134,956	(9,434)	107.0%	(5.2)%	10	3
Okeene	EAN	450,532	127,025	262,039	217,853	364,088	(86,444)	123.7%	(68.1)%	7	7
Okemah	EAN	227,965	456,618	387,570	75,662	333,895	105,929	68.3%	23.2%	25	4
Oklahoma Municipal League	EAN	3,350,549	953,144	3,418,099	478,448	3,030,524	(320,025)	110.6%	(33.6)%	23	14
Okmulgee	EAN	8,348,575	2,948,980	6,990,615	1,998,871	6,498,964	(1,849,611)	128.5%	(62.7)%	115	31
Owasso	EAN	3,574,131	3,014,261	5,363,616	1,005,632	3,961,096	386,964	90.2%	12.8%	92	24

Oklahoma Municipal Retirement Fund
COMPARISON OF PLAN ASSETS AND OBLIGATIONS

City	Cost Method	Valuation Assets	Valuation Payroll	PVB Actives	PVB Retired	Actuarial Acc'd Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	UAAL as % of Val Pay	Actives	Nonactives
Pawnee	EAN	1,012,204	595,614	886,317	480,020	1,015,955	3,751	99.6%	0.6%	24	10
Perkins	EAN	335,754	244,494	328,909	306,303	490,308	154,554	68.5%	63.2%	10	4
Perry	EAN	2,225,509	1,129,605	2,027,427	363,921	1,771,017	(454,492)	125.7%	(40.2)%	56	12
Pond Creek	EAN	337,853	258,888	521,493	116,775	546,756	208,903	61.8%	80.7%	12	3
Poteau	EAN	2,953,445	1,247,587	2,693,546	1,337,824	3,219,654	266,209	91.7%	21.3%	55	22
Ringling	EAN	86,005	158,794	136,334	35,322	106,983	20,978	80.4%	13.2%	7	2
Sallisaw	EAN	5,810,679	2,051,949	6,225,783	3,015,719	7,564,767	1,754,088	76.8%	85.5%	85	33
Seiling	EAN	446,681	247,106	436,237	232,194	504,581	57,900	88.5%	23.4%	10	4
Shawnee	EAN	19,398,530	4,692,250	16,980,381	4,760,955	18,661,318	(737,213)	104.0%	(15.7)%	157	47
Spencer	EAN	697,258	157,526	200,001	452,512	537,472	(159,786)	129.7%	(101.4)%	8	9
Spiro	EAN	442,413	448,733	752,626	76,175	651,273	208,861	67.9%	46.5%	19	4
Stilwell	EAN	1,234,873	1,966,503	2,914,106	175,438	2,373,899	1,139,026	52.0%	57.9%	78	6
Stratford	EAN	42,837	303,664	95,851	632	35,760	(7,077)	119.8%	(2.3)%	17	0
Stroud	EAN	1,996,291	863,607	1,633,672	957,052	2,237,382	241,091	89.2%	27.9%	39	16
Sulphur	EAN	1,532,603	626,266	1,885,361	264,558	1,633,982	101,379	93.8%	16.2%	28	6
Talihina & TPWA	EAN	23,665	318,175	384,344	0	304,255	280,590	7.8%	88.2%	17	0
Thomas	EAN	515,940	200,594	572,115	216,182	664,420	148,480	77.7%	74.0%	7	6
Tipton	EAN	15,806	121,427	69,706	17,066	61,854	46,048	25.6%	37.9%	7	1
Tonkawa	EAN	1,568,996	526,680	1,210,964	707,957	1,504,523	(64,473)	104.3%	(12.2)%	20	17

Oklahoma Municipal Retirement Fund
COMPARISON OF PLAN ASSETS AND OBLIGATIONS

City	Cost Method	Valuation Assets	Valuation Payroll	PVB Actives	PVB Retired	Actuarial Acc'd Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	UAAL as % of Val Pay	Actives	Nonactives
Velma	EAN	50,019	76,332	81,850	3,295	56,940	6,921	87.8%	9.1%	4	1
Vian	EAN	36,445	134,049	91,718	33,308	97,438	60,993	37.4%	45.5%	6	3
Vinita	EAN	3,751,146	1,262,640	3,995,808	1,519,023	4,378,542	627,396	85.7%	49.7%	57	19
Wakita	EAN	45,978	73,994	134,742	0	103,535	57,557	44.4%	77.8%	3	0
Warr Acres	EAN	3,924,891	999,470	2,912,028	1,741,994	3,981,149	56,259	98.6%	5.6%	35	17
Watonga	EAN	2,931,112	742,010	2,053,742	2,278,702	3,704,225	773,114	79.1%	104.2%	30	18
Waukomis	EAN	272,097	131,308	298,281	51,192	271,956	(142)	100.1%	(0.1)%	7	2
Waurika	EAN	533,795	245,898	494,258	182,968	466,924	(66,871)	114.3%	(27.2)%	12	4
Webbers Falls	EAN	6,860	263,848	108,870	8,174	53,088	46,228	12.9%	17.5%	13	1
Wellston	EAN	187,136	194,191	252,201	48,695	224,817	37,681	83.2%	19.4%	10	2
Westville Utility Authority	EAN	76,103	198,268	189,402	0	139,132	63,030	54.7%	31.8%	9	0
Wetumka	EAN	522,734	359,228	971,101	216,746	1,000,955	478,221	52.2%	133.1%	19	9
Yale	EAN	1,011,214	402,023	1,242,904	100,022	1,002,129	(9,085)	100.9%	(2.3)%	20	4
Yukon	EAN	7,291,927	3,020,062	6,430,603	5,006,468	9,317,130	2,025,203	78.3%	67.1%	96	60
Total		209,254,523	90,159,122	207,079,660	73,122,271	219,649,764	10,395,241	95.3%	11.5%	3,527	1,201

Totals exclude plans with only nonactive participants.

III

Funded Status of Plans with No Active Participants

III Funded Status of Plans with No Active Participants

There are 14 plans that no longer have employees accruing benefits under the plan, but still have assets in the OMRF Master Trust for paying benefits to nonactive participants. The following pages show key financial information for each of these plans:

- The number of participants due benefits from the Trust, both in total and by category. The categories of nonactive participants are retirees receiving benefits, beneficiaries of deceased participants entitled to benefits, participants receiving disability benefits, and vested participants entitled to future benefits. See Section VI for more details on the nonactive participants.
- The *present value of benefits*. This is the total of all future benefits expected to be paid to plan participants as of January 1, 2003, discounted to the valuation date at the assumed rate of return (7.5%). The present value of benefits is shown separately by category of nonactive participants. This amount should be disclosed as the actuarial accrued liability in the employer's financial statements under GASB 25.
- The *market value of assets*. This amount should be disclosed as the actuarial value of assets in the employer's financial statements under GASB 25. See Section IV for more detail on the trust fund activity during 2002.
- The *deficiency (or surplus)*. This is the excess of the plan obligations, measured as the present value of benefits, over the market value of assets. If the assets exceed the obligations, the surplus is reported as a negative amount. This amount should be disclosed as the unfunded actuarial accrued liability in the employer's financial statements under GASB 25.
- The *funded percentage*. This is the market value of assets as a percent of the plan obligations. This amount should be disclosed as the funded ratio in the employer's financial statements under GASB 25.
- The *plan funding requirement*. If plan obligations exceed assets, the annual payment required to amortize the deficiency over a specified number of years is reported.

**Oklahoma Municipal Retirement Fund
Employee Retirement System of Ardmore, Oklahoma**

FUNDED STATUS OF THE PLAN AS OF JANUARY 1, 2003

	<u>Count</u>	<u>Present Value of Benefits</u>
Retirees	11	\$247,253
Survivors	6	201,753
Disabled	4	100,982
Deferred Vested	<u>1</u>	<u>37,096</u>
Totals	22	\$587,084
Market Value of Assets		\$707,601
Deficiency (Surplus)		(\$120,517)
Funded Percentage		121%

Plan assets are currently sufficient.

Plan Funding Requirement

Annual contribution payable for 10 years commencing July 1, 2003 sufficient to amortize the funding deficiency	N/A
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Actuarial Basis

Interest rate	7.5 % per annum
Mortality	UP 94 mortality (projected)
Cost of Living Adjustments	3% per annum
Retirement Age for Deferred Vested	65

**Oklahoma Municipal Retirement Fund
Employee Retirement System of Broken Arrow, Oklahoma**

FUNDED STATUS OF THE PLAN AS OF JANUARY 1, 2003

	<u>Count</u>	<u>Present Value of Benefits</u>
Retirees	6	\$234,613
Survivors	7	307,179
Disabled	1	25,860
Deferred Vested	<u>0</u>	<u>0</u>
Totals	14	\$567,652
Market Value of Assets		\$1,629,450
Deficiency (Surplus)		(\$1,061,798)
Funded Percentage		287%

Plan assets are currently sufficient.

Plan Funding Requirement

Annual contribution payable for 10 years commencing
July 1, 2003 sufficient to amortize the funding deficiency **N/A**

Actuarial Basis

Interest rate	7.5 % per annum
Mortality	UP 94 mortality (projected)
Cost of Living Adjustments	none
Retirement Age for Deferred Vested	65

**Oklahoma Municipal Retirement Fund
Employee Retirement System of Chouteau, Oklahoma**

FUNDED STATUS OF THE PLAN AS OF JANUARY 1, 2003

	<u>Count</u>	<u>Present Value of Benefits</u>
Retirees	2	\$21,193
Survivors	0	0
Disabled	0	0
Deferred Vested	<u>0</u>	<u>0</u>
Totals	2	\$21,193
Market Value of Assets		\$24,017
Deficiency (Surplus)		(\$2,824)
Funded Percentage		113%

Plan assets are currently sufficient.

Plan Funding Requirement

Annual contribution payable for 10 years commencing July 1, 2003 sufficient to amortize the funding deficiency	N/A
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Actuarial Basis

Interest rate	7.5 % per annum
Mortality	UP 94 mortality (projected)
Cost of Living Adjustments	none
Retirement Age for Deferred Vested	65

**Oklahoma Municipal Retirement Fund
Employee Retirement System of Comanche, Oklahoma**

FUNDED STATUS OF THE PLAN AS OF JANUARY 1, 2003

	<u>Count</u>	<u>Present Value of Benefits</u>
Retirees	3	\$218,837
Survivors	0	0
Disabled	1	8,726
Deferred Vested	<u>0</u>	<u>0</u>
Totals	4	\$227,563
Market Value of Assets		\$55,000
Deficiency (Surplus)		\$172,563
Funded Percentage		24%

Plan assets are not currently sufficient.

Plan Funding Requirement

Annual contribution payable for 10 years commencing July 1, 2003 sufficient to amortize the funding deficiency	\$25,140
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Actuarial Basis

Interest rate	7.5 % per annum
Mortality	UP 94 mortality (projected)
Cost of Living Adjustments	none
Retirement Age for Deferred Vested	65

**Oklahoma Municipal Retirement Fund
Employee Retirement System of Fairfax, Oklahoma**

FUNDED STATUS OF THE PLAN AS OF JANUARY 1, 2003

	<u>Count</u>	<u>Present Value of Benefits</u>
Retirees	4	\$51,261
Survivors	0	0
Disabled	0	0
Deferred Vested	<u>0</u>	<u>0</u>
Totals	4	\$51,261
Market Value of Assets		\$150,737
Deficiency (Surplus)		(\$99,476)
Funded Percentage		294%

Plan assets are currently sufficient.

Plan Funding Requirement

Annual contribution payable for 10 years commencing
July 1, 2003 sufficient to amortize the funding deficiency N/A

Actuarial Basis

Interest rate	7.5 % per annum
Mortality	UP 94 mortality (projected)
Cost of Living Adjustments	none
Retirement Age for Deferred Vested	65

**Oklahoma Municipal Retirement Fund
Employee Retirement System of Fairview, Oklahoma**

FUNDED STATUS OF THE PLAN AS OF JANUARY 1, 2003

	<u>Count</u>	<u>Present Value of Benefits</u>
Retirees	4	\$291,890
Survivors	1	29,631
Disabled	0	0
Deferred Vested	<u>1</u>	<u>11,377</u>
Totals	6	\$332,898
Market Value of Assets		\$393,011
Deficiency (Surplus)		(\$60,113)
Funded Percentage		118%

Plan assets are currently sufficient.

Plan Funding Requirement

Annual contribution payable for 10 years commencing
July 1, 2003 sufficient to amortize the funding deficiency **N/A**

Actuarial Basis

Interest rate	7.5 % per annum
Mortality	UP 94 mortality (projected)
Cost of Living Adjustments	3% per annum
Retirement Age for Deferred Vested	65

**Oklahoma Municipal Retirement Fund
Employee Retirement System of Muskogee, Oklahoma**

FUNDED STATUS OF THE PLAN AS OF JANUARY 1, 2003

	<u>Count</u>	<u>Present Value of Benefits</u>
Retirees	19	\$119,396
Survivors	3	9,347
Disabled	0	0
Deferred Vested	<u>0</u>	<u>0</u>
Totals	22	\$128,743
Market Value of Assets		\$47,728
Deficiency (Surplus)		\$81,015
Funded Percentage		37%

Plan assets are not currently sufficient.

