Working the PLAN

Uniform Retirement System for Justices and Judges

A component unit of the State of Oklahoma • Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2009

Working the PLAN

Uniform Retirement System for Justices and Judges

A component unit of the State of Oklahoma • Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2009

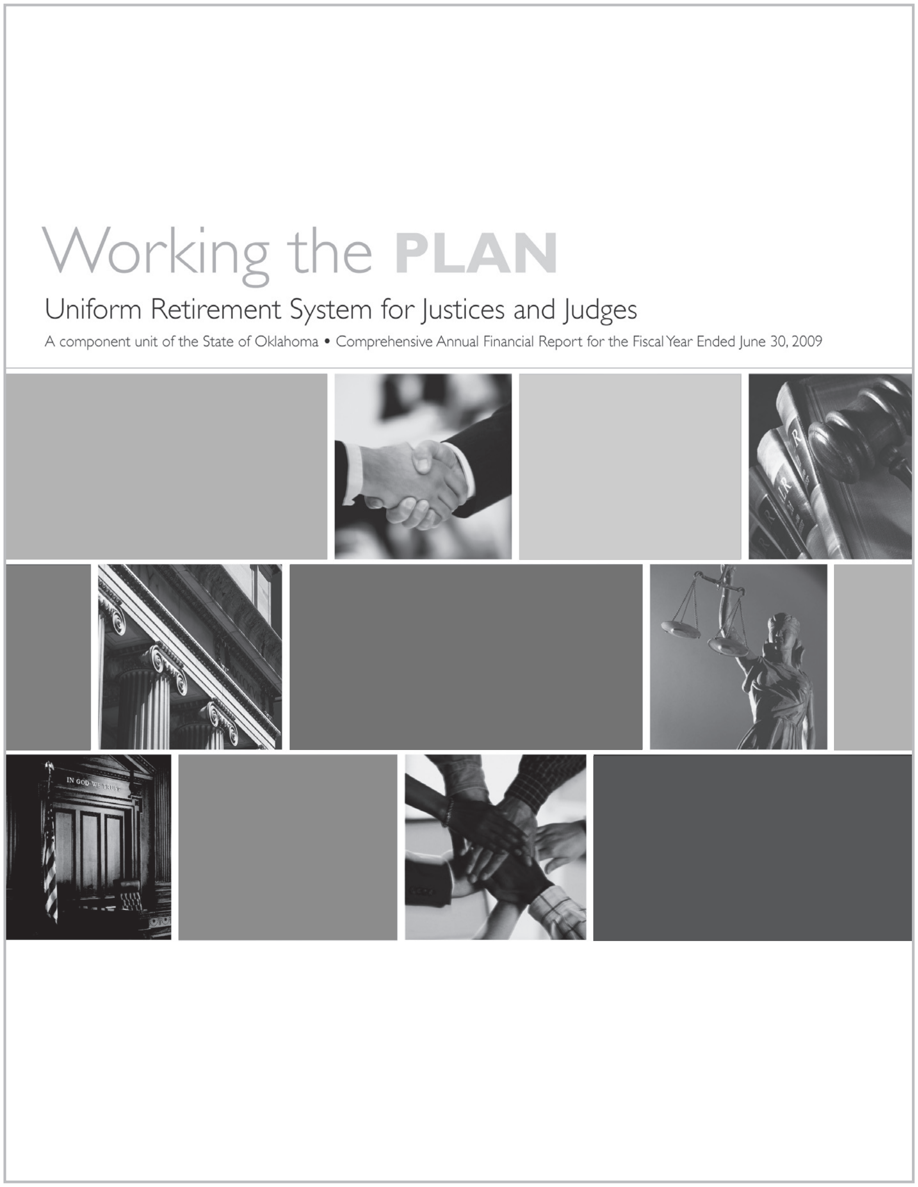
These are interesting times, indeed. Our working population is aging. Health care costs are continuing to rise. More employers are moving away from defined benefit pension plans and replacing them with defined contribution plans and individual retirement accounts. The questions about the solvency of the Social Security system, turmoil in the financial markets, and a downturn in the economy have kept the affordability of retirement in the forefront of public discussion.

Technology is changing rapidly. URSJJ members and the American public are increasingly using the Internet to conduct financial transactions and purchase goods and services. In addition, younger employees are changing jobs more frequently and providing a challenge to employers in attracting and retaining a skilled workforce. Keeping pace in this climate requires sound planning.

The Board and staff of the URSJJ have identified the following long-term business goals to meet the increasing and changing demands of our retired members, active members and the courts:

- Providing prompt and comprehensive customer service.
- Managing assets of the Plan in a fiscally responsible manner.
- Informing and educating all members to help them identify and meet their retirement goals.
- Achieving and maintaining a well-funded status, and securing changes in plan design that make the plan easier to understand.
- Maintaining a competent and well-trained workforce.

Successful planning is not something an organization does every so often. It is a continuous process of communication, action and measurement. The strategic plan for the Uniform Retirement System for Justices and Judges provides direction for the Board and staff as we approach the challenges and opportunities before us.



Prepared by the staff of the Uniform Retirement System for Justices and Judges

This publication, printed by the Department of Central Services, is issued by the Oklahoma Public Employees Retirement System as authorized by its Executive Director. Four hundred copies have been prepared and distributed at a cost of $3,615.00. Twenty-five copies have been deposited with the Publications Clearinghouse of the Oklahoma Department of Libraries.

This page left intentionally blank.

Table of Contents

This page left intentionally blank.

keeping up with CHANGE

Providing **prompt** and **comprehensive** customer service

Providing quality service demands keeping up with change and making investments in technology. Improved technology is critical to any organization's ability to be responsive in serving the needs of its customers. The URSJJ has an overarching goal of providing more information to our members and employers in a secure online environment. In doing so, customers will be able to view their personal information and have greater access to the self-service opportunities the Internet provides.

Several technology initiatives are currently being pursued, including:

- Implementing a new pension administration system using database software and replacing traditionally paper-intensive transactions with more streamlined electronic business processes.
- Creating a new web site for the URSJJ to provide up to date information on the Plan, offer more online transaction capability, online forms, and secure access to data.
- Building an Intranet site to serve as a content management system and improve internal communications.
- Developing customer relationship management technology to more effectively monitor our performance and frequency in serving our members.

In addition, the Plan is working on providing the functionality to enroll new members into the URSJJ online.

