

THOMAS E. CUMMINS CONSULTING ACTUARY, INC.

2512 E. 71st Street , Suite D · Tulsa, Oklahoma 74136

(918) 492-9658 · (918) 492- 9659

February 22, 2011

Representative Scott Inman
Room 319

Re: HB1002 FA1 InmanSc-MAH

HB1002 FA1 InmanSc-MAH requires OTRS to be 80% funded in 10 years, when the liabilities have no cost of living assumption and current interest assumption.

HB1002 FA1 InmanSc-MAH is a nonfiscal retirement bill as defined by the Oklahoma Pension Legislation Actuarial Analysis Act.

Thomas E. Cummins

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February 21, 2011

John McPhetridge
Room 109
House of Representatives
2300 N. Lincoln Blvd.
Oklahoma City, OK 73105

Re: Committee Substitute for House Bill No. 1002 as amended by FA1 Inman Sc
RBH No. 6715

Dear Mr. McPhetridge,

Committee Substitute for House Bill No. 1002 as amended requires the system to be 80% funded at end of 10 years, when the liabilities are determined with no cost of living assumption. The legislature is required to make the necessary amount each year in order to reach the 80% funded ratio.

Impact: Additional \$190,000,000 contribution would be necessary. In 2010 the state contributed \$228,000,000.

If you have any questions, please contact me.

Sincerely,

Thomas E. Cummins

Thomas E. Cummins, MAAA