Plan Funding Requirement

Annual contribution payable for 4 years commencing
July 1, 2003 sufficient to amortize the funding deficiency **\$24,188**

Actuarial Basis

Interest rate	7.5 % per annum
Mortality	UP 94 mortality (projected)
Cost of Living Adjustments	3% per annum
Retirement Age for Deferred Vested	65

**Oklahoma Municipal Retirement Fund
Employee Retirement System of Norman, Oklahoma**

FUNDED STATUS OF THE PLAN AS OF JANUARY 1, 2003

	<u>Count</u>	<u>Present Value of Benefits</u>
Retirees	23	\$1,583,061
Survivors	0	0
Disabled	0	0
Deferred Vested	<u>0</u>	<u>0</u>
Totals	23	\$1,583,061
Market Value of Assets		\$1,210,693
Deficiency (Surplus)		\$372,368
Funded Percentage		76%

Plan assets are not currently sufficient.

Plan Funding Requirement

Annual contribution payable for 10 years commencing
July 1, 2003 sufficient to amortize the funding deficiency **\$54,249**

Actuarial Basis

Interest rate	7.5 % per annum
Mortality	UP 94 mortality (projected)
Cost of Living Adjustments	none
Retirement Age	65
for Deferred Vested	

**Oklahoma Municipal Retirement Fund
Employee Retirement System of Prague, Oklahoma**

FUNDED STATUS OF THE PLAN AS OF JANUARY 1, 2003

	<u>Count</u>	<u>Present Value of Benefits</u>
Retirees	0	\$0
Survivors	1	35,532
Disabled	0	0
Deferred Vested	<u>0</u>	<u>0</u>
Totals	1	\$35,532
Market Value of Assets		\$45,168
Deficiency (Surplus)		(\$9,636)
Funded Percentage		127%

Plan assets are currently sufficient.

Plan Funding Requirement

Annual contribution payable for 10 years commencing July 1, 2003 sufficient to amortize the funding deficiency	N/A
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Actuarial Basis

Interest rate	7.5 % per annum
Mortality	UP 94 mortality (projected)
Cost of Living Adjustments	none
Retirement Age for Deferred Vested	65

**Oklahoma Municipal Retirement Fund
Employee Retirement System of Skiatook, Oklahoma**

FUNDED STATUS OF THE PLAN AS OF JANUARY 1, 2003

	<u>Count</u>	<u>Present Value of Benefits</u>
Retirees	6	\$193,258
Survivors	2	88,335
Disabled	0	0
Deferred Vested	<u>0</u>	<u>0</u>
Totals	8	\$281,593
Market Value of Assets		\$224,027
Deficiency (Surplus)		\$57,566
Funded Percentage		80%

Plan assets are not currently sufficient.

Plan Funding Requirement

Annual contribution payable for 10 years commencing July 1, 2003 sufficient to amortize the funding deficiency	\$8,386
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Actuarial Basis

Interest rate	7.5 % per annum
Mortality	UP 94 mortality (projected)
Cost of Living Adjustments	2% per annum
Retirement Age	65
for Deferred Vested	

**Oklahoma Municipal Retirement Fund
Employee Retirement System of Stillwater, Oklahoma**

FUNDED STATUS OF THE PLAN AS OF JANUARY 1, 2003

	<u>Count</u>	<u>Present Value of Benefits</u>
Retirees	18	\$654,483
Survivors	2	39,444
Disabled	0	0
Deferred Vested	<u>0</u>	<u>0</u>
Totals	20	\$693,927
Market Value of Assets		\$3,686,272
Deficiency (Surplus)		(\$2,992,345)
Funded Percentage		531%

Plan assets are currently sufficient.

Plan Funding Requirement

Annual contribution payable for 10 years commencing July 1, 2003 sufficient to amortize the funding deficiency	N/A
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Actuarial Basis

Interest rate	7.5 % per annum
Mortality	UP 94 mortality (projected)
Cost of Living Adjustments	3% per annum
Retirement Age for Deferred Vested	65

**Oklahoma Municipal Retirement Fund
Employee Retirement System of Stillwater Medical Center, Oklahoma**

FUNDED STATUS OF THE PLAN AS OF JANUARY 1, 2003

	<u>Count</u>	<u>Present Value of Benefits</u>
Retirees	7	\$136,075
Survivors	0	0
Disabled	0	0
Deferred Vested	<u>0</u>	<u>0</u>
Totals	7	\$136,075
Market Value of Assets		\$447,477
Deficiency (Surplus)		(\$311,402)
Funded Percentage		329%

Plan assets are currently sufficient.

Plan Funding Requirement

Annual contribution payable for 10 years commencing July 1, 2003 sufficient to amortize the funding deficiency	N/A
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Actuarial Basis

Interest rate	7.5 % per annum
Mortality	UP 94 mortality (projected)
Cost of Living Adjustments	3% per annum
Retirement Age for Deferred Vested	65

**Oklahoma Municipal Retirement Fund
Employee Retirement System of Tecumseh, Oklahoma**

FUNDED STATUS OF THE PLAN AS OF JANUARY 1, 2003

	<u>Count</u>	<u>Present Value of Benefits</u>
Retirees	2	\$55,981
Survivors	0	0
Disabled	2	40,202
Deferred Vested	<u>2</u>	<u>28,728</u>
Totals	6	\$124,911
Market Value of Assets		\$155,603
Deficiency (Surplus)		(\$30,692)
Funded Percentage		125%

Plan assets are currently sufficient.

Plan Funding Requirement

Annual contribution payable for 10 years commencing July 1, 2003 sufficient to amortize the funding deficiency	N/A
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Actuarial Basis

Interest rate	7.5 % per annum
Mortality	UP 94 mortality (projected)
Cost of Living Adjustments	none
Retirement Age for Deferred Vested	65

**Oklahoma Municipal Retirement Fund
Employee Retirement System of Weatherford, Oklahoma**

FUNDED STATUS OF THE PLAN AS OF JANUARY 1, 2003

	<u>Count</u>	<u>Present Value of Benefits</u>
Retirees	4	\$195,200
Survivors	1	50,393
Disabled	0	0
Deferred Vested	<u>1</u>	<u>38,579</u>
Totals	6	\$284,172
Market Value of Assets		\$483,930
Deficiency (Surplus)		(\$199,758)
Funded Percentage		170%

Plan assets are currently sufficient.

Plan Funding Requirement

Annual contribution payable for 10 years commencing July 1, 2003 sufficient to amortize the funding deficiency	N/A
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Actuarial Basis

Interest rate	7.5 % per annum
Mortality	UP 94 mortality (projected)
Cost of Living Adjustments	none
Retirement Age	65
for Deferred Vested	

IV

Development of the Actuarial Value of Assets

IV Development of the Actuarial Value of Assets

This section shows the development of the actuarial value of assets as of January 1, 2003.

For plans with active participants, the actuarial value of assets is related to market value, but smoothed to reduce the volatility of contribution requirements. The actuarial value of assets is developed as follows:

- A preliminary actuarial value of assets is determined by adjusting the prior year's value for cash flows and interest at the valuation rate.
- This amount is compared to the current market value to determine the market value adjustment. This adjustment is one fourth of the difference between the current market value and the preliminary actuarial value. However, if the resulting actuarial value of assets would not be within a 20% corridor of the market value, an additional market value adjustment is included to bring the actuarial value of assets within this corridor.
- The actuarial value of assets is equal to the preliminary actuarial value plus the market value adjustment.

For plans with only nonactive participants, the actuarial value of assets is equal to the current market value. The market value adjustment for these plans is the total difference between the current market value and the preliminary actuarial value.

For most plans, the actuarial value of assets also serves as the valuation assets. In a hybrid plan, however, employee contributions are used to provide additional benefits, and these amounts are not available to pay the regular retirement benefits. For plans that have adopted the hybrid provision, therefore, the total value of the employee account balances (accumulated employee contributions with interest) is subtracted from the actuarial value of assets to determine valuation assets.

Oklahoma Municipal Retirement Fund

Exhibit 4

DEVELOPMENT OF THE ACTUARIAL VALUE OF ASSETS

City	Market Value of Assets as of 1/1/01	Actuarial Value of Assets as of 1/1/01	Market Value of Assets as of 1/1/02	Actuarial Value of Assets as of 1/1/02	Contributions			Assumed Yield at Valuation Rate (7.5%)	Preliminary Actuarial Value	Market Value of Assets as of 1/1/03	Market Value Adjustment	Actuarial Value of Assets as of 1/1/03
					Employer	Employee	Distributions					
Adair	45,665	46,296	50,587	56,402	6,552	2,272	0	4,561	69,788	53,091	(6,080)	63,709
Altus	13,156,670	13,201,846	11,940,855	13,417,087	205,425	173,000	(417,613)	1,004,812	14,382,711	10,494,329	(1,789,516)	12,593,195
Alva	1,912,062	1,920,102	1,749,844	1,927,192	5,833	0	(98,731)	141,056	1,975,349	1,460,425	(222,838)	1,752,511
Antlers	269,361	272,175	271,712	304,563	23,206	11,222	(10,435)	23,742	352,297	262,545	(37,244)	315,053
Ardmore *	1,036,944	1,036,944	874,257	874,257	0	0	(67,493)	63,038	869,803	707,601	(162,202)	707,601
Bartlesville	1,430,821	1,469,623	1,718,544	1,921,264	569,785	0	(126,142)	160,731	2,525,638	1,938,887	(198,973)	2,326,665
Bethany *	12,176,627	10,960,162	10,966,070	12,852,879	325,383	126,441	(251,928)	971,462	14,024,237	9,864,189	(2,187,210)	11,837,027
Bethany/Warr Acres	1,010,610	1,017,462	956,205	1,074,170	17,422	8,399	(2,562)	81,435	1,178,864	865,439	(140,338)	1,038,526
Billings	83,641	84,074	51,473	59,446	4,707	2,128	(4,193)	4,558	66,645	47,947	(9,109)	57,536
Binger	10,063	10,321	12,418	13,854	2,515	1,212	0	1,179	18,760	14,587	(1,255)	17,504
Blackwell	6,215,352	6,178,098	4,374,243	4,965,526	44,678	59,333	(361,513)	362,758	5,070,783	3,607,392	(741,912)	4,326,871
Blair	53,481	54,235	59,104	65,971	6,663	3,683	0	5,336	61,652	61,990	(7,265)	74,387
Boise City	684,088	689,137	649,988	730,068	39,004	0	(21,681)	55,405	802,795	589,743	(95,104)	707,692
Braman	15,105	15,510	20,684	22,949	4,492	1,578	0	1,949	30,968	24,039	(2,121)	28,847
Bristow	871,782	880,248	834,667	939,017	96,197	29,184	(51,424)	73,200	1,086,172	807,354	(117,348)	968,825
Broken Arrow *	2,154,668	2,154,668	1,918,674	1,918,674	0	0	(65,929)	141,428	1,994,173	1,629,450	(364,723)	1,629,450
Broken Bow	700,586	707,194	722,745	807,292	82,181	30,818	(31,138)	63,617	952,769	715,915	(93,671)	859,098
Buffalo	914,114	918,318	836,778	941,060	12,860	11,748	(21,518)	70,695	1,014,846	740,993	(125,654)	889,192
Burns Flat	26,765	27,503	32,965	36,813	7,697	2,558	(782)	3,116	49,402	38,195	(3,568)	45,834
Calera	53,504	54,709	62,040	69,429	12,778	3,788	(4,123)	5,674	67,547	66,642	(7,577)	79,970
Central Okla Master Cc	517,606	521,828	495,818	556,901	38,657	12,021	(29,209)	42,573	620,942	457,705	(71,696)	549,246
Chandler	682,907	687,711	651,904	732,178	31,942	21,824	(139,853)	51,685	697,777	489,239	(110,690)	587,087
Checotah	0	0	0	0	40,886	11,284	(186)	1,949	53,933	52,569	(341)	53,592
Chickasha	10,945,677	10,987,435	9,941,932	11,178,712	0	44,681	(221,119)	831,787	11,834,061	8,600,756	(1,513,155)	10,320,907
Chouteau *	34,105	34,105	29,325	29,325	0	0	(1,947)	2,126	29,505	24,017	(5,488)	24,017
Claremore	7,571,474	7,496,446	7,282,299	8,064,734	652,577	225,338	(371,480)	623,846	9,195,015	6,910,011	(903,003)	8,292,013
Cleo Springs	31,592	32,061	34,370	38,436	4,611	667	0	3,081	46,796	35,348	(4,378)	42,417