TOM SPENCER
EXECUTIVE DIRECTOR

BRAD HENRY
GOVERNOR

STATE OF OKLAHOMA

UNIFORM RETIREMENT SYSTEM FOR JUSTICES AND JUDGES

November 30, 2009

Letter of Transmittal

To the Board of Trustees of the Oklahoma Public Employees Retirement System
and Members of the Uniform Retirement System for Justices and Judges

State law requires that, after July 1 and before December 1 of each year, the Uniform Retirement System for Justices and Judges (URSJJ) publish an annual report that covers the operation of URSJJ during the past fiscal year, including income, disbursements and the financial condition at the end of the fiscal year. This report is published, in part, to fulfill that requirement for the fiscal year ended June 30, 2009. State law also requires that URSJJ provide certain information regarding the financial and actuarial condition of URSJJ using certain prescribed assumptions as an addendum to the annual report. The Addendum section of this report is provided to fulfill that requirement.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Cole & Reed, P.C., Certified Public Accountants, has issued an unqualified opinion on the Uniform Retirement System for Justices and Judges' statements of plan net assets as of June 30, 2009 and 2008, and the related statements of changes in plan net assets for the years then ended. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Plan

URSJJ is a single-employer public employee retirement plan, which is a defined benefit pension plan, covering all Justices and Judges of the Oklahoma Supreme Court, Court of Criminal Appeals, Workers' Compensation Court, Court of Appeals, and District Courts. URSJJ is administered by the Oklahoma Public Employees Retirement System (OPERS) and its Board of Trustees (the Board). The employee and employer contribution rates are established by the Oklahoma Legislature after recommendation by the Board based on an actuarial calculation which is performed to determine the adequacy of such contribution rates.

Members qualify for full retirement benefits at their normal retirement age, defined as: (1) when the sum of the member's age and years of credited service equals 80 or (2) at age 65 with 8 years of judicial service or (3) at age 60 with 10 years of judicial service. Benefits are determined at 4% of the member's average salary, as defined, multiplied by the number of years of service, not to exceed 100% of the member's average monthly salary received as a justice or judge for the highest 36 months of compensation. Justices and judges retiring after September 1, 2005, may elect a maximum benefit with no survivor option or one of two actuarially reduced retirement benefits that provide for a lifetime benefit to be paid to the member's joint annuitant after the member's death. The original surviving spouse benefit for married judges who were members prior to September 1, 2005, continues to be available. Effective September 1, 2005, all justices and judges pay a uniform contribution rate of 8%.

The Board consists of thirteen appointed members, some by position and some by association. Those serving through position are a member of the Corporation Commission as selected by the Commission, a member of the Tax Commission as selected by the Tax Commission, the Administrator of the Office of Personnel Management or designee, the State Insurance Commissioner or designee, and the Director of State Finance or designee. Of the remaining members, three are appointed by the Governor, one is appointed by the Supreme Court, two are appointed by the Speaker of the House of Representatives and two are appointed by the President Pro Tempore of the Senate. Qualifications for certain of these appointees include a balance of individuals having experience in investment management, pension management, public fund management, the banking profession or a licensed attorney or a licensed accountant.

Each year, OPERS, along with other state agencies, is required to file a budget work program with the Office of State Finance. Administrative overhead expenses of URSJJ, including personnel and other supporting services costs, are paid for by OPERS and allocated to URSJJ based on an estimate of the cost of services provided. The allocated costs are charged to URSJJ and paid with funds provided through operations of URSJJ. The OPERS budget work program, which includes the costs related to URSJJ, is approved by the Board and includes a description of all funds available for expenditure and shows spending by major program category. URSJJ receives no state appropriations and is funded through employee and employer contributions and investment earnings.

Additionally in each even-numbered year, OPERS, along with other state agencies, must file a strategic plan covering five fiscal years beginning with the next odd-numbered fiscal year. The strategic plan includes a mission statement, the core values and behaviors inherent to operations, and a summary of goals and objectives to be achieved through specific projects outlined for the five-year period. The mission of the OPERS Board and staff is to provide and promote accountable and financially sound retirement programs for Oklahoma's public servants, and the core values and behaviors inherent to agency operations are honesty and integrity, accountability, quality, customer service, teamwork, and workforce development. The summary of goals and objectives outlined in the strategic plan are

- Provide prompt and comprehensive customer service
- Manage the assets of the Plans in a fiscally responsible manner
- Inform and educate all members to help them identify and meet their retirement goals
- Maintain a competent and well-trained workforce
- Achieve and maintain well-funded status to assist the State in paying retirement benefit obligations, and secure changes in plan design that make the plan easier to understand or more equitable without an undue increase in the retirement system's liabilities.

Investments

The standard for URSJJ in making investments is to exercise the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and unless under the circumstances it is clearly prudent not to do so. Funds of URSJJ are invested solely in the interest of the membership and their beneficiaries, and defraying reasonable expenses of administering URSJJ. The Board has established an investment policy and guidelines that identify asset allocation as the key determinant of return and diversification, both by and within asset classes, as the primary risk control element. Passive fund portfolios are considered to be suitable investment strategies, especially in highly efficient markets.

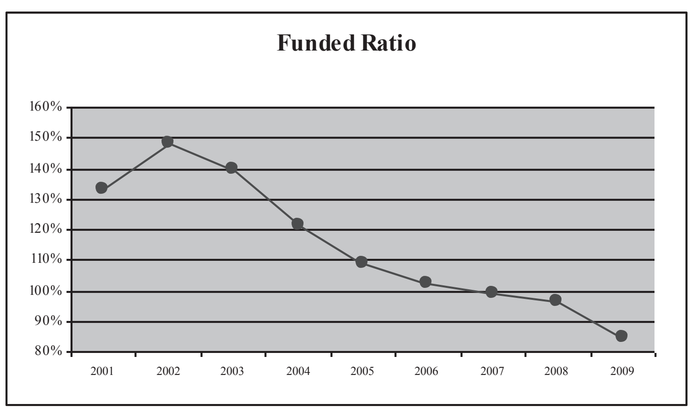
The Board engages outside investment managers to manage the various investment allocations of URSJJ. At fiscal year end, the investment portfolio of URSJJ was actively managed by three fixed income managers and passively managed by another investment manger with holdings in domestic equity index and international equity index funds.

Included in the Investment Section of this report are a summary of the Investment Portfolio by Type and Manager and a comparison of the above amounts to the target allocations, as shown in the Asset Comparison chart. For fiscal year 2009, investments provided a negative 15.7 percent rate of return. The annualized rate of return for URSJJ was negative 2.2 percent over the last three years and 1.9 percent over the last five years.

Funding

A pension fund is well funded when it has enough money in reserve to meet all expected future obligations to participants. It must also have a revenue source sufficient to keep up with future obligations. The funding objective for URSJJ is to meet long-term benefit promises through contributions that remain approximately level as a percent of member payroll. The greater the level of funding, the larger the ratio of assets accumulated to the actuarial accrued liability and the greater the level of investment potential. The advantage of a well-funded plan is that the participants can look at assets that are committed to the payment of benefits. The actuarial accrued liability and actuarial value of assets as of July 1, 2009 amounted to $261.4 million and $221.6 million, respectively.