Oklahoma Municipal Retirement Fund

Exhibit 4

DEVELOPMENT OF THE ACTUARIAL VALUE OF ASSETS

City	Market Value of Assets as of 1/1/01	Actuarial Value of Assets as of 1/1/01	Market Value of Assets as of 1/1/02	Actuarial Value of Assets as of 1/1/02	Contributions			Assumed Yield at Valuation Rate (7.5%)	Preliminary Actuarial Value	Market Value of Assets as of 1/1/03	Market Value Adjustment	Actuarial Value of Assets as of 1/1/03
					Employer	Employee	Distributions					
Cleveland	1,286,418	1,294,048	1,173,124	1,321,017	30,930	0	(50,672)	98,336	1,399,610	1,015,912	(180,516)	1,219,094
Clinton	7,674,002	7,724,812	6,943,811	7,827,938	0	74,878	(276,655)	579,529	8,205,690	5,932,867	(1,086,249)	7,119,440
Collinsville	1,670,959	1,641,859	1,543,960	1,705,098	26,881	17,295	(65,590)	127,079	1,810,764	1,340,759	(201,853)	1,608,911
Comanche *	0	0	0	0	55,000	0	0	2,063	57,063	55,000	(2,063)	55,000
Cordell	3,035,554	3,051,678	2,770,184	3,118,557	28,245	0	(63,890)	232,555	3,315,467	2,409,776	(423,736)	2,891,731
Cushing	8,428,211	8,473,639	7,737,073	8,701,459	335,203	0	(330,175)	652,798	9,359,285	6,830,253	(1,162,962)	8,196,303
Davis	735,199	740,380	722,409	809,408	43,171	29,065	(73,786)	60,648	868,507	635,576	(105,815)	762,692
Del City *	12,714,421	12,516,298	11,327,663	12,976,568	52,307	546	(370,998)	961,312	13,619,735	9,681,611	(2,001,803)	11,617,933
Dewey	1,260,811	1,265,352	1,132,415	1,274,055	0	14,104	(55,047)	94,019	1,327,131	959,904	(175,247)	1,151,884
Drumright	1,094,791	1,100,231	979,352	1,103,150	53,302	25,838	(78,875)	82,746	1,186,161	864,548	(148,703)	1,037,458
Durant	10,404,467	10,443,164	9,308,894	10,478,536	47,121	0	(250,506)	778,263	11,053,415	8,018,355	(1,431,389)	9,622,026
Eufaula	471,179	476,003	454,190	510,967	30,179	16,079	(14,521)	39,513	562,216	430,819	(65,233)	516,983
Fairfax *	199,063	199,063	177,449	177,449	0	0	(6,063)	13,081	184,467	150,737	(33,729)	150,737
Fairview *	548,284	548,284	475,860	475,860	0	0	(28,098)	34,636	482,397	393,011	(89,386)	393,011
Fort Cobb	0	0	0	0	261	307	0	22	610	588	(6)	605
Foss Reservoir Public	368,529	370,422	350,400	393,031	11,209	5,241	(8,810)	29,764	430,435	316,311	(50,861)	379,573
Frederick	1,290,523	1,299,298	1,254,674	1,405,587	120,185	40,031	(75,917)	108,580	1,598,466	1,186,969	(174,103)	1,424,363
Garber	218	222	5,083	5,268	3,626	1,278	0	579	10,751	9,144	(402)	10,349
Geary	585,887	586,719	435,403	482,731	9,448	4,056	(39,154)	35,243	492,323	358,243	(62,431)	429,892
Gore and Gore PWA	0	0	0	0	563	1,017	0	59	1,639	1,579	(15)	1,624
Granite	759,429	762,521	685,472	771,247	4,508	8,450	(38,763)	56,876	802,317	580,226	(106,048)	696,271
Guthrie	3,521,931	3,498,876	3,099,862	3,447,413	10,420	58,234	(35,952)	259,782	3,739,899	2,764,682	(422,281)	3,317,619
Guymon	3,086,716	3,099,379	2,959,227	3,313,767	143,621	0	(36,080)	252,565	3,673,873	2,713,132	(418,115)	3,255,759
Harrah	450,195	455,044	437,398	491,674	32,169	15,413	(12,789)	38,180	564,648	419,218	(61,568)	503,062
Healdton	514,443	516,457	481,282	539,954	6,844	13,264	(13,272)	40,753	587,543	431,058	(70,273)	517,270
Henryetta	2,197,299	2,207,095	1,889,519	2,138,141	34,616	6,635	(64,823)	159,477	2,274,046	1,644,139	(301,079)	1,972,967
Hooker	100,418	102,342	117,564	130,905	22,861	7,554	(2,497)	10,857	169,480	130,167	(13,279)	156,201

Oklahoma Municipal Retirement Fund

Exhibit 4

DEVELOPMENT OF THE ACTUARIAL VALUE OF ASSETS

City	Market Value of Assets as of 1/1/01	Actuarial Value of Assets as of 1/1/01	Market Value of Assets as of 1/1/02	Actuarial Value of Assets as of 1/1/02	Contributions			Assumed Yield at Valuation Rate (7.5%)	Preliminary Actuarial Value	Market Value of Assets as of 1/1/03	Market Value Adjustment	Actuarial Value of Assets as of 1/1/03
					Employer	Employee	Distributions					
Hulbert	0	0	8,878	8,970	16,395	5,484	0	1,493	32,342	28,669	(918)	31,424
Hydro	199,025	200,286	183,628	206,573	6,886	3,791	(10,023)	15,517	222,744	162,477	(27,772)	194,972
Kansas	10,997	11,353	16,115	17,805	4,198	1,133	(146)	1,530	24,520	19,128	(1,566)	22,954
Kingston	149,522	151,590	151,164	169,795	13,273	4,626	(534)	13,386	200,545	149,970	(20,582)	179,964
Krebs & Krebs Utility As	16,108	16,707	40,384	43,609	17,080	6,954	(10,721)	3,770	60,693	48,392	(3,075)	57,618
Laverne	579,908	578,652	538,527	601,613	22,296	13,559	(34,378)	45,176	648,267	476,642	(76,296)	571,971
Lindsay	2,737,066	2,758,276	2,543,608	2,864,042	65,801	31,260	(69,929)	215,821	3,106,995	2,269,352	(383,773)	2,723,222
Madill	1,142,857	1,149,960	1,037,050	1,168,250	9,275	22,972	(42,954)	87,217	1,244,760	904,581	(159,263)	1,085,497
Mannford	1,203,294	1,215,647	1,138,584	1,282,846	91,850	46,902	(85,201)	98,222	1,434,618	1,056,858	(166,388)	1,268,230
Marietta	742,080	745,822	676,183	761,529	3,255	16,520	(13,353)	57,356	825,307	602,581	(102,210)	723,098
Marietta PWA	377,902	380,588	366,615	411,178	12,880	7,360	(17,588)	30,938	444,769	325,670	(53,964)	390,804
McLoud	127,896	128,885	132,811	148,348	15,082	5,581	(7,527)	11,619	173,103	129,398	(17,826)	155,278
Medford *	948,328	914,217	846,675	969,161	25,191	4,820	(40,823)	72,274	1,030,424	736,703	(146,380)	884,043
Meeker	227,835	229,798	212,894	237,546	1,018	6,234	(5,597)	17,878	257,079	189,431	(29,762)	227,317
Mooreland	667,139	670,551	608,812	685,055	5,920	1,957	(13,207)	51,179	730,905	531,911	(92,612)	638,293
Mountain Park Master C	348,951	350,729	322,446	362,413	2,904	1,930	(3,350)	27,237	391,133	285,812	(48,158)	342,975
Muldrow	411,097	415,811	407,933	458,790	28,607	21,185	(11,321)	35,852	533,112	396,461	(57,359)	475,754
Muskogee *	65,151	65,151	54,721	54,721	21,673	0	(24,493)	3,998	55,899	47,728	(8,171)	47,728
Mustang **	1,377,809	1,385,928	1,036,414	1,193,144	92,130	49,207	(69,519)	98,324	1,363,286	985,434	(180,765)	1,182,521
Newkirk	1,023,193	1,029,434	943,315	1,061,609	39,100	17,166	(55,969)	79,632	1,141,538	832,608	(142,408)	999,130
Nichols Hills *	4,450,831	4,154,000	3,946,077	4,595,781	60,148	54,286	(175,941)	342,377	4,876,651	3,421,710	(770,599)	4,106,052
Noble	648,623	655,303	554,970	619,495	33,389	14,385	(20,291)	47,493	694,472	515,770	(75,548)	613,924
Norman *	1,886,708	1,886,708	1,547,003	1,547,003	0	0	(162,255)	109,941	1,494,688	1,210,693	(283,995)	1,210,693
Nowata	1,028,963	1,033,755	926,002	1,042,793	13,464	19,763	(51,872)	77,510	1,101,659	797,728	(144,385)	957,274
Oilton	144,931	145,729	135,759	152,470	1,307	3,905	(4,554)	11,460	164,587	120,325	(20,197)	144,300
Okeene	493,801	495,448	442,984	498,352	828	4,511	(21,490)	36,771	518,973	375,443	(68,441)	450,532
Okemah	181,828	184,825	190,311	211,378	16,196	11,459	(8,049)	16,664	249,647	189,971	(21,682)	227,965

Okahoma Municipal Retirement Fund

Exhibit 4

DEVELOPMENT OF THE ACTUARIAL VALUE OF ASSETS

City	Market Value of Assets as of 1/1/01	Actuarial Value of Assets as of 1/1/01	Market Value of Assets as of 1/1/02	Actuarial Value of Assets as of 1/1/02	Contributions			Assumed Yield at Valuation Rate (7.5%)	Preliminary Actuarial Value	Market Value of Assets as of 1/1/03	Market Value Adjustment	Actuarial Value of Assets as of 1/1/03
					Employer	Employee	Distributions					
Oklahoma Municipal Le	3,372,903	3,341,276	3,131,353	3,327,021	58,719	0	(27,740)	250,688	3,608,689	2,792,124	(258,140)	3,350,549
Okmulgee	8,622,944	8,665,326	7,932,644	8,918,039	73,162	0	(114,103)	667,318	9,544,416	6,957,146	(1,195,841)	8,348,575
Owasso	3,289,035	3,317,585	3,169,078	3,558,663	178,736	125,218	(112,500)	274,079	4,024,196	2,978,443	(450,065)	3,574,131
Pawnee	1,065,546	1,070,554	977,720	1,099,303	18,898	23,753	(62,826)	81,691	1,160,820	843,503	(148,616)	1,012,204
Perkins	321,449	324,477	306,550	345,117	29,712	10,167	(30,362)	26,241	380,875	279,795	(45,121)	335,754
Perry	2,441,579	2,448,408	2,235,454	2,501,840	28,517	34,774	(182,767)	183,158	2,565,522	1,854,591	(340,014)	2,225,509
Pond Creek	320,760	323,378	306,919	344,921	20,179	7,446	(16,075)	26,302	382,773	281,544	(44,920)	337,853
Poteau	3,113,334	3,130,312	2,832,545	3,188,594	38,918	47,871	(126,487)	237,656	3,386,552	2,461,204	(433,107)	2,953,445
Prague *	63,704	63,704	54,744	54,744	0	0	(3,281)	3,983	55,446	45,168	(10,278)	45,168
Ringling	83,678	84,328	79,304	89,110	6,544	4,170	(8,769)	6,756	97,811	71,671	(11,805)	86,005
Sallisaw	5,640,570	5,682,313	5,319,534	5,979,638	294,514	126,221	(263,461)	454,371	6,591,283	4,842,232	(780,604)	5,810,679
Seiling	455,265	458,295	418,682	471,169	11,937	11,186	(19,968)	35,456	509,780	372,234	(63,099)	446,681
Shawnee *	22,787,739	20,721,347	20,793,837	23,975,095	160,509	0	(802,229)	1,774,068	25,107,442	17,733,894	(3,826,769)	21,280,673
Skiatook *	362,044	362,044	291,805	291,805	0	0	(35,321)	20,561	277,044	224,027	(53,016)	224,027
Spencer *	775,909	777,804	707,838	818,304	14,718	10,235	(53,813)	60,291	849,733	597,774	(132,405)	717,329
Spiro	384,623	388,889	386,608	433,666	25,591	12,857	(9,487)	33,611	496,237	368,677	(53,825)	442,413
Stillwater *	4,756,656	4,756,656	4,289,704	4,289,704	0	0	(101,824)	317,909	4,505,789	3,686,272	(819,517)	3,686,272
Stillwater Medical Cent	603,862	603,862	530,288	530,288	0	0	(21,318)	38,972	547,942	447,477	(100,465)	447,477
Stilwell	809,395	824,461	953,591	1,061,863	174,668	60,023	(36,934)	87,056	1,346,676	1,029,061	(111,803)	1,234,873
Stratford	24,848	25,477	30,644	34,235	7,433	4,132	(2,527)	2,907	46,179	35,698	(3,341)	42,837
Stroud	2,039,522	2,054,314	1,887,712	2,125,573	44,772	33,524	(79,471)	159,374	2,283,773	1,663,576	(287,482)	1,996,291
Sulphur	1,517,875	1,526,572	1,407,376	1,581,974	35,590	30,658	(29,653)	120,020	1,738,589	1,277,169	(205,985)	1,532,603
Talihina & TPWA	0	0	0	0	18,332	4,785	0	867	23,984	22,705	(320)	23,665
Tecumseh *	1,283,024	1,283,024	1,148,679	1,148,679	10,722	16,581	(884,866)	53,992	345,109	155,603	(189,507)	155,603
Thomas	501,096	504,798	480,516	539,501	13,445	10,174	(17,383)	40,696	586,433	429,950	(70,493)	515,940
Tipton	0	0	8,651	8,926	6,886	1,825	(2,123)	916	16,430	13,934	(624)	15,806
Tonkawa	1,665,064	1,672,778	1,504,686	1,694,803	29,067	15,584	(65,378)	126,333	1,800,410	1,307,497	(231,414)	1,568,996