The URSJJ funded ratio has been steadily declining for the past seven years, falling below 100 percent for the first time at June 30, 2007 and declining further to 84.8 percent at June 30, 2009. It was 148.2 percent at June 30, 2002. In part this decline is due to an employer contribution rate decrease in January 2001 and the lifting of the salary cap for benefit calculation for the past six years. Changes have been made to address the decline of the funding ratio. Effective July 1, 2005 the employer rate was increased 1.0 percent annually for two years, and at July 1, 2007 it was increased 1.5 percent annually up to 22.0 percent for fiscal years ending 2019 and thereafter. However, based on a projection model



prepared by the URSJJ actuary, the scheduled increases in the statutory contribution rate are not expected to be sufficient to reach the actuarial contribution rate before the end of the amortization period of the unfunded actuarial accrued liability, even if all the actuarial assumptions are met in future years. In 2006 the Legislature provided a statutory requirement that retirement bills be analyzed for actuarial fiscal impact and contain adequate funding sources sufficient to pay the cost of the change. In the session ended May 2009 the Legislature designated $6.0 million in the Supreme Court's Management Information System Fund to pay employer contributions to the Plan in the upcoming fiscal year. In addition the Legislature modified the Board's authority to adjust only the employer contribution rate to prevent a funded ratio below the target of "at or near" ninety percent. The Board has the flexibility to work with staff toward achieving the setting and collecting of the actuarially determined employer rate over a period of time. A detailed discussion of funding is provided in the Actuarial Section of this report.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Uniform Retirement System for Justices and Judges for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2008. This was the eleventh year URSJJ has received this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report that satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of OPERS. We wish to express our appreciation to all staff members who assisted and contributed to the preparation of this report. Credit also must be given to the Board of Trustees for their unfailing support for maintaining the highest standards of professionalism in the financial management of the Uniform Retirement System for Justices and Judges.

Respectfully submitted,

Tom Spencer
Executive Director

Virginia Lawrenz
Director of Finance and Chief Financial Officer

TOM SPENCER
EXECUTIVE DIRECTOR

BRAD HENRY
GOVERNOR

STATE OF OKLAHOMA

UNIFORM RETIREMENT SYSTEM FOR JUSTICES AND JUDGES

November 30, 2009

Chairman's Letter

Dear Members:

On behalf of the Board of Trustees, I am pleased to present the Comprehensive Annual Financial Report for the Uniform Retirement System for Justices and Judges (URSJJ) for the fiscal year ending June 30, 2009.

This report is designed to provide a detailed look at the financial, investment and actuarial aspects of the System, which continues to be a strong retirement system.

You are encouraged to carefully review this report, as it contains a wealth of information about your retirement system. If you have questions or comments, please feel free to contact us. We can be reached at PO Box 53007, Oklahoma City, Oklahoma 73152-3007. Our telephone number is 405-858-6737 (or toll-free 1-800-733-9008).

I also want to thank the staff for their diligent work in preparing this report and their commitment to continually improve the administrative operations necessary to operate your retirement system.

Sincerely,

Don Kilpatrick
Chairman

Board of Trustees

Don Kilpatrick
Chairman
Appointee of the President
Pro Tempore of the Senate

Steve Paris
Vice Chairman
Appointee of the Governor

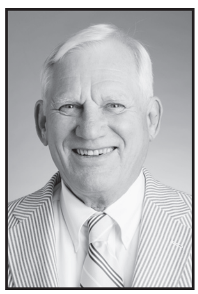
Dawn Cash
Appointee of the Speaker
of the House of
Representatives

Michael Clingman
Director of State Finance

Jeff Cloud
Member of Corporation
Commission
Selected by Commission

Michael D. Evans
Appointee of the
Supreme Court

Jonathan Barry Forman
Appointee of the Governor



Richard Haugland
Appointee of the
Speaker of the House of
Representatives

Oscar B. Jackson, Jr.
Administrator
Office of Personnel Management
Ex Officio

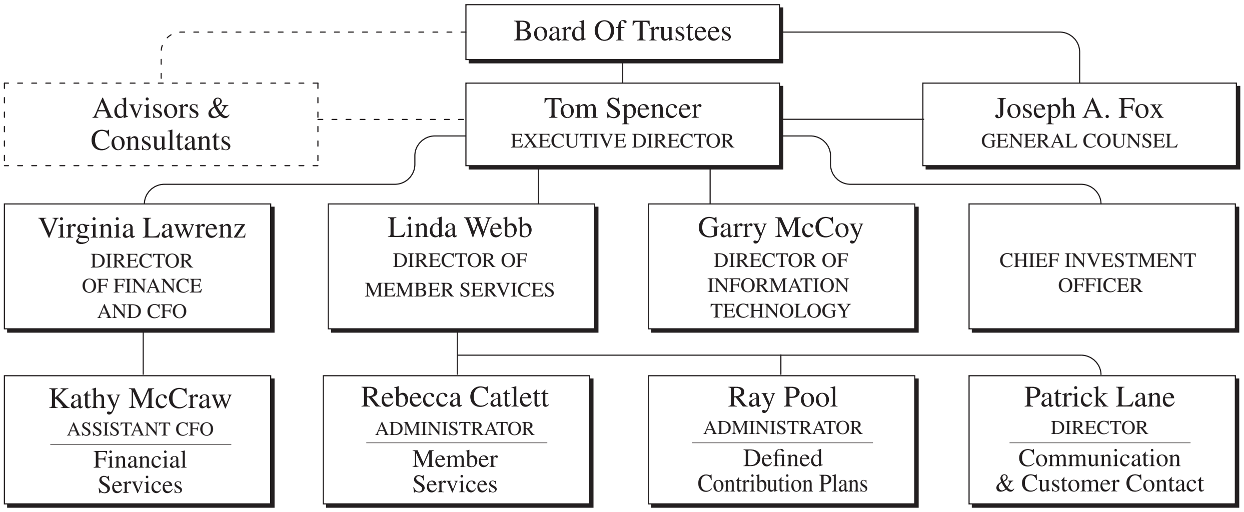
Jerry Johnson
Member Oklahoma
Tax Commission
Selected by Commission

Brian Maddy
Appointee of the President
Pro Tempore of the Senate

DeWayne McAnally
Appointee of the
Governor

Frank Stone
Designee of the State
Insurance Commissioner,
Kim Holland

Organizational Structure



Left to right: **Ray Pool, Linda Webb, Virginia Lawrenz, Tom Spencer, Garry McCoy, Joseph Fox, Rebecca Catlett, Patrick Lane, and Kathy McCraw**

Advisors and Consultants*

Master Custodian
The Northern Trust Company
Chicago, Illinois

Investment Consultant
Strategic Investment Solutions, Inc.
San Francisco, California

Actuarial Consultant
Milliman, Inc.
Omaha, Nebraska

Independent Auditors
Cole & Reed, P.C.
Oklahoma City, Oklahoma

Internal Auditors
Finley & Cook PLLC
Shawnee, Oklahoma

*The Schedules of Investment Expenses and Professional/Consultant Fees in the Financial Section provide more information regarding advisors and consultants.

2009 Legislation

Senate Bill 212

Board Authorized to Adjust Contribution Rate

The Board is authorized to adjust the employer contribution rate to prevent a funded ratio below the target of "at or near" ninety percent. The Board has the flexibility to work with staff toward achieving the setting and collecting of the actuarially determined employer rate over a period of time. Under prior law if the funded ratio was below one hundred percent, the Board had to set an employer contribution rate high enough to achieve a one hundred percent funded ratio in a single year.

House Bill 1254

Court System Provides Employer Contributions

Funds in the amount of $6,000,000 in the Supreme Court's Management Information System Fund were designated to pay employer contributions to the Plan in fiscal year 2010.

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Uniform Retirement System for Justices and Judges

Oklahoma

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

This page left intentionally blank.

keeping our PROMISES

Managing assets of the Plan in a **fiscally responsible** manner

The management of the physical and financial assets of the URSJJ is perhaps the most important responsibility of the Board and staff. The prudent investment of member and employer contributions is how we are keeping our promises of adding value to those contributions and providing a lifetime retirement benefit to our members.

In managing the assets of the Plan, the Board and staff are working toward:

- Auditing member data comprehensively to ensure reliability, accuracy and to provide members greater access to their personal information and improve the timeliness of service.
- Establishing a subcommittee at the Board level to conduct a feasibility study on the permanent location of the URSJJ offices and produce a good return on investment.

Equally important is the Plan's ability to provide services in the wake of an unplanned interruption to business. Consequently, the staff is developing a comprehensive business continuity plan to make certain operations are maintained in the event of a disaster.

COLE + REED P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

Board of Trustees
Uniform Retirement System for Justices and Judges:

We have audited the accompanying statements of plan net assets of the Uniform Retirement System for Justices and Judges (the Plan), a component unit of the state of Oklahoma, as of June 30, 2009 and 2008, and the related statements of changes in plan net assets for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets of the Plan at June 30, 2009 and 2008, and the changes in its net assets for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis and the schedules of funding progress and employers' contributions in schedule 1 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Introductory Section, the Investment Section, the Actuarial Section, the Statistical Section, the Addendum and schedules 2 through 4 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information in schedules 2 through 4 has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The Introductory Section, the Investment Section, the Actuarial Section, the Statistical Section and the Addendum have not been subjected to the auditing procedures applied in the audits of the basic financial statements and, accordingly, we express no opinion on them.

Cole & Reed P.C.

Oklahoma City, Oklahoma
October 12, 2009

UNIFORM RETIREMENT SYSTEM FOR JUSTICES AND JUDGES

Administered by the Oklahoma Public Employees Retirement System

Management's Discussion and Analysis

As management of the Uniform Retirement System for Justices and Judges (the Plan) we offer readers of the Plan's financial statements this narrative overview and analysis of the financial activities of the Plan for the fiscal years ended June 30, 2009 and 2008.

Financial Highlights

- The net assets held in trust for pension benefits totaled approximately $184.6 million at June 30, 2009 compared to $225.9 million at June 30, 2008 and $240.2 million at June 30, 2007. The net assets are available for payment of monthly retirement benefits and other qualified distributions to the Plan's participants. The decreases of $41.3 million and $14.3 million of the respective years have resulted primarily from the changes in the fair value of the Plan's investments due to volatile equity markets.

- At June 30, 2009 the total number of members participating in the Plan was 487 compared to 483 at June 30, 2008 and 2007. The total number of retirees was 200 and 195 at June 30, 2009 and 2008 showing a 2.6% and 0.5% increase for each respective year. At June 30, 2007 the total number of retirees was 194.

- At June 30, 2009 the actuarial value of assets was $221.6 million, and the actuarial accrued liability was $39.8 million producing a funded ratio of 84.8% compared to 96.4% at June 30, 2008. The key items responsible for the change in the funded status were the return on the actuarial value of assets of negative 3.5% which resulted in an actuarial loss of $25.6 million and the effect ($6.3 million) of contributions of less than the actuarial rate. These were offset by a liability gain of $900,000 resulting from an actuarial accrued liability that was lower than expected. The funded ratio at June 30, 2007 was 98.9%.

Overview of the Financial Statements

The Plan is a single-employer, public employee retirement plan, which is a defined benefit pension plan. The Plan covers all Justices and Judges of the Oklahoma Supreme Court, Court of Criminal Appeals, Workers' Compensation Court, Court of Appeals, and District Courts. Benefits are determined at 4% of the average monthly compensation received as a justice or judge based on the highest thirty-six months of compensation multiplied by the number of years of credited service, not to exceed 100% of the retiree's average monthly salary received as a justice and judge for the highest thirty-six months of compensation. Normal retirement ages under the Plan are 60 with 10 years of judicial service, 65 with 8 years of judicial service or when the sum of the member's age and years of credited service equals or exceeds 80 (Rule of 80). Members become eligible to vest fully upon termination of employment after attaining eight years of service as a justice or judge or the members' contributions may be withdrawn upon termination of employment.

The Plan's financial statements are comprised of a Statement of Plan Net Assets, a Statement of Changes in Plan Net Assets, and Notes to Financial Statements. Also included is certain required supplementary and supplementary information.

The Plan is a component unit of the state of Oklahoma (the State) and is administered by the Oklahoma Public Employees Retirement System, a component unit of the State, which together with the Plan and other similar funds comprise the fiduciary-pension trust funds of the State.

The *statement of plan net assets* presents information on the Plan's assets and liabilities and the resulting *net assets held in trust for pension benefits.* This statement reflects the Plan's investments, at fair value, along with cash and cash equivalents, receivables and other assets and liabilities.

The *statement of changes in plan net assets* presents information showing how the Plan's net assets held in trust for pension benefits changed during the years ended June 30, 2009 and 2008. It reflects contributions by members and participating employers along with deductions for retirement benefits, refunds and withdrawals, and administrative expenses. Investment income during the period is also presented showing income from investing and securities lending activities.

The *notes to financial statements* provide additional information that is essential to a full understanding of the data provided in the financial statements.

The *required supplementary information* presents a schedule of funding progress and a schedule of employer contributions. Schedules of certain expenses and fees paid are presented as *supplementary information*.

Financial Analysis

The following are the condensed Schedules of Plan Net Assets and Changes in Plan Net Assets for the Uniform Retirement System for Justices and Judges for the fiscal years ended June 30, 2009, 2008, and 2007.

Condensed Schedules of Plan Net Assets	($ millions) June 30, 2009	2008	2007
Cash equivalents	$ 1.2	$ 0.7	$ 1.2
Receivables	7.5	11.5	18.7
Investments	188.0	231.7	252.9
Securities lending collateral	22.5	22.0	28.3
Total assets	219.2	265.9	301.1
Other liabilities	11.8	18.0	32.6
Securities lending collateral	22.8	22.0	28.3
Total liabilities	34.6	40.0	60.9
Ending net assets held in trust for benefits	$ 184.6	$ 225.9	$ 240.2

UNIFORM RETIREMENT SYSTEM FOR JUSTICES AND JUDGES
Administered by the Oklahoma Public Employees Retirement System

Management's Discussion and Analysis

Condensed Schedules of Changes in Plan Net Assets	($ millions) June 30, 2009	2008	2007
Member contributions	$ 2.8	$ 2.5	$ 2.6
Court employer contributions	2.2	1.7	1.2
Net investment income (loss)	(35.7)	(8.7)	31.9
Total increase (decrease)	(30.7)	(4.5)	35.7
Retirement, death and survivor benefits	10.5	9.7	9.0
Refunds and withdrawals	-	-	0.1
Administrative expenses	0.1	0.1	0.1
Total deductions	10.6	9.8	9.2
Total changes in plan net assets	$ (41.3)	$ (14.3)	$ 26.5

For the year ended June 30, 2009 plan net assets decreased $41.3 million or 18.3%. Total assets decreased by 17.5% due to decreases of 18.8% in investments, 35.0% in receivables, and 37.5% in pending sales of securities. Total liabilities decreased 13.4% due to a 34.2% decrease in pending purchases of securities and a 13.7% decrease in accrued liabilities.