Oklahoma Municipal Retirement Fund

Exhibit 4

DEVELOPMENT OF THE ACTUARIAL VALUE OF ASSETS

City	Market Value of Assets as of 1/1/01	Actuarial Value of Assets as of 1/1/01	Market Value of Assets as of 1/1/02	Actuarial Value of Assets as of 1/1/02	Contributions			Assumed Yield at Valuation Rate (7.5%)	Preliminary Actuarial Value	Market Value of Assets as of 1/1/03	Market Value Adjustment	Actuarial Value of Assets as of 1/1/03
					Employer	Employee	Distributions					
Velma	43,599	44,225	42,324	47,656	3,307	1,525	(248)	3,746	55,987	41,682	(5,968)	50,019
Vian	17,882	18,420	30,669	33,641	6,593	2,457	(5,456)	2,658	39,893	30,371	(3,448)	36,445
Vinita	3,718,805	3,742,247	3,507,661	3,940,396	88,454	60,847	(116,590)	296,756	4,269,864	3,125,955	(518,718)	3,751,146
Wakita	24,955	25,395	32,681	36,143	8,354	1,662	0	3,086	49,245	38,315	(3,267)	45,978
Warr Acres	4,174,343	4,194,280	3,782,087	4,256,242	6,693	24,436	(99,035)	316,672	4,505,008	3,270,742	(580,117)	3,924,891
Watonga	3,160,404	3,172,990	2,836,558	3,192,761	106,484	30,935	(200,879)	237,077	3,366,379	2,442,593	(435,267)	2,931,112
Waukomis	302,377	303,815	280,735	315,393	4,919	3,530	(30,582)	22,824	316,084	226,748	(43,987)	272,097
Waurika	544,445	544,413	507,036	567,256	1,127	6,209	(9,501)	42,463	607,554	444,829	(73,760)	533,795
Weatherford *	648,544	648,544	576,558	576,558	0	0	(25,868)	42,272	592,961	483,930	(109,032)	483,930
Webbers Falls	0	0	0	0	4,602	2,086	0	251	6,938	6,625	(78)	6,860
Wellston	161,776	163,100	161,549	181,005	10,463	6,459	(2,890)	14,102	209,139	155,946	(22,003)	187,136
Westville Utility Authori	61,312	60,927	64,171	71,068	7,800	2,922	(3,645)	5,595	83,740	63,419	(7,637)	76,103
Wetumka	422,279	426,863	431,531	483,323	61,763	16,169	(20,449)	38,405	579,211	435,612	(56,477)	522,734
Yale	1,183,150	1,189,061	1,055,040	1,188,547	22,317	8,010	(127,938)	85,481	1,176,416	842,678	(165,202)	1,011,214
Yukon	7,419,377	7,466,375	6,853,562	7,706,337	428,525	0	(396,460)	579,178	8,317,580	6,076,606	(1,025,653)	7,291,927
Total	234,381,733	231,199,180	213,360,281	239,581,149	6,023,658	2,257,645	(9,405,219)	17,932,585	256,389,817	187,105,454	(33,734,921)	222,654,896

* Nonactive only city; the Actuarial Value of Assets is equal to the Market Value

* Hybrid city; employee account balances are subtracted from the Actuarial Value of Assets to determine the Valuation Assets

** Mustang assumes 8.00% yield on investments

V

**Summary of Plan Provisions and
Actuarial Method and Assumptions**

V Summary of Plan Provisions and Actuarial Method and Assumptions

This section outlines the plan provisions and actuarial method and assumptions used in the valuation.

The first exhibit outlines the provisions of the OMRF Master Plan.

The following exhibits outline the two actuarial methods used to value plan obligations: the entry age normal cost method and the unit credit cost method. See Section IV for a description of the actuarial methods used to value assets.

The final exhibit in this section presents the actuarial assumptions.

See Section VIII for a summary of plan provisions and the actuarial method and assumptions used in the valuation for the City of Bartlesville.

Oklahoma Municipal Retirement Fund

Summary of Plan Provisions

Eligibility	All regular, full-time employees of a participating employer except police, firefighters and other employees covered under a state system.
Service	
Credited service	The last period of continuous employment with the employer excluding any periods before the effective date of the plan specified in the adoption agreement.
Vesting	Credited service plus transferred service from other OMRF employers. Employees of the Oklahoma Municipal League do not receive vesting service for transferred service from other OMRF employers.
Service requirement for benefit eligibility	5, 7 or 10 years of vesting service, as specified in the adoption agreement.
Normal Retirement and Unreduced Early Retirement Ages	<p>Age 65 with service requirement fulfilled.</p> <p>If specified in the adoption agreement, normal retirement age for an employee with 30 years of vesting service may be as early as age 62.</p> <p>Also if specified in the adoption agreement, an employee may receive unreduced benefits when the sum of an employee's age in years and number of years of credited service equals 80 or more, as provided under the Rule of 80 alternative.</p> <p>Four cities have adopted special retirement provisions not provided in the standard adoption agreements:</p> <ul style="list-style-type: none">▪ For employees of Cushing, normal retirement age is 60 with 10 years of service.▪ Normal retirement age for an employee of Altus with 25 years of vesting service may be as early as age 62.▪ An employee of Warr Acres may receive unreduced benefits when the sum of an employee's age in years and number of years of credited service equals 75 or more.▪ For employees of Del City, normal retirement age is 60 with 7 years of service. Employees with 20 years of vesting service may also receive unreduced benefits as early as age 55.
Normal Retirement and Unreduced Early Retirement Benefits	<p>The percentage of final average compensation specified in the adoption agreement, multiplied by the number of years of credited service. The percentages that may be elected are:</p> <ul style="list-style-type: none">- Plan AAA 3.000%- Plan AA 2.625%- Plan BB 2.250%- Plan CC 1.875%- Plan A 1.500%- Plan B 1.125%- Plan C 0.750%

Final average compensation is the average of the five highest consecutive annual salaries out to the last 10 calendar years of service.

Oklahoma Municipal Retirement Fund

Summary of Plan Provisions

Employee contributions	As specified in the adoption agreement. The options that may be elected are the standard contribution rate, a fixed amount which is less than the standard contribution rate, a fixed percentage of the total contribution rate determined each year, or no employee contributions. The standard contribution rates are: <ul style="list-style-type: none">- Plan AAA 6.00%- Plan AA 5.25%- Plan BB 4.50%- Plan CC 3.75%- Plan A 3.00%- Plan B 2.25%- Plan C 1.50%
Early Retirement	
Eligibility	Age 55 with service requirement fulfilled.
Benefit	The accrued benefit payable starting at age 65, or an actuarially reduced benefit starting at early retirement age.
Late Retirement	The accrued benefit based on pay and service to actual retirement.
Termination of Service	
Vesting requirement	Fulfillment of the service requirement
Before vesting	Return of member contributions with interest.
After vesting	The accrued benefit payable starting at age 65, or an actuarially reduced benefit starting at early retirement age.
Disability Retirement	
Eligibility	Total and permanent disability.
Benefit	The accrued benefit is payable upon disablement without reduction for early payment.
In-service Death	
Before vesting	Return of member contributions with interest.
After vesting	If the participant is married at the time of death, 50% of the accrued benefit is payable to the spouse until death or remarriage. Otherwise, 50% of the accrued benefit is payable to the designated beneficiary for 60 months.
Payment Options	
Normal form	The normal form of payment of the accrued benefit is a monthly lifetime annuity with 5 or 10 years certain, as specified in the adoption agreement.

Oklahoma Municipal Retirement Fund

Summary of Plan Provisions

Optional forms	Other annuity forms available on an actuarial equivalent basis are: <ul style="list-style-type: none">- Joint and 50% survivor annuity- Joint and 66-2/3rds last survivor annuity- Joint and 100% survivor annuity
Cost of Living Option	If specified in the adoption agreement, benefits in payment status are adjusted each July 1st based on the percentage change in the CPI. The maximum increase in any year is 3% (2% for employees of Skiatook).
Hybrid Option	If specified in the adoption agreement, employee contributions are accumulated at the actual rate earned by the retirement fund and paid to the employee upon retirement in addition to the formula amount.

Oklahoma Municipal Retirement Fund
SUMMARY OF THE ACTUARIAL COST METHOD
(Entry Age Normal)

Pension funding requirements are allocated to periods of time using the entry age normal cost method.

Under the entry age normal cost method, the normal cost is computed as the level percent of pay which, if paid from the time an employee became a participant until his assumed retirement, would accumulate to a fund sufficient to pay all plan benefits.

The actuarial liability of the plan is the hypothetical accumulation with interest of prior normal costs less payments, from the employee's date of participation to present.

The actuarial liability for non-active participants is the present value of future benefits anticipated to be paid to current retirees, beneficiaries and deferred vested participants, discounted for interest and mortality.

The unfunded actuarial liability (UAL) is the difference between the actuarial liability and the actuarial value of plan assets. If greater than zero, this amount (redetermined each year) is amortized over 30 years from the valuation date; otherwise, it is amortized as a level percent of pay over the future working lifetime of active participants.

Experience gains (decreases in cost due to favorable experience), or experience losses (increases in cost due to adverse experience), attributable to deviations between the assumed and actual experience of the Plan, are amortized as part of the UAL.

Oklahoma Municipal Retirement Fund
SUMMARY OF THE ACTUARIAL COST METHOD
(Unit Credit)

Pension funding requirements are allocated to periods of time using the unit credit cost method.

Under the unit credit cost method, the normal cost is computed as the present value of the increase in accrued retirement income for each employee's service during the following year.

The actuarial liability of the plan is the present value of the accrued retirement income earned to date. Present values are discounted for interest, mortality, turnover, and retirement rates by age.

The actuarial liability for non-active participants is the present value of future benefits anticipated to be paid to current retirees, beneficiaries and deferred vested participants, discounted for interest and mortality.

The unfunded actuarial liability (UAL) is the difference between the actuarial liability and the actuarial value of plan assets. This amount (redetermined each year) is amortized over 30 years from the first valuation date after joining OMRF.

Experience gains (decreases in cost due to favorable experience), or experience losses (increases in cost due to adverse experience), attributable to deviations between the assumed and actual experience of the Plan, are amortized as part of the UAL.

Oklahoma Municipal Retirement Fund

SUMMARY OF ACTUARIAL ASSUMPTIONS

Male

Interest Rates	Purpose	Rate	Age	Rates per Thousand					Annual Pay Increase	Ratio of Pay at 65 to Pay at x
				Mortality	Turnover	Disability	Retire-S	Retire-U		
	Basic valuation		20	0.545	214.60	0.80	0	0	7.42%	9.65
	Before retirement	7.50%	21	0.570	197.80	0.85	0	0	7.19%	8.99
	After retirement	7.50%	22	0.598	182.30	0.91	0	0	6.97%	8.38
			23	0.633	167.90	0.96	0	0	6.77%	7.84
			24	0.671	154.60	1.01	0	0	6.59%	7.34
	Mortality Tables		25	0.711	142.30	1.07	0	0	6.42%	6.89
	Before retirement	UP 1994	26	0.749	131.10	1.15	0	0	6.26%	6.47
	After retirement	UP 1994	27	0.782	120.90	1.23	0	0	6.12%	6.09
	with projected mortality improvement		28	0.811	111.60	1.31	0	0	6.00%	5.74
			29	0.838	103.20	1.39	0	0	5.88%	5.41
	Pay Increase Assumption		30	0.862	95.60	1.47	0	0	5.77%	5.11
	Annual rates of pay increase		31	0.883	88.70	1.60	0	0	5.68%	4.83
	as shown		32	0.902	82.70	1.73	0	0	5.59%	4.57
			33	0.912	77.30	1.87	0	0	5.52%	4.33
	Turnover		34	0.913	72.50	2.00	0	0	5.45%	4.11
	Select and ultimate rates		35	0.915	68.40	2.13	0	0	5.39%	3.89
	Ultimate rates are age-related as shown		36	0.927	64.80	2.40	0	0	5.33%	3.69
	Additional rates per thousand are		37	0.953	61.70	2.67	0	0	5.28%	3.51
	added during the first 5 years:		38	0.998	59.10	2.93	0	0	5.24%	3.33
	Year 1:	165	39	1.053	56.90	3.20	0	0	5.20%	3.17
	Year 2:	105	40	1.117	55.00	3.47	0	0	5.16%	3.01
	Year 3:	65	41	1.188	53.50	3.97	0	0	5.13%	2.86
	Year 4:	45	42	1.267	52.30	4.48	0	0	5.09%	2.72
	Year 5:	35	43	1.346	51.30	4.99	0	0	5.06%	2.59
	Retirement Age		44	1.424	50.40	5.49	0	0	5.03%	2.46
	Select (S) and ultimate (U) rates		45	1.508	49.80	6.00	0	0	5.00%	2.35
	Select rate applies only at employee's		46	1.608	49.20	6.00	0	0	4.96%	2.24
	normal retirement age.		47	1.729	48.60	6.00	0	0	4.93%	2.13
	Ultimate rates apply at all other ages		48	1.862	48.00	6.00	0	0	4.89%	2.03
	only if the employee is eligible to retire.		49	2.001	47.40	6.00	0	0	4.84%	1.93
			50	2.150	46.70	6.00	0	0	4.80%	1.85
	Other Assumptions		51	2.316	45.90	6.80	0	0	4.74%	1.76
	Percent married	100%	52	2.501	44.80	7.60	0	0	4.69%	1.68
	Spouse age difference	3	53	2.734	43.50	8.40	0	0	4.62%	1.61
	(female spouses younger)		54	2.974	42.00	9.20	0	0	4.55%	1.54
			55	3.305	40.10	10.00	300	50	4.46%	1.47
			56	3.701	37.90	11.23	300	50	4.37%	1.41
			57	4.186	35.20	12.45	300	50	4.27%	1.35
			58	4.750	32.10	13.68	300	50	4.16%	1.29
			59	5.260	28.40	14.91	300	50	4.04%	1.24
			60	5.823	24.20	16.13	300	50	3.90%	1.19
			61	6.622	19.40	16.13	300	50	3.75%	1.15
			62	7.388	13.90	16.13	600	300	3.59%	1.11
			63	8.430	7.70	16.13	600	150	3.41%	1.07
			64	9.376	0.80	16.13	600	150	3.21%	1.03
			65	10.384	0.00	0.00	1000	1000	3.00%	1.00