Fiscal year 2009 showed a $26.2 million decrease in total additions and a $0.8 million increase in total deductions. Compared to the prior year, additions decreased 573.6% due to a further decrease in the fair value of investments of $25.2 million and a decrease of interest income of $1.5 million. The 8.1% increase in total deductions was due primarily to a 8.1% increase in retirement, death and survivor benefits as well as a 4.1% increase in administrative costs. Refunds and withdrawals were 300.0% more when compared to the prior year.

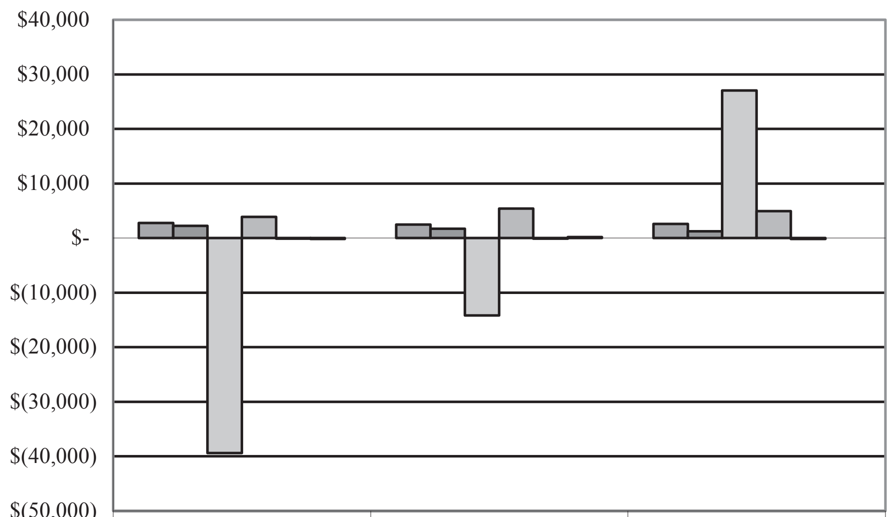
For the year ended June 30, 2008 plan net assets decreased $14.3 million or 6.0%. Total assets decreased by 11.7% due to decreases of 8.4% in investments, 22.2% in securities lending cash collateral, and 39.9% in pending sales of securities. Total liabilities decreased 34.3% due to a 44.9% decrease in pending purchases of securities and a 22.2% decrease in the liability for cash collateral related to securities lending.

Fiscal year 2008 showed a $40.2 million decrease in total additions and a $0.6 million increase in total deductions. Compared to the prior year, additions decreased 112.8% due to a change from a net appreciation in fair value of investments of $27.0 million in fiscal 2007 to a net depreciation in fair value of investments of $14.2 million in fiscal 2008. The 6.5% increase in total deductions was due primarily to a 7.7% increase in retirement, death and survivor benefits as well as a 1.3% increase in administrative costs. Refunds and withdrawals were 97.6% less when compared to the prior year.

Additions to Plan Net Assets

For the year ended June 30, 2009, additions to plan assets decreased $26.2 million or 573.6% from the prior year. The depreciation in the fair value of investments of an additional $25.2 million to the depreciation of $14.2 million in FY2008 is reflective of the decline in the U.S. and non-U.S. equity markets. Interest income decreased $1.5 million or 28.0% as a result of falling interest rates, and securities lending income decreased $0.3 million or 192.7% due to a securities lending collateral deficiency of $0.3 million in fiscal 2009. Contributions increased $0.8 million or 20.2% because of an increased salary base for calculation and an increase in the employer contribution rate from 5.5% to 7.0%.

Additions to Plan Net Assets
Comparative Data for Fiscal Years Ended June 30, 2009, 2008, and 2007
(in $000's)



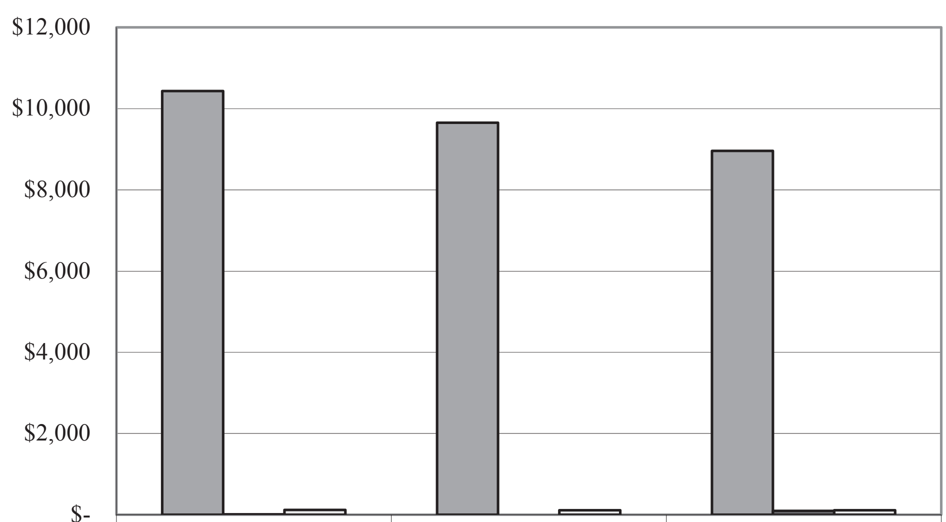
	2009	2008	2007
Member contributions	$2,775	$2,486	$2,599
Court employer contributions	2,244	1,689	1,224
Net appreciation (depreciation)	(39,397)	(14,167)	27,052
Interest, dividends, and other investment income	3,901	5,399	4,941
Investment expenses	(96)	(129)	(149)
Securities lending income (loss)	(149)	161	37

For the year ended June 30, 2008, additions to plan assets decreased $40.2 million or 112.8% from the prior year. The net change in the fair value of investments of $41.2 million, from the $27.0 million appreciation in 2007 to the $14.2 million depreciation in 2008, was the result of the declining equity markets. The year showed an increase in interest income of $0.4 million or 8.5%, and securities lending income increased $0.1 million or 339.4% due to lower rebates in fiscal 2008. Contributions increased $0.4 million or 9.2% because of an increased salary base for calculation and an increase in the employer contribution rate from 4.0% to 5.5%.

Deductions to Plan Net Assets

For the year ended June 30, 2009 total deductions increased $0.8 million or 8.1% from the prior year. Retirement, death and survivor benefits increased $0.8 million or 8.1% due to an increased number of retirees and a 4.0% cost of living adjustment resulting in a 3.4% increase in the average benefit. Refunds and withdrawals increased 300.0% from the prior year because the total amount withdrawn is dependent on contribution amounts of the specific members electing to withdraw contributions each year. Administrative costs increased 4.1% when compared to the prior year as a result of an increase in the allocation of expenses for professional services.

Deductions to Plan Net Assets
Comparative Data for Fiscal Years Ended June 30, 2009, 2008, and 2007
(in $000's)



	2009	2008	2007
Retirement, death and survivor benefits	$10,430	$9,650	$8,962
Refunds and withdrawals	9	2	98
Administrative expenses	117	112	111

For the year ended June 30, 2008 total deductions increased $0.6 million or 6.5% from the prior year. Retirement, death and survivor benefits increased $0.7 million or 7.7% due to a 3.7% increase in the average benefit and a 0.5% increase in the number of retirees. Refunds and withdrawals decreased 97.6% from the prior year because the total amount withdrawn is dependent on contribution amounts of the specific members electing to withdraw contributions each year. Administrative costs increased 1.3% when compared to the prior year as a result of an increase in the allocation of expenses for technical services and staffing and related personnel expenses.

Investments

The investment portfolio is reported in the chart below by the asset class of the investment managers' portfolios which includes the cash equivalents in those portfolios. A summary of the Plan's cash equivalents and investments for fiscal years ended June 30, 2009, 2008, and 2007 is as follows:

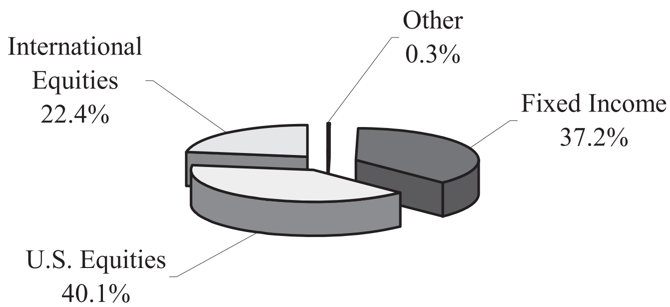
Cash Equivalents and Investments	($ millions) June 30,		
	2009	2008	2007
Fixed income	$ 73.3	$ 91.9	$ 119.8
U.S. equities	74.0	88.0	93.3
International equities	41.4	52.0	40.6
Other	0.5	0.4	0.4
Total managed investments	189.2	232.3	254.1
Cash equivalents on deposit with State	0.1	0.1	-
Securities lending collateral	22.5	22.0	28.3
Total cash equivalents and investments	$ 211.8	$ 254.4	$ 282.4

The reduction in the Plan's managed investments is reflective of the decline in the equity markets. The Plan's overall return for the year ended June 2009 was a negative 15.7%. A 3.8% return for the fixed income component fell short of the market trend for the asset class. Equity index funds correlated closely with market trends with U.S. and international equities showing negative returns of 26.4% and 31.0% respectively. Fixed income holdings were reduced approximately $13.5 million as $8.5 million was reallocated to the domestic equity index fund and $5.0 million to the international equity index fund. Another $5.4 million was used during the year to supplement the cash requirements of monthly retiree benefit payments. The change in securities lending collateral is dependent on the securities loaned by the Plan's master custodian at year end. In FY2009 the asset value was reduced by the securities lending collateral deficiency.

Management's Discussion and Analysis

At June 30, 2009 the distribution of the Plan's investments including accrued income and pending trades and excluding the securities lending collateral deficiency was as follows:

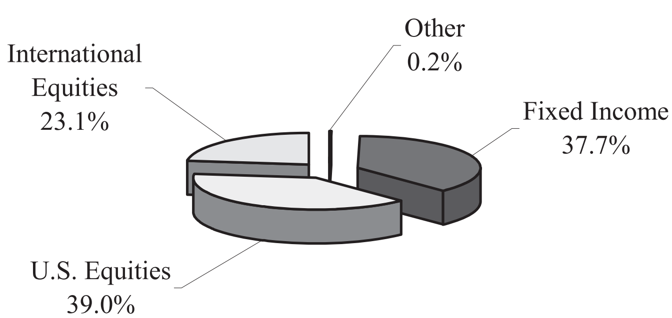
2009



The reduction in the Plan's managed investments is reflective of the decline in the equity markets. The Plan's overall return for the year ended June 2008 was a negative 3.7%. An 8.7% return for the fixed income component exceeded the market trend for the asset class. Equity index funds correlated closely with market trends with U.S. and international equities showing negative returns of 12.6% and 10.2% respectively. The investment policy was revised in the fourth quarter to raise the Plan's allocation to U.S. equities from 38% to 40%, and the allocation to international equities from 16% to 24%, and $24.0 million was reallocated from the fixed income component - $7.0 million to U.S. equities and $17.0 million to international equities. Fixed income holdings were reduced approximately $5.5 million during the year to supplement the cash requirements of monthly retiree benefit payments. The change in securities lending collateral is dependent on the securities loaned by the Plan's master custodian at year end.

At June 30, 2008 the distribution of the Plan's investments including accrued income and pending trades was as follows:

2008



Economic Factors

Funding

A measure of the adequacy of a pension's funding status is when it has enough money in reserve to meet all expected future obligations to participants. The funded ratios of the Plan at June 30 for the current and preceding two years were as follows:

2009	2008	2007
84.8%	96.4%	98.9%

Plan Amendment

Plan provision changes were enacted by the State Legislature during the session ended in May 2009. The changes include authorization for the Board to adjust the employer contribution rate and a designation of six million dollars to be paid as employer contributions in fiscal year 2010.

Other

Other than changes in the fair value of Plan assets as may be impacted by the equity and bond markets and changes in the Plan provisions that may have an effect on the actuarial liability, no other matters are known by management to have a significant impact on the operations or financial position of the Plan.

Requests for Information

This financial report is designed to provide a general overview of the Plan's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Financial Reporting Division, OPERS, P.O. Box 53007, Oklahoma City, Oklahoma 73152-3007.

UNIFORM RETIREMENT SYSTEM FOR JUSTICES AND JUDGES
Administered by the Oklahoma Public Employees Retirement System

Statements of Plan Net Assets

June 30, 2009 and 2008

Assets	**2009**	**2008**
Cash equivalents	$ 1,242,907	$ 703,157
Receivables:		
Member contributions	199,919	192,646
Participating court employer contributions	174,931	132,444
Due from brokers for securities sold	6,591,338	10,551,048
Accrued interest	525,227	642,318
Other	2,549	1,850
Total receivables	7,493,964	11,520,306
Investments, at fair value:		
Short-term investments	504,984	2,319,802
Government obligations	42,258,421	49,778,326
Corporate bonds	29,830,145	39,092,632
Domestic equities	74,040,330	88,433,559
International equity index fund	41,373,997	52,020,338
Securities lending collateral	22,510,337	22,036,475
Total investments	210,518,214	253,681,132
Total assets	219,255,085	265,904,595
Liabilities		
Due to brokers and investment managers	11,811,028	17,943,451
Securities lending collateral	22,797,241	22,036,475
Total liabilities	34,608,269	39,979,926
Net assets held in trust for pension benefits	$ 184,646,816	$ 225,924,669

(Schedule of Funding Progress is presented in Schedule 1)

See accompanying notes to financial statements.