Mortality shown is projected by the Society of Actuaries' table AA for an employee born in 1958

Oklahoma Municipal Retirement Fund

SUMMARY OF ACTUARIAL ASSUMPTIONS

Female

Interest Rates	Purpose	Rate	Age	Rates per Thousand					Annual Pay Increase	Ratio of Pay at 65 to Pay at x
				Mortality	Turnover	Disability	Retire-S	Retire-U		
	Basic valuation		20	0.305	214.60	0.80	0	0	7.42%	9.65
	Before retirement	7.50%	21	0.308	197.80	0.85	0	0	7.19%	8.99
	After retirement	7.50%	22	0.311	182.30	0.91	0	0	6.97%	8.38
			23	0.313	167.90	0.96	0	0	6.77%	7.84
			24	0.313	154.60	1.01	0	0	6.59%	7.34
	Mortality Tables		25	0.313	142.30	1.07	0	0	6.42%	6.89
	Before retirement	UP 1994	26	0.316	131.10	1.15	0	0	6.26%	6.47
	After retirement	UP 1994	27	0.324	120.90	1.23	0	0	6.12%	6.09
	with projected mortality improvement		28	0.338	111.60	1.31	0	0	6.00%	5.74
			29	0.356	103.20	1.39	0	0	5.88%	5.41
	Pay Increase Assumption		30	0.377	95.60	1.47	0	0	5.77%	5.11
	Annual rates of pay increase as shown		31	0.401	88.70	1.60	0	0	5.68%	4.83
			32	0.427	82.70	1.73	0	0	5.59%	4.57
	Turnover		33	0.454	77.30	1.87	0	0	5.52%	4.33
	Select and ultimate rates		34	0.482	72.50	2.00	0	0	5.45%	4.11
	Ultimate rates are age-related as shown		35	0.514	68.40	2.13	0	0	5.39%	3.89
	Additional rates per thousand are added during the first 5 years:		36	0.543	64.80	2.40	0	0	5.33%	3.69
	Year 1:	165	37	0.578	61.70	2.67	0	0	5.28%	3.51
	Year 2:	105	38	0.616	59.10	2.93	0	0	5.24%	3.33
	Year 3:	65	39	0.660	56.90	3.20	0	0	5.20%	3.17
	Year 4:	45	40	0.707	55.00	3.47	0	0	5.16%	3.01
	Year 5:	35	41	0.754	53.50	3.97	0	0	5.13%	2.86
			42	0.799	52.30	4.48	0	0	5.09%	2.72
			43	0.836	51.30	4.99	0	0	5.06%	2.59
	Retirement Age		44	0.866	50.40	5.49	0	0	5.03%	2.46
	Select (S) and ultimate (U) rates		45	0.890	49.80	6.00	0	0	5.00%	2.35
	Select rate applies only at employee's normal retirement age.		46	0.920	49.20	6.00	0	0	4.96%	2.24
	Ultimate rates apply at all other ages only if the employee is eligible to retire.		47	0.962	48.60	6.00	0	0	4.93%	2.13
			48	1.024	48.00	6.00	0	0	4.89%	2.03
			49	1.092	47.40	6.00	0	0	4.84%	1.93
			50	1.188	46.70	6.00	0	0	4.80%	1.85
	Other Assumptions		51	1.303	45.90	6.80	0	0	4.74%	1.76
	Percent married	100%	52	1.467	44.80	7.60	0	0	4.69%	1.68
	Spouse age difference (female spouses younger)	3	53	1.650	43.50	8.40	0	0	4.62%	1.61
			54	1.851	42.00	9.20	0	0	4.55%	1.54
			55	2.100	40.10	10.00	300	50	4.46%	1.47
			56	2.428	37.90	11.23	300	50	4.37%	1.41
			57	2.811	35.20	12.45	300	50	4.27%	1.35
			58	3.219	32.10	13.68	300	50	4.16%	1.29
			59	3.683	28.40	14.91	300	50	4.04%	1.24
			60	4.211	24.20	16.13	300	50	3.90%	1.19
			61	4.807	19.40	16.13	300	50	3.75%	1.15
			62	5.477	13.90	16.13	600	300	3.59%	1.11
			63	6.239	7.70	16.13	600	150	3.41%	1.07
			64	7.085	0.80	16.13	600	150	3.21%	1.03
			65	7.990	0.00	0.00	1000	1000	3.00%	1.00

Mortality shown is projected by the Society of Actuaries' table AA for an employee born in 1958

VI

Summary of Plan Participants

VI Summary of Plan Participants

The first exhibit in this section shows the age and service distribution, along with average valuation pay, for active participants as of January 1, 2003 (OMRF Master Trust in total). The City of Bartlesville is included in the count although it has not adopted the OMRF master plan but has a career average benefit formula. Similar exhibits in the individual municipalities' actuarial reports show the distribution for each member plan with active participants.

The second exhibit in this section shows the age distribution and average benefit for each category of nonactive participant as of January 1, 2003 (OMRF Master Trust in total). Again, participants in the City of Bartlesville plan are included. Similar exhibits in the municipalities' actuarial reports show the distribution for each member plan with nonactive participants.

Oklahoma Municipal Retirement Fund
 All Cities Combined
AGE AND SERVICE OF ACTIVE PARTICIPANTS
 January 1, 2003

Age Group	Years of Service														All Service	
	0 - 4		5 - 9		10 - 14		15 - 19		20 - 24		25 - 29		30 - 49		Count	Ave Pay
	Count	Ave Pay	Count	Ave Pay	Count	Ave Pay	Count	Ave Pay	Count	Ave Pay	Count	Ave Pay	Count	Ave Pay		
15 - 19	21	17,173													21	17,173
20 - 24	162	19,540	4	23,584											166	19,637
25 - 29	259	21,087	42	25,310	3	26,189									304	21,721
30 - 34	246	21,498	76	24,446	22	28,900									344	22,623
35 - 39	208	21,708	90	25,454	56	29,335	32	31,012	8	26,226					394	24,495
40 - 44	236	22,268	110	26,430	81	28,433	68	29,937	33	29,294	1	35,006			529	25,525
45 - 49	184	22,855	109	24,897	85	29,794	73	29,546	53	30,051	20	31,403			524	26,392
50 - 54	143	23,073	82	26,117	79	29,156	79	31,184	35	34,687	30	31,772	12	33,696	460	27,781
55 - 59	88	23,359	61	27,163	64	28,567	54	30,929	35	31,668	17	28,357	11	32,893	330	27,767
60 - 64	50	23,619	29	29,185	36	27,250	32	28,254	24	31,767	13	26,888	18	35,918	202	28,074
65 - 69	8	20,155	13	22,760	10	26,483	4	28,996	7	26,112	5	34,231	3	27,953	50	25,515
70 - 109	2	20,503	2	15,848	8	21,984	1	18,581	4	18,707	2	24,886	1	25,628	20	20,869
All Ages	1,607		618		444		343		199		88		45		3,344	

Age is in completed years (age last birthday) on the census date.
 Service is completed years of benefit service on the census date.
 Pay is the annualized pay for 2002

Oklahoma Municipal Retirement Fund
All Cities Combined
SUMMARY OF NONACTIVE PARTICIPANTS

January 1, 2003

Age Group	Males			Females			Total		
	Count	Benefit	Weighted Ave Age	Count	Benefit	Weighted Ave Age	Count	Benefit	Weighted Ave Age
Retired Participants in Payment Status									
40 - 49	1	5,718	53.74	1	29,851	50.12	2	35,569	50.70
50 - 54	29	210,626	57.63	9	78,145	57.78	38	288,771	57.67
55 - 59	80	731,796	63.03	39	398,061	62.69	119	1,129,857	62.91
60 - 64	120	983,521	67.38	45	392,501	67.62	165	1,376,022	67.45
65 - 69	106	843,444	72.34	45	419,033	72.65	151	1,262,478	72.44
70 - 74	99	706,822	77.05	34	224,709	77.19	133	931,532	77.09
75 - 79	68	366,798	82.31	39	153,400	82.59	107	520,199	82.39
80 - 84	33	155,140	86.76	18	49,427	87.00	51	204,567	86.81
85 - 89	24	70,282	93.22	16	35,659	91.57	40	105,941	92.66
90 - 110									
Totals	560	4,074,148	71.31	246	1,780,786	70.49	806	5,854,934.31	71.06
Ave amount		7,275.26			7,238.97			7,264.19	
Survivors in Payment Status									
20 - 29	1	1,704	20.23	1	1,704	29.02	2	3,407	24.63
30 - 39	4	17,245	37.56	2	8,667	37.49	6	25,912	37.54
40 - 49				8	35,690	44.50	8	35,690	44.50
50 - 54	2	14,129	50.56	4	12,912	53.19	6	27,041	51.82
55 - 59	1	2,979	55.59	14	61,508	56.71	15	64,487	56.65
60 - 64				19	64,048	62.59	19	64,048	62.59
65 - 69	1	3,427	67.13	14	62,124	67.19	15	65,551	67.18
70 - 74	3	14,758	71.18	12	69,761	73.71	15	84,519	73.27
75 - 79				28	127,236	77.08	28	127,236	77.08
80 - 84				15	38,364	82.61	15	38,364	82.61
85 - 89	1	2,485	85.89	7	14,403	86.54	8	16,888	86.45
90 - 110				7	22,451	92.94	7	22,451	92.94
Totals	13	56,726	53.87	131	518,868	68.94	144	575,593.97	67.46
Ave amount		4,363.57			3,960.82			3,997.18	
Disabled Participants									
20 - 29									
30 - 39									
40 - 49	17	139,846	46.47	1	4,524	49.93	18	144,370	46.58
50 - 54	17	141,728	52.54	2	22,508	53.34	19	164,236	52.65
55 - 59	16	127,484	57.22	2	40,444	55.73	18	167,928	56.86
60 - 64	26	186,879	61.88	4	49,749	62.10	30	236,628	61.93
65 - 69	19	151,481	68.08	4	41,297	66.86	23	192,779	67.82
70 - 74	13	94,767	72.32	3	20,252	73.41	16	115,019	72.51
75 - 79	2	9,705	77.78	2	6,896	76.96	4	16,401	77.45
80 - 84	3	13,608	81.97	2	11,662	84.60	5	25,270	83.18
85 - 89	1	2,761	86.79				1	2,761	86.79
90 - 110									
Totals	114	868,259	59.98	20	197,132	63.51	134	1,065,391.20	60.63
Ave amount		7,616.31			9,856.61			7,950.68	
Deferred Vested Former Employees									
20 - 29	3	1,198	28.69	4	1,826	28.70	7	3,024	28.70
30 - 39	11	51,228	37.31	8	25,299	34.07	19	76,526	36.24
40 - 49	67	369,860	45.81	19	164,470	46.14	86	534,330	45.91
50 - 54	38	220,396	52.59	17	127,385	52.55	55	347,782	52.58
55 - 59	28	170,890	57.36	13	66,375	56.49	41	237,265	57.12
60 - 64	8	72,900	61.81	8	22,844	62.08	16	95,744	61.88
65 - 69	3	10,418	66.61				3	10,418	66.61
Totals	159	898,652	50.76	71	413,668	50.16	230	1,312,319.76	50.57
Ave amount		5,651.90			5,826.31			5,705.74	
Grand Totals	846	5,897,785	66.34	468	2,910,454	66.85	1314	8,808,239	66.51
Ave amount		6,971.38			6,218.92			6,703.38	

VII

Sample Actuarial Report

VII Sample Actuarial Report

This section contains a copy of the 2003 Actuarial Valuation of Funding Requirements for the Employee Retirement System of Owasso, Oklahoma. It is included as a sample of the valuation reports sent to member employers.

**Oklahoma Municipal Retirement Fund
Employee Retirement System of Owasso, Oklahoma**

ACTUARIAL VALUATION OF FUNDING REQUIREMENTS

**Effective for the Year Starting
July 1, 2003**

March 31, 2003

Prepared by

DEAN & COMPANY
CONSULTING ACTUARIES
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INTRODUCTION

This report presents the results of an actuarial valuation of the Employee Retirement System of Owasso, Oklahoma.

The purposes of the valuation are:

- to determine the required contribution for the retirement program effective July 1, 2003.
- to illustrate the increase in contributions that would be necessary to support the next benefit level available under the OMRF program.
- to provide accounting information required by GASB 25 (funding progress).

The first purpose of the report is to set the plan contribution level for the next year. Exhibit 1 summarizes the required contribution level for the plan at its current level and at the next available benefit level.

The total contribution rate for the plan is separated between the employee-paid and municipality-paid portions based on the most recent employee contribution rate.

The employee contribution rate is set by the plan, and the municipality is committed to meet the long term funding needs of the plan by paying any portion of the contribution not provided by employees.

Exhibit 2 shows the detailed development of the contribution requirements for the year.

The actuarial value of assets (Exhibit 3) is related to market value, but smoothed to reduce the volatility of contribution requirements. The method for determining the actuarial asset value was changed from prior years by incorporating a 20% corridor.

GASB Statement 25 requires the employer to record in its annual audit report the progress towards funding the retirement program (see Exhibit 4).

The remainder of the report summarizes the plan provisions, participant data and actuarial valuation assumptions.

Actuarial assumptions were revised this year based on a detailed analysis of the demographic experience of OMRF member cities. Specifically, turnover rates, salary increase rates, and retirement rates were changed. See Exhibit 8 for a description of the new assumptions.

**Oklahoma Municipal Retirement System
Employee Retirement System of Owasso, Oklahoma**

SUMMARY OF 2003-2004 PLAN CONTRIBUTION RATES

	<u>Current</u> <u>Plan</u>	<u>Next</u> <u>Plan Level</u>	<i>Increase</i>
	AA	AAA	
Employee contribution rate as a percent of pay	4.26%	4.26%	0.00%
Municipality-required contribution rate as a percent of participant payroll	8.06%	10.78%	2.72%
Total required contribution rate	12.32%	15.04%	2.72%

Notes:

The required contribution rate is actuarially measured each plan year as the amount necessary to fund the plan on a long term basis using the actuarial cost methods and assumptions adopted for the plan:

Cost Method	Entry age normal
Interest rate	7.5% per annum
Pay Increases	Rates by age
Mortality	1994 Group Annuity Mortality (projected)
Retirement age	Rates by age
Turnover	Rates by age
Asset value	Actuarial method

The total required contribution rate for the prior year (2002-2003) was 10.20% of participant payroll. The required contribution rate changes each year, reflecting the investments earnings of OMRF and the demographic experience of the participant group.

Since the employee contribution rate is fixed by the terms of the plan, the municipality-required contribution rate is the amount necessary to bring the total contribution rate to at least the total required contribution rate.

The employee contribution rate is a plan provision and typically increases as the plan's benefit level increases. For this illustration, the employee contribution rate is assumed to remain constant in going from the current plan level to the next plan level.

Plan AA, normal retirement age 62/30, 5 year vesting, 5 years certain, no COLA

**Oklahoma Municipal Retirement Fund
Employee Retirement System of Owasso, Oklahoma**

Development of Plan Contribution Requirement

	<u>Current Plan</u>	<u>Next Plan Level</u>	
	<u>AA</u>	<u>AAA</u>	<u>Increase</u>
Actuarial liability (entry age normal method)			
Retired, survivors and deferred vested (24)	\$ 1,005,632	\$ 1,005,632	\$ -
Active employees (92)	<u>2,955,464</u>	<u>\$ 3,364,969</u>	<u>\$ 409,506</u>
Total	\$ 3,961,096	\$ 4,370,601	\$ 409,506
Assets (actuarial value as of 1-1-2003)	<u>3,574,131</u>	<u>3,574,131</u>	<u>0</u>
Unfunded actuarial liability	\$ 386,964	\$ 796,470	\$ 409,506
Annual amount to amortize the unfunded actuarial liability over 30 years	\$ 31,601	\$ 65,043	\$ 33,442
Annual normal cost	<u>339,847</u>	<u>388,397</u>	<u>48,550</u>
Total annual cost	\$ 371,448	\$ 453,440	\$ 81,991
Valuation payroll as of 1-1-2003	\$ 3,014,261	\$ 3,014,261	
Required total contribution as a percent of payroll (effective 7-1-2003)	12.32%	15.04%	2.72%

<i>As a measure of the long term cost of the plan, the entry age normal cost as a % of pay may be viewed as the value of benefits accruing under the plan:</i>			
	11.27%	12.89%	1.61%

Notes

See Exhibit 3 for the development of the actuarial value of assets.

See Exhibits 7 and 8 for a description of the actuarial methods and assumptions used in the valuation.

See Exhibits 9 and 10 for a summary of the active participants and retirees.

The present value of benefits for non-active participants includes remaining balances of \$63,623 for 112 former employees not included in the deferred vested census.

Plan AA, normal retirement age 62/30, 5 year vesting, 5 years certain, no COLA

Oklahoma Municipal Retirement Fund
Employee Retirement System of Owasso, Oklahoma

DEVELOPMENT OF THE ACTUARIAL VALUE OF ASSETS

1 Market Value of Assets as of 1/1/02	\$3,169,078
2 Actuarial Value of Assets as of 1/1/02	\$3,558,663
Percent of Market Value	112%
3 Contributions	
Employer	178,736
Employee	125,218
4 Distributions	(112,500)
5 Assumed Yield at Valuation Rate (7.50%)	<u>274,079</u>
6 Preliminary Actuarial Value	4,024,196
7 Market Value of Assets as of 1/1/03	2,978,443
8 Adjustment	
25% of (7) minus (6)	(261,438)
9 Minimum Actuarial Value of Assets as of 1/1/03	
80% of (7)	\$2,382,754
10 Maximum Actuarial Value of Assets as of 1/1/03	
120% of (7)	\$3,574,131
11 Actuarial Value of Assets as of 1/1/03	\$3,574,131
(6) plus (8), but not less than (9) nor more than (10)	
12 AAV as percent of Market Value	120%

An actuarial technique is used to reduce the effect of fluctuations in market value on plan funding requirements.

The actuarial value of assets is equal to the prior year's value adjusted for cash flows and interest at the valuation rate. This amount is adjusted by a percentage of the difference between it and market.

The method for determining the actuarial asset value was changed from prior years by incorporating a 20% corridor. If the actuarial asset value would otherwise be outside this corridor, it is instead equal to the relevant corridor limit.

Oklahoma Municipal Retirement Fund
Employee Retirement System of Owasso, Oklahoma

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Value of Assets	Asset Valuation Basis	Actuarial Accrued Liability (AAL)*	Type*	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/96	1,523,304	Market	1,101,135	PBO	(422,169)	138.3%	1,225,834	-34.4%
1/1/97	1,725,405	Market	1,294,031	PBO	(431,374)	133.3%	1,500,163	-28.8%
1/1/98	1,944,375	Actuarial	1,423,842	PBO	(520,533)	136.6%	1,891,245	-27.5%
1/1/98	1,944,375	Actuarial	1,754,840	EAN	(189,536)	110.8%	1,891,245	-10.0%
1/1/99	2,419,607	Actuarial	2,075,541	EAN	(344,066)	116.6%	2,217,423	-15.5%
1/1/00	2,994,128	Actuarial	2,425,128	EAN	(569,000)	123.5%	2,299,562	-24.7%
1/1/01	3,317,585	Actuarial	2,693,811	EAN	(623,774)	123.2%	2,490,277	-25.0%
1/1/02	3,558,663	Actuarial	3,731,560	EAN	172,897	95.4%	3,420,346	5.1%
1/1/03	3,574,131	Actuarial	3,961,096	EAN	386,964	90.2%	3,014,261	12.8%

* The amounts shown for valuations prior to 1/1/98 are the pension benefit obligation (PBO) defined in GASB 5. GASB 25 which replaced GASB 5 requires that the actuarial liability used to fund the plan be used to measure funding progress.

GASB 25 results are shown in bold type. Both values are shown for 1/1/98 for comparative purposes.

Covered payroll is the total annualized rate of pay as of the valuation date based on actual pay for the preceding year.

Oklahoma Municipal Retirement Fund
Employee Retirement System of Owasso, Oklahoma

SUMMARY OF PLAN PROVISIONS

Eligibility	All regular, full-time employees except police, firefighters and other employees who are covered under an approved system.
Service	
Credited service	The last period of continuous employment with the employer excluding any periods before the effective date of the plan specified in the adoption agreement.
Vesting	Credited service plus transferred service from other OMRF employers.
Employee contributions	4.26% of pay.
Normal Retirement Age	The earlier of: Age 65 with 5 or more years of vesting service Age 62 with 30 or more years of vesting service
Normal Retirement Benefit	Plan AA 2.625% of final average compensation multiplied by the number of years of credited service.
Early Retirement	
Eligibility	Age 55 with 5 or more years of vesting service.
Benefit	The accrued benefit payable starting at age 65, or an actuarially reduced benefit starting at early retirement age.
Late Retirement	The accrued benefit based on pay and service to actual retirement.
Termination of Service	
Vesting	100% vested after 5 or more years of vesting service.
Before vesting	Return of member contributions with interest.
After vesting	The accrued benefit payable starting at age 65, or an actuarially reduced benefit starting at early retirement age.
Disability Retirement	
Eligibility	Total and permanent disability after 5 or more years of service.
Benefit	The accrued benefit is payable upon disablement without reduction for early payment.

Oklahoma Municipal Retirement Fund
 Employee Retirement System of Owasso, Oklahoma

SUMMARY OF PLAN PROVISIONS

In-service Death

Before vesting	Return of member contributions with interest.
Married, vested	50% of the accrued benefit is payable to the spouse until death or remarriage.
Single, vested	50% of the accrued benefit is payable for 60 months certain.

Payment Options

Normal form	The normal form of payment of the accrued benefit is a monthly lifetime annuity with 5 years certain.
	Other annuity forms available on an actuarial equivalent basis are:
	- Joint and 50% survivor annuity
	- Joint and 66-2/3rds last survivor annuity
	- Joint and 100% survivor annuity

Cost of Living

This plan has not elected the automatic post-retirement cost-of-living adjustments.

Oklahoma Municipal Retirement Fund

ILLUSTRATION OF RETIREMENT INCOME BY PLAN LEVEL

*(Annual retirement income for an employee working to age 65
under the normal form of annuity at various pay and income levels)*

Pension as a percent of Final Average Pay per year of service

C	B	A	CC	BB	AA	AAA
0.750%	1.125%	1.500%	1.875%	2.250%	2.625%	3.000%

20 Years of Service at Retirement

Final Average Pay Level	Plan Level						
	C	B	A	CC	BB	AA	AAA
10,000	\$1,500	\$2,250	\$3,000	\$3,750	\$4,500	\$5,250	\$6,000
20,000	3,000	4,500	6,000	7,500	9,000	10,500	12,000
30,000	4,500	6,750	9,000	11,250	13,500	15,750	18,000
40,000	6,000	9,000	12,000	15,000	18,000	21,000	24,000
50,000	7,500	11,250	15,000	18,750	22,500	26,250	30,000

30 Years of Service at Retirement

Final Average Pay Level	Plan Level						
	C	B	A	CC	BB	AA	AAA
10,000	\$2,250	\$3,375	\$4,500	\$5,625	\$6,750	\$7,875	\$9,000
20,000	4,500	6,750	9,000	11,250	13,500	15,750	18,000
30,000	6,750	10,125	13,500	16,875	20,250	23,625	27,000
40,000	9,000	13,500	18,000	22,500	27,000	31,500	36,000
50,000	11,250	16,875	22,500	28,125	33,750	39,375	45,000

40 Years of Service at Retirement

Final Average Pay Level	Plan Level						
	C	B	A	CC	BB	AA	AAA
10,000	\$3,000	\$4,500	\$6,000	\$7,500	\$9,000	\$10,500	\$12,000
20,000	6,000	9,000	12,000	15,000	18,000	21,000	24,000
30,000	9,000	13,500	18,000	22,500	27,000	31,500	36,000
40,000	12,000	18,000	24,000	30,000	36,000	42,000	48,000
50,000	15,000	22,500	30,000	37,500	45,000	52,500	60,000

Plan AAA is illustrated with no service limit. The master plan documents permits the plan sponsor to limit the years of service used in the AAA formula.

Oklahoma Municipal Retirement Fund

SUMMARY OF THE ACTUARIAL COST METHOD

Pension funding requirements are allocated to periods of time using the entry age normal cost method.

Under the entry age normal cost method, the normal cost is computed as the level percent of pay which, if paid from the time an employee became a participant until his assumed retirement, would accumulate to a fund sufficient to pay all plan benefits.

The actuarial liability of the plan is the hypothetical accumulation with interest of prior normal costs less payments, from the employee's date of participation to present.

The actuarial liability for non-active participants is the present value of future benefits anticipated to be paid to current retirees, beneficiaries and deferred vested participants, discounted for interest and mortality.

The unfunded actuarial liability (UAL) is the difference between the actuarial liability and the actuarial value of plan assets. This amount (redetermined each year) is amortized over 30 years from the valuation date.

Experience gains (decreases in cost due to favorable experience), or experience losses (increases in cost due to adverse experience), attributable to deviations between the assumed and actual experience of the Plan, are amortized as part of the UAL.