UNIFORM RETIREMENT SYSTEM FOR JUSTICES AND JUDGES

Administered by the Oklahoma Public Employees Retirement System

Statements of Changes in Plan Net Assets

Years Ended June 30, 2009 and 2008

	2009	2008
Additions:		
Contributions:		
Members	$ 2,774,837	$ 2,486,481
Participating court employers	2,243,701	1,688,673
Total contributions	5,018,538	4,175,154
Investment income (loss):		
From investing activities:		
Net depreciation in fair value of investments	(39,396,611)	(14,166,795)
Interest	3,862,007	5,360,446
Dividends	5,208	38,717
Other	34,594	—
Total investment loss	(35,494,802)	(8,767,632)
Less – Investment expenses	(95,588)	(129,244)
Loss from investing activities	(35,590,390)	(8,896,876)
From securities lending activities:		
Securities lending income	327,823	1,087,973
Securities lending collateral unrealized loss	(286,903)	—
Borrower rebates	(162,471)	(886,720)
Management fees	(27,747)	(40,241)
Income (loss) from securities lending activities	(149,298)	161,012
Net investment loss	(35,739,688)	(8,735,864)
Total decrease	(30,721,150)	(4,560,710)
Deductions:		
Retirement, death and survivor benefits	10,430,301	9,650,446
Refunds and withdrawals	9,321	2,333
Administrative expenses	117,081	112,484
Total deductions	10,556,703	9,765,263
Net decrease	(41,277,853)	(14,325,973)
Net assets held in trust for pension benefits:		
Beginning of year	225,924,669	240,250,642
End of year	$ 184,646,816	$ 225,924,669

See accompanying notes to financial statements.

(1) Summary of Significant Accounting Policies

The following are the significant accounting policies followed by the Uniform Retirement System for Justices and Judges (the Plan).

(a) Basis of Accounting

The financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting under which expenses are recorded when the liability is incurred, revenues are recorded in the accounting period in which they are earned and become measurable, and investment purchases and sales are recorded as of their trade dates. Member and employer contributions are established by statute as a percentage of salaries and are recognized when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

The Plan, together with other similar fiduciary – pension trust funds of the state of Oklahoma (the State), is a component unit of the State. The Plan is administered by the Oklahoma Public Employees Retirement System (OPERS). As set forth in Title 20 of the Oklahoma Statutes, at Section 1108, a portion of the administrative overhead expenses, including personnel and other supporting services costs, which are paid for by a separate retirement fund also administered by OPERS, are allocated to the Plan. The allocation is based on OPERS' estimate of the cost of services provided to the Plan by the separate fund. Allocated costs are charged to the Plan and paid with funds provided through operations of the Plan.

(b) Investments

The Plan is authorized to invest in eligible investments as approved by the Board of Trustees of OPERS (the Board) as set forth in its investment policy.

Plan investments are reported at fair value. Short-term investments include bills and notes and commercial paper, valued at fair value.

Domestic debt and equity securities are reported at fair value, as determined by the Plan's custodial agent, generally based on pricing services or prices quoted by independent brokers. The fair value of the pro rata share of units owned by the Plan in index and commingled trust funds is determined by the respective fund trustees based on quoted sales prices of the underlying securities.

Net investment income (loss) includes net appreciation (depreciation) in the fair value of investments, interest income, securities lending income and expenses, dividend income, and investment expenses, which includes investment management and custodial fees and all other significant investment related costs.

The Plan invests in various traditional financial instruments that fall under the broad definition of derivatives. The Plan's derivatives include U.S. Treasury Strips, collateralized mortgage obligations, convertible stocks and bonds, and variable rate instruments. These investments do not increase investment risk beyond allowable limits specified in the Plan's investment policy.

The Plan's investment policy provides for investments in combinations of stocks, bonds, fixed income securities and other investment securities, along with investments in commingled trust and index funds. Investment securities and investment securities underlying the trust and index fund investments are exposed to various risks, such as interest rate and credit risks. Due to the risks associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities may occur in the near term and those changes could materially affect the amounts reported in the statements of plan net assets.

(c) Use of Estimates

The preparation of the Plan's financial statements in conformity with U.S. generally accepted accounting principles, requires the Plan administrator to make significant estimates and assumptions that affect the reported amounts of net assets held in trust for pension benefits at the date of the financial statements and the actuarial information included in Note (5) Funded Status and Actuarial Information and the required supplementary information (RSI) as of the benefit information date, the changes in plan net assets during the reporting period and, when applicable, the disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

(d) Risk and Uncertainties

Contributions to the Plan and the actuarial information included in the RSI are reported based on certain assumptions pertaining to interest rates, inflation rates and employee compensation and demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions may occur in the near term and, due to the uncertainties inherent in setting assumptions, that the effect of such changes could be material to the financial statements.

(e) Reclassifications

Certain amounts in prior-year financial statements have been reclassified to conform with the current-year presentation.

(2) Plan Descriptions and Contribution Information

The following brief description of the Plan is provided for general information purposes only. Participants should refer to Title 20 of the Oklahoma Statutes, Sections 1101 through 1111, for more complete information.

(a) General

The Plan is a single-employer public employee retirement plan, which is a defined benefit pension plan covering all justices and judges of the Oklahoma Supreme Court, Court of Criminal Appeals, Workers' Compensation Court, Court of Appeals, and District Courts. The supervisory authority for the management and operation of the Plan is the Board, which acts as a fiduciary for investment of the funds and the application of Plan interpretation.

At June 30 the Plan's membership consisted of

	2009	**2008**
Retirees and beneficiaries currently receiving benefits	200	195
Terminated vested participants	13	11
Active participants	274	277
Total	487	483

(b) Benefits

Benefits are determined at 4% of the members average monthly compensation for covered active service over the highest thirty-six months of compensation as a justice or judge times the total years of service in the Plan not to exceed 100% of the retiree's average monthly salary received as a justice or judge for the highest thirty-six months of compensation.

Normal retirement ages under the Plan are as follows:

- When the sum of at least 8 years of credited years and age equals or exceeds 80 (Rule of 80)
- Age 65 with 8 years of judicial service
- Age 60 with 10 years of judicial service

Members are eligible to vest fully upon termination of judicial service after accumulating eight years of judicial service or the members' contributions may be withdrawn at the time such member ceases to be a justice or judge of a court within the Plan. Disability retirement benefits are available for members who have attained age 55 and have 15 years of continuous judicial service and are determined to be disabled by the Court of the Judiciary. The benefits are calculated in the same manner as the normal retirement benefit. The Court of the Judiciary may override these requirements if it is determined that any judge or justice is no longer capable of performing regular duties.

Upon the death of an active member, the Plan will pay to the designated beneficiary the active member's accumulated employee contributions. However, if the deceased member contributed to survivor benefits, an eligible spouse of the member may choose to vest the member's service (8 years required) until the spouse is eligible to receive monthly survivor benefits as defined by the Plan.

Upon the death of a retired member, the Plan will pay a $5,000 death benefit to the member's beneficiary or estate of the member if there is no living beneficiary. The death benefit will be paid in addition to any excess employee contributions or survivor benefits due to the estate or beneficiary. Death benefits paid for the years ended June 30, 2009 and 2008 totaled approximately $25,000 and $20,000, respectively.