Oklahoma Municipal Retirement Fund

SUMMARY OF ACTUARIAL ASSUMPTIONS

Male

Interest Rates	Purpose	Rate	Age	Rates per Thousand					Annual Pay Increase	Ratio of Pay at 65 to Pay at x
				Mortality	Turnover	Disability	Retire-S	Retire-U		
Basic valuation			20	0.545	214.60	0.80	0	0	7.42%	9.65
Before retirement	7.50%		21	0.570	197.80	0.85	0	0	7.19%	8.99
After retirement	7.50%		22	0.598	182.30	0.91	0	0	6.97%	8.38
			23	0.633	167.90	0.96	0	0	6.77%	7.84
Mortality Tables			24	0.671	154.60	1.01	0	0	6.59%	7.34
Before retirement	UP 1994		25	0.711	142.30	1.07	0	0	6.42%	6.89
After retirement	UP 1994		26	0.749	131.10	1.15	0	0	6.26%	6.47
with projected mortality improvement			27	0.782	120.90	1.23	0	0	6.12%	6.09
			28	0.811	111.60	1.31	0	0	6.00%	5.74
Pay Increase Assumption			29	0.838	103.20	1.39	0	0	5.88%	5.41
Annual rates of pay increase as shown			30	0.862	95.60	1.47	0	0	5.77%	5.11
			31	0.883	88.70	1.60	0	0	5.68%	4.83
			32	0.902	82.70	1.73	0	0	5.59%	4.57
Turnover			33	0.912	77.30	1.87	0	0	5.52%	4.33
Select and ultimate rates			34	0.913	72.50	2.00	0	0	5.45%	4.11
Ultimate rates are age-related as shown			35	0.915	68.40	2.13	0	0	5.39%	3.89
Additional rates per thousand are added during the first 5 years:			36	0.927	64.80	2.40	0	0	5.33%	3.69
Year 1:	165		37	0.953	61.70	2.67	0	0	5.28%	3.51
Year 2:	105		38	0.998	59.10	2.93	0	0	5.24%	3.33
Year 3:	65		39	1.053	56.90	3.20	0	0	5.20%	3.17
Year 4:	45		40	1.117	55.00	3.47	0	0	5.16%	3.01
Year 5:	35		41	1.188	53.50	3.97	0	0	5.13%	2.86
			42	1.267	52.30	4.48	0	0	5.09%	2.72
			43	1.346	51.30	4.99	0	0	5.06%	2.59
Retirement Age			44	1.424	50.40	5.49	0	0	5.03%	2.46
Select (S) and ultimate (U) rates			45	1.508	49.80	6.00	0	0	5.00%	2.35
Select rate applies only at employee's normal retirement age.			46	1.608	49.20	6.00	0	0	4.96%	2.24
Ultimate rates apply at all other ages only if the employee is eligible to retire.			47	1.729	48.60	6.00	0	0	4.93%	2.13
			48	1.862	48.00	6.00	0	0	4.89%	2.03
			49	2.001	47.40	6.00	0	0	4.84%	1.93
			50	2.150	46.70	6.00	0	0	4.80%	1.85
Other Assumptions			51	2.316	45.90	6.80	0	0	4.74%	1.76
Percent married	100%		52	2.501	44.80	7.60	0	0	4.69%	1.68
Spouse age difference (female spouses younger)	3		53	2.734	43.50	8.40	0	0	4.62%	1.61
			54	2.974	42.00	9.20	0	0	4.55%	1.54
			55	3.305	40.10	10.00	300	50	4.46%	1.47
			56	3.701	37.90	11.23	300	50	4.37%	1.41
			57	4.186	35.20	12.45	300	50	4.27%	1.35
			58	4.750	32.10	13.68	300	50	4.16%	1.29
			59	5.260	28.40	14.91	300	50	4.04%	1.24
			60	5.823	24.20	16.13	300	50	3.90%	1.19
			61	6.622	19.40	16.13	300	50	3.75%	1.15
			62	7.388	13.90	16.13	600	300	3.59%	1.11
			63	8.430	7.70	16.13	600	150	3.41%	1.07
			64	9.376	0.80	16.13	600	150	3.21%	1.03
			65	10.384	0.00	0.00	1000	1000	3.00%	1.00

Mortality shown is projected by the Society of Actuaries' table AA for an employee born in 1958

Oklahoma Municipal Retirement Fund
 Owasso
 AGE AND SERVICE OF ACTIVE PARTICIPANTS
 1/1/03

Age Group	Years of Service														All Service	
	0 - 4		5 - 9		10 - 14		15 - 19		20 - 24		25 - 29		30 - 49		Count	Ave Pay
	Count	Ave Pay	Count	Ave Pay	Count	Ave Pay	Count	Ave Pay	Count	Ave Pay	Count	Ave Pay	Count	Ave Pay		
15 - 19	2	19,727													2	19,727
20 - 24	4	19,024													4	19,024
25 - 29	6	29,116	1	40,509											7	30,743
30 - 34	17	31,472	4	36,933	1	44,646									22	33,063
35 - 39	7	21,636	6	37,453	2	48,301									15	31,518
40 - 44	7	29,108	3	34,092											10	30,603
45 - 49	6	32,734	2	32,510			1	44,998							9	34,047
50 - 54	2	38,450	3	41,435	1	27,914	3	43,574							9	39,982
55 - 59	5	34,697	3	26,077	2	47,491			3	38,967					13	35,661
60 - 64					1	47,452									1	47,452
65 - 69																
70 - 109																
All Ages	56		22		7		4		3		0		0		92	

Age is in completed years (age last birthday) on the census date.
 Service is completed years of credited service on the census date.
 Pay is the considered compensation for the preceding plan year.

**Oklahoma Municipal Retirement Fund
Owasso
SUMMARY OF NONACTIVE PARTICIPANTS**

January 1, 2003

Age Group	Males			Females			Total		
	Count	Benefit	Weighted Ave Age	Count	Benefit	Weighted Ave Age	Count	Benefit	Weighted Ave Age
<i>Retired Participants in Payment Status</i>									
55 - 59	3	16,374	63.64	1	2,577	63.15	4	18,951	63.57
60 - 64	1	4,715	68.98	1	4,506	67.03	2	9,221	68.03
65 - 69	1	8,707	70.94				1	8,707	70.94
70 - 74	1	14,539	76.15	1	2,333	76.97	2	16,872	76.26
75 - 79				1	5,169	83.27	1	5,169	83.27
80 - 84									
85 - 89									
90 - 110									
Totals	6	44,335	69.74	4	14,585	73.69	10	58,920	70.72
Ave amount		7,389.22			3,646.20			5,892.01	
<i>Survivors in Payment Status</i>									
20 - 29									
30 - 39									
40 - 49									
50 - 54									
55 - 59									
60 - 64									
65 - 69									
70 - 74				1	7,211	72.63	1	7,211	72.63
75 - 79									
80 - 84									
85 - 89				1	882	89.09	1	882	89.09
90 - 110									
Totals	0	0		2	8,093	74.42	2	8,093	74.42
Ave amount		0.00			4,046.64			4,046.64	
<i>Disabled Participants</i>									
20 - 29									
30 - 39									
40 - 49									
50 - 54	1	4,331	50.19				1	4,331	50.19
55 - 59	1	2,464	58.25				1	2,464	58.25
60 - 64	1	6,447	60.63				1	6,447	60.63
65 - 69									
70 - 74	1	4,899	70.56				1	4,899	70.56
75 - 79									
80 - 84									
85 - 89									
90 - 110									
Totals	4	18,141	60.49	0	0		4	18,141	60.49
Ave amount		4,535.22			0.00			4,535.22	
<i>Deferred Vested Former Employees</i>									
20 - 29									
30 - 39	1	2,367	38.43	1	3,305	42.28	1	2,367	38.43
40 - 49	2	13,322	46.23	1	4,622	54.07	3	16,627	45.44
50 - 54	2	24,003	54.53				3	28,626	54.46
55 - 59	1	3,417	58.44				1	3,417	58.44
60 - 64									
65 - 69									
Totals	6	43,110	51.39	2	7,927	49.15	8	51,036	51.04
Ave amount		7,184.94			3,963.36			6,379.55	
Grand Totals	16	105,586	60.66	8	30,605	67.53	24	136,191	62.20
Ave amount		6,599.12			3,825.60			5,674.61	

VIII

**Actuarial Report
for the City of
Bartlesville**

VIII Actuarial Report for the City of Bartlesville

This section contains a copy of the 2003 Actuarial Valuation of Funding Requirements for the Employee Retirement System of Bartlesville, Oklahoma. It is included because there are many aspects unique to this plan, including the plan provisions, actuarial cost method and actuarial assumptions.

**Oklahoma Municipal Retirement Fund
Employee Retirement System of Bartlesville, Oklahoma**

ACTUARIAL VALUATION OF FUNDING REQUIREMENTS

**Effective for the Year Starting
July 1, 2003**

April 28, 2003

Prepared by

DEAN & COMPANY
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INTRODUCTION

This report presents the results of an actuarial valuation of the Employee Retirement System of Bartlesville, Oklahoma.

The purposes of the valuation are:

- to determine the required contribution for the retirement program effective July 1, 2003.
- to provide accounting information required by GASB 25 (funding progress).

Exhibit 1 summarizes the required contribution level for the plan.

Exhibit 2 shows the detailed development of the contribution requirements for the year.

The actuarial value of assets (Exhibit 3) is related to market value, but smoothed to reduce the volatility of contribution requirements. The method for determining the actuarial asset value was changed from prior years by incorporating a 20% corridor.

GASB Statement 25 requires the employer to record its progress towards funding the retirement program (see Exhibit 4).

The remainder of the report summarizes the plan provisions, participant data and actuarial valuation assumptions.

Actuarial assumptions were revised this year based on a detailed analysis of the demographic experience of OMRF member cities. Specifically, turnover rates and salary increase rates were changed. See Exhibit 8 for a description of the new assumptions.

Benefits for service under the plan through July 1, 1996 have been secured through annuity contracts with an insurance company. This valuation excludes both assets and liabilities related to these purchased annuities.

**Oklahoma Municipal Retirement System
Employee Retirement System of Bartlesville, Oklahoma**

SUMMARY OF REQUIRED CONTRIBUTION RATES

	<u><i>Current Plan</i></u>
	<u>2% Career Ave</u>
Employee contribution rate as a percent of pay	0.00%
Municipality-required contribution rate as a percent of participant payroll	8.07%
Total required contribution rate	8.07%

Notes:

The municipality-required contribution rate is actuarially measured each plan year as the amount necessary to fund the plan on a long term basis using the actuarial cost methods and assumptions adopted for the plan:

Cost Method	Unit Credit
Interest rate	7.5 % per annum
Pay Increases	Rates by age
Mortality	1994 Group Annuity Mortality (projected to 2003)
Retirement age	Rates by age
Turnover	Rates by age
Asset value	Actuarial method

The required contribution rate changes each year, reflecting the investments earnings of the OMRF fund and the demographic experience of the participant group.

Plan 2% Career Ave, normal retirement age 65, 7 year vesting, 0 years certain, no COLA

**Oklahoma Municipal Retirement Fund
Employee Retirement System of Bartlesville, Oklahoma
Development of Plan Contribution Requirement**

	<i>Current Plan</i>
	2% Career Ave
Actuarial liability (unit credit cost method)	
Retired, survivors and deferred vested	\$ 1,820,708
Active employees	1,911,914
Total	\$ 3,732,622
Assets (actuarial value as of 1-1-2003)	2,326,665
Unfunded actuarial liability	\$ 1,405,957
Annual amount to amortize the unfunded actuarial liability over 25 years	\$ 121,650
Annual normal cost	342,607
Total annual cost	\$ 464,257
Valuation payroll as of 1-1-2003	\$ 5,753,077
Required total contribution as a percent of payroll (effective 7-1-2003)	8.07%

Notes

See Exhibit 3 for the development of the actuarial value of assets.

See Exhibits 6 and 7 for a description of the actuarial methods and assumptions used in the valuation.

See Exhibits 8 for a summary of the participants.

Plan 2% Career Ave, normal retirement age 65, 7 year vesting, 0 years certain, no COLA

Oklahoma Municipal Retirement Fund
Employee Retirement System of Bartlesville, Oklahoma

DEVELOPMENT OF THE ACTUARIAL VALUE OF ASSETS

1	Market Value of Assets as of 1/1/2002	\$1,718,544
2	Actuarial Value of Assets as of 1/1/2002	\$1,921,264
	Percent of Market Value	112%
3	Contributions	
	Employer	569,785
	Employee	0
4	Distributions	(126,142)
5	#####	160,731
6	Preliminary Actuarial Value	2,525,638
7	Market Value of Assets as of 1/1/2003	1,938,887
8	Adjustment	
	25% of (7) minus (6)	(146,688)
9	Minimum Actuarial Value of Assets as of 1/1/2003	
	80% of (7)	\$1,551,110
10	Maximum Actuarial Value of Assets as of 1/1/2003	
	120% of (7)	\$2,326,665
11	Actuarial Value of Assets as of 1/1/2003	\$2,326,665
	(6) plus (8), but not less than (9) nor more than (10)	
12	AAV as percent of Market Value	120%

An actuarial technique is used to reduce the effect of fluctuations in market value on plan funding requirements.

The actuarial value of assets is equal to the prior year's value adjusted for cash flows and interest at the valuation rate. This amount is adjusted by a percentage of the difference between it and market.

The method for determining the actuarial asset value was changed from prior years by incorporating a 20% corridor. If the actuarial asset value would otherwise be outside this corridor, it is instead equal to the relevant corridor limit.

Oklahoma Municipal Retirement Fund
Employee Retirement System of Bartlesville, Oklahoma

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Value of Assets	Asset Valuation Basis	Actuarial Accrued Liability (AAL)*	Type*	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/1998	188,676	Actuarial	2,229,875	PBO	2,041,199	8.5%	5,340,597	38.2%
1/1/1998	188,676	Actuarial	366,584	UC	177,908	51.5%	5,340,597	3.3%
1/1/1999	545,442	Actuarial	989,945	UC	444,502	55.1%	5,773,116	7.7%
1/1/2000	1,020,473	Actuarial	1,371,407	UC	350,934	74.4%	5,606,521	6.3%
1/1/2001	1,469,623	Actuarial	2,013,106	UC	543,483	73.0%	5,679,787	9.6%
1/1/2002	1,921,264	Actuarial	3,272,152	UC	1,350,888	58.7%	5,824,388	23.2%
1/1/2003	2,326,665	Actuarial	3,732,622	UC	1,405,957	62.3%	5,753,077	24.4%

* For valuations prior to 1/1/98, GASB 5 required that the pension benefit obligation (PBO) be disclosed. GASB 25 which replaced GASB 5 requires that the actuarial liability used to fund the plan be used to measure funding progress.

GASB 25 results are shown in bold type. Both values are shown for 1/1/98 for comparative purposes.

The mortality table used in the actuarial valuation was updated effective with the 1/1/98 valuation. The new table is the 1994 GAM table with projected mortality improvement.

Covered payroll is the total annualized rate of pay as of the July 1 of the valuation date based on actual pay for the preceding year.

**Employee Retirement System Of
Bartlesville, Oklahoma**

PLAN SUMMARY

Eligibility	Two years of service (elapsed time method) excluding police and firefighters. Entry dates are on the July 1 following eligibility.
Retirement ages	
Normal	Age 65. Normal retirement date is first of the month on or after age 65 and completion of 7 years of service.
Early	Age 55 with 7 years of service, or meeting the Rule of 80
Vesting	7 years of service
Disability	Total and permanent disability with 7 or more years of service
Accrued Benefit	A life-only annuity payable at normal retirement age based on career average pay equal to the sum of the past service benefit and the future service benefit. <u>Past Service Benefit</u> is equal to 2% of base pay rate on 7-1-78 times full years of service from hire to 7-1-78. Available only to employees whose participation in the plan began before 7-1-78. <u>Future Service Benefit</u> is equal to Accumulation of 2% of base pay rate in effect on each July 1 from 7-1-78 and after. Benefit for a plan year is prorated if the employee does not complete the year.
Retirement Benefits	
Normal	The Accrued Benefit is payable as a life only annuity or another annuity option with actuarial reduction. An employee may elect to defer the start of this annuity.
Late	Benefit accruals continue until actual retirement age.
Early	The Accrued Benefit is payable as a life only annuity starting at age 65. An employee may elect earlier payment reduced as follows: <u>If age plus service equals 80 or more:</u> Reduced 2% for each year the start date precedes normal retirement date. <u>If age plus service are less than 80:</u> Actuarially reduced (based on 6% interest and UP84 mortality).
Disability	The Accrued Benefit is payable during the period of disability up to age 65. The normal retirement benefit (not subject to continued disability) starts at age 65. If the employee becomes disabled after age 55 with less than 7 years of service the actuarial equivalent of the Accrued Benefit is payable starting

at age 65 (i.e. full vesting).

Vesting

100% vesting after 7 years of service and at normal retirement date.

The Accrued Benefit is payable at age 65 or an actuarially reduced amount may be elected starting on or after age 55.

Death Benefits

Married participants

The surviving spouse receives 50% of the participant's accrued benefit for life or until remarriage.

Unmarried participants

The beneficiary receives 120 monthly payments in the amount of 50% of the participant's accrued benefit at the time of death.

Payment Options

1. Life only annuity
2. Life with 5, 10, 15 or 20 years certain
3. Joint and 100% survivor annuity (spouse only)
4. Joint and 100% survivor annuity with 5, 10 or 15 years certain.

Actuarial equivalency based on 6% interest, UP84 mortality.

Employee Retirement System of Bartlesville, Oklahoma

SUMMARY OF THE ACTUARIAL COST METHOD

Pension funding requirements are allocated to periods of time using the unit credit cost method.

Under the unit credit cost method, the normal cost is computed as the present value of the increase in accrued retirement income for each employee's service during the following year.

The actuarial liability of the plan is the present value of the accrued retirement income earned to date. Present values are discounted for interest, mortality, turnover, and retirement rates by age.

The actuarial liability for non-active participants is the present value of future benefits anticipated to be paid to current retirees, beneficiaries and deferred vested participants, discounted for interest and mortality.

The unfunded actuarial liability (UAL) is the difference between the actuarial liability and the actuarial value of plan assets.

Experience gains (decreases in cost due to favorable experience), or experience losses (increases in cost due to adverse experience), attributable to deviations between the assumed and actual experience of the Plan, are amortized as part of the UAL.

Employee Retirement System of Bartlesville, Oklahoma

SUMMARY OF ACTUARIAL ASSUMPTIONS

Male

Interest Rates	Purpose	Rate	Age	Rates per Thousand				Annual Pay Increase	Ratio of Pay at 65 to Pay at x
				Mortality	Turnover	Disability	Retirement		
Basic valuation			20	0.459	214.60	0.80	0	7.42%	9.65
Before retirement		7.50%	21	0.484	197.80	0.85	0	7.19%	8.99
After retirement		7.50%	22	0.512	182.30	0.91	0	6.97%	8.38
			23	0.552	167.90	0.96	0	6.77%	7.84
Mortality Tables			24	0.596	154.60	1.01	0	6.59%	7.34
Before retirement	UP 1994p2003		25	0.650	142.30	1.07	0	6.42%	6.89
After retirement	UP 1994p2003		26	0.710	131.10	1.15	0	6.26%	6.47
with projected mortality improvement			27	0.748	120.90	1.23	0	6.12%	6.09
			28	0.775	111.60	1.31	0	6.00%	5.74
Pay Increase Assumption			29	0.801	103.20	1.39	0	5.88%	5.41
Annual rates of pay increase as shown			30	0.824	95.60	1.47	0	5.77%	5.11
			31	0.844	88.70	1.60	0	5.68%	4.83
			32	0.862	82.70	1.73	0	5.59%	4.57
Turnover			33	0.872	77.30	1.87	0	5.52%	4.33
Select and ultimate rates			34	0.873	72.50	2.00	0	5.45%	4.11
Ultimate rates are age-related as shown			35	0.875	68.40	2.13	0	5.39%	3.89
Additional rates per thousand are added during the first 5 years:			36	0.886	64.80	2.40	0	5.33%	3.69
Year 1:	165		37	0.916	61.70	2.67	0	5.28%	3.51
Year 2:	105		38	0.957	59.10	2.93	0	5.24%	3.33
Year 3:	65		39	1.009	56.90	3.20	0	5.20%	3.17
Year 4:	45		40	1.073	55.00	3.47	0	5.16%	3.01
Year 5:	35		41	1.146	53.50	3.97	0	5.13%	2.86
			42	1.230	52.30	4.48	0	5.09%	2.72
Retirement Age			43	1.316	51.30	4.99	0	5.06%	2.59
Rates of retirement as shown			44	1.407	50.40	5.49	0	5.03%	2.46
Rates are only applied if the employee is eligible for Rule of 80 retirement.			45	1.508	49.80	6.00	0	5.00%	2.35
			46	1.631	49.20	6.00	0	4.96%	2.24
			47	1.782	48.60	6.00	0	4.93%	2.13
			48	1.955	48.00	6.00	0	4.89%	2.03
Other Assumptions			49	2.143	47.40	6.00	0	4.84%	1.93
Percent married	100%		50	2.355	46.70	6.00	0	4.80%	1.85
Husband/wife age difference	3		51	2.598	45.90	6.80	0	4.74%	1.76
			52	2.881	44.80	7.60	0	4.69%	1.68
Increase in Social Security Wage Base	4.50%		53	3.213	43.50	8.40	0	4.62%	1.61
			54	3.567	42.00	9.20	0	4.55%	1.54
			55	4.004	40.10	10.00	50	4.46%	1.47
			56	4.519	37.90	11.23	50	4.37%	1.41
			57	5.143	35.20	12.45	50	4.27%	1.35
			58	5.859	32.10	13.68	50	4.16%	1.29
			59	6.593	28.40	14.91	50	4.04%	1.24
			60	7.417	24.20	16.13	100	3.90%	1.19
			61	8.434	19.40	16.13	100	3.75%	1.15
			62	9.552	13.90	16.13	300	3.59%	1.11
			63	10.865	7.70	16.13	150	3.41%	1.07
			64	12.256	0.80	16.13	150	3.21%	1.03
			65	13.766	0.00	0.00	1000	3.00%	1.00

Oklahoma Municipal Retirement Fund
 Bartlesville
AGE AND SERVICE OF ACTIVE PARTICIPANTS
 January 1, 2003

Age Group	Years of Service														All Service		
	0 - 4		5 - 9		10 - 14		15 - 19		20 - 24		25 - 29		30 - 49		Count	Ave Pay	
	Count	Ave Pay	Count	Ave Pay	Count	Ave Pay	Count	Ave Pay	Count	Ave Pay	Count	Ave Pay	Count	Ave Pay			
15 - 19																	
20 - 24	1	22,027													1	22,027	
25 - 29	3	20,890	3	32,822											6	26,856	
30 - 34	7	25,427	4	25,054	5	28,604									16	26,326	
35 - 39	7	26,529	4	31,793	5	32,980	8	32,872							24	30,865	
40 - 44	3	25,390	5	28,804	10	35,414	9	30,932	10	33,322	3	43,111			40	32,882	
45 - 49	2	35,610	3	21,336	7	28,665	9	34,084	16	34,545	4	34,856			41	32,556	
50 - 54	1	36,275	3	41,295	4	33,030	5	38,160	5	39,275	3	33,426	1	29,370	22	36,777	
55 - 59			3	28,988	1	47,988	1	26,728	7	33,078	3	40,823	1	36,608	16	34,519	
60 - 64	1	25,750			1	23,379	4	31,548					3	38,813	9	32,418	
65 - 69													2	32,625	2	32,625	
70 - 109															1	39,478	
All Ages	25		25		33		36		38		13		7		178		

Age is in completed years (age last birthday) on the census date.
 Service is completed years of credited service on the census date.
 Pay is the considered compensation for the preceding plan year.

**Oklahoma Municipal Retirement Fund
Bartlesville
SUMMARY OF NONACTIVE PARTICIPANTS**

January 1, 2003

Age Group	Males			Females			Total		
	Count	Benefit	Weighted Ave Age	Count	Benefit	Weighted Ave Age	Count	Benefit	Weighted Ave Age
<i>Retired Participants in Payment Status</i>									
50 - 54	2	972	51.98				2	972	51.98
55 - 59	4	21,711	56.76				4	21,711	56.76
60 - 64	5	15,813	63.53	3	10,405	63.23	8	26,218	63.41
65 - 69	4	5,081	66.78	1	1,065	67.39	5	6,146	66.88
70 - 74	3	7,235	71.59				3	7,235	71.59
75 - 79									
80 - 84									
85 - 89									
90 - 110									
Totals	18	50,813	61.89	4	11,470	63.61	22	62,283	62.20
Ave amount		2,822.92			2,867.52			2,831.03	
<i>Survivors in Payment Status</i>									
50 - 54									
55 - 59									
60 - 64									
65 - 69									
70 - 74	1	9,936	73.77				1	9,936	73.77
75 - 79									
80 - 84									
85 - 89									
90 - 110									
Totals	1	9,936	73.77	0	0		1	9,936	73.77
Ave amount		9,935.64			0.00			9,935.64	
<i>Disabled Participants</i>									
20 - 29									
30 - 39									
40 - 49	4	3,600	44.71				4	3,600	44.71
50 - 54	4	10,776	52.21				4	10,776	52.21
55 - 59	2	3,617	56.60				2	3,617	56.60
60 - 64	4			2	742	60.32	6	742	60.32
65 - 69	2	12,672	65.59				2	12,672	65.59
70 - 74									
75 - 79									
80 - 84									
85 - 89									
90 - 110									
Totals	16	30,664	57.38	2	742	60.32	18	31,406	57.45
Ave amount		1,916.53			370.80			1,744.78	
<i>Deferred Vested Former Employees</i>									
20 - 29				1	4,817	39.21	1	4,817	39.21
30 - 39				3	31,086	43.58	7	57,131	44.45
40 - 49	4	26,045	45.49	1	12,119	51.35	3	39,046	50.75
50 - 54	2	26,928	50.47				1	13,787	58.82
55 - 59	1	13,787	58.82						
60 - 64									
65 - 69									
Totals	8	93,477	56.41	5	48,021	45.10	13	141,499	52.57
Ave amount		11,684.69			9,604.27			10,884.53	
Grand Totals	43	184,890	59.01	11	60,233	48.81	54	245,123	56.50
Ave amount		4,299.77			5,475.73			4,539.32	