Surviving spouse benefits are paid to a member's spouse provided the member makes the required contributions and the spouse qualifies under the Plan provisions. These payments are made monthly over the remaining life of the spouse. If the member has ten years of service and the death is determined by the Workers' Compensation Court to be employment related, the benefit is payable immediately to the spouse. Members must have eight years of credited service before their spouses are eligible for normal survivor benefits. The benefit payment is equal to 50% up to 65% of the normal retirement benefit if certain contributions and other criteria are met. Effective September 1, 2005 survivor benefits are also available to the retiree's designated joint annuitant according to the option elected by the member. The first option gives the member a reduced lifetime annuity with 50% of the amount paid to the member's survivor at the member's death. The second option pays the member an even further reduced annuity with the same amount paid to the survivor after the member's death.

(c) Contributions

The contribution requirements of the Plan are an established rate determined by the Oklahoma Legislature and are based on a comparison to an actuarial calculation which is performed to determine the adequacy of the contribution rate.

The contribution rate of all justices and judges is 8% of a member's monthly salary. The member may elect a maximum benefit with no survivor option or one of two types of actuarially reduced retirement benefits that provide for a lifetime benefit to be paid to the member's joint annuitant after the members' death. This election is available for any judge or justice without regard to marital status. Prior to September 2005 the basic member contributions were 5% of a member's monthly salary. Each member of the Plan who was married provided for spousal survivor benefits and contributed at the rate of 8% unless the member's spouse agreed to waive spousal benefits. Participating court employers are required to contribute monthly a percentage of the gross salaries of the active members of the Plan. The percentages established by the Oklahoma Legislature for the years ended June 30, 2009 and 2008 were 7.0% and 5.5%, respectively, of member payroll.

Effective for the fiscal year ended June 30, 2010 the employer contribution rate will increase to 8.5% of payroll and will increase 1.5% annually up to 22% for fiscal years ending June 30, 2019 and thereafter.

The Board is authorized to adjust the contribution rate to prevent a funded ratio of the Plan of less than 100%. At June 30, 2008 the funded status of the Plan was 96.4%. On September 1, 2008 the Board notified the employer of the required employer contribution rate of 54.3%, as determined by the Plan's actuary, to bring the funded status to 100% by year end. However the employer did not receive funding to pay the higher rate. In May 2009 legislation was enacted to modify the responsibility of the Board as detailed in the section entitled Plan Amendments, Board Authorized to Adjust Contribution Rate.

(3) Cash Equivalents

Cash equivalents represent short-term investment funds held by the Office of the State Treasurer (State Treasurer) and the Plan's custodial agent.

At June 30 cash equivalents were

	2009	2008
Cash equivalents		
State Treasurer	$ 77,905	$ 67,300
Custodial agent	1,165,002	635,857
Total cash equivalents	$ 1,242,907	$ 703,157

Cash is deposited to *OK INVEST*, an internal investment pool of the State Treasurer with holdings limited to obligations of the U.S. Government, its agencies and instrumentalities, agency senior debt and mortgage-backed pass-through agency securities, tri-party repurchase agreements, money market mutual funds, collateralized certificates of deposit, commercial paper, obligations of state and local governments and State of Israel Bonds. Participants are limited to qualifying agencies and funds within the State's reporting entity, and each participant maintains an interest in the underlying investments of *OK INVEST* and shares the risk of loss on the funds in proportion to the respective investment in the funds. The custodial agent cash equivalents consist of temporary investments in commingled trust funds of the Plan's custodial agent. The funds are composed of high-grade money market instruments with short maturities. Each participant in the funds shares the risk of loss on the funds in proportion to the respective investment in the funds.

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agency but not in the depositor-government's name. At June 30, 2009 and 2008 the cash equivalents in *OK INVEST* and the Plan's custodial agent cash equivalents were not exposed to custodial credit risk because their existence cannot be evidenced by securities that exist in physical or book entry form.

At June 30, 2009, as a result of outstanding checks, the Plan's carrying amount in *OK INVEST* totaled \$77,905, and the bank balances totaled \$188,264. At June 30, 2008, as a result of outstanding checks, the Plan's carrying amount in *OK INVEST* totaled \$67,300 and the bank balances totaled \$172,714. At June 30, 2009 and 2008 the carrying amounts of the Plan's custodial agent cash equivalents were the same as the bank balances, \$1,165,002 and \$635,857, respectively.

(4) Investments

(a) General

The OPERS Statement of Investment Policy states that the Board believes that Plan assets should be managed in a fashion that reflects the Plan's unique liabilities and funding resources, incorporating accepted investment theory and reliable empirical evidence. Specifically, the Board has adopted the following principles:

- Asset allocation is the key determinant of return and, therefore, commitments to asset allocation targets will be maintained through a disciplined rebalancing program.
- Diversification, both by and within asset classes, is the primary risk control element.
- Passive fund portfolios are suitable investment strategies, especially in highly efficient markets. These index funds which are externally managed by professional investment management firms selected through due diligence of the Board are deemed to be actively managed accounts within the meaning of Section 909.1(D) of Title 74 of the Oklahoma Statutes.

At June 30, 2009 and 2008 the asset allocation guidelines established by policy were U.S. equities – 40%, international equities – 24%, and domestic fixed income – 36%. The guidelines also establish minimum and maximum percentages for each asset class allocation, and when allocations move outside these limits, portfolios are rebalanced.

The fair value of investments held by the Plan at June 30 was as follows:

	2009	2008
U.S. Treasury notes/bonds	$ 12,487,773	$ 14,892,758
U.S. Treasury strips	7,446,129	8,882,675
Government agencies	5,639,441	3,357,180
Government mortgage-backed securities	15,081,102	24,403,238
Municipal bonds	1,387,370	338,712
Corporate bonds	13,440,017	14,050,928
Asset-backed securities	4,425,684	5,643,085
Commercial mortgage-backed securities	8,613,772	12,754,518
Non government backed collateralized mortgage obligations	4,072,262	6,867,666
Domestic equities	74,040,330	88,433,559
International equity index fund	41,373,997	52,020,338
Securities lending collateral	22,510,337	22,036,475
Total investments	$ 210,518,214	$ 253,681,132

The Plan participates in international and domestic equity index funds managed by Barclays Global Investors, N.A. (BGI), a wholly owned subsidiary of Barclays Bank PLC. BGI operates as a limited purpose trust company, and its primary regulator is the Office of the Comptroller of the Currency, the agency of the U.S. Treasury Department that regulates United States national banks. Each fund is a collective fund which is a group trust and an entity separate from BGI, other funds, and the investing participants. BGI is trustee of each of the collective fund trusts, and holds legal title to each trust's assets for the exclusive benefit of the Plan. The fair value of the Plan's position in the pool is the same as the value of the pool shares. In 2009 and 2008 the Plan invested in a domestic equity index fund and an international equity index fund. The Plan shares the risk of loss in these funds with other participants in proportion to its respective investment. Because the Plan does not own any specific identifiable investment securities of these funds, the risk associated with any derivative investments held in these funds is not apparent. The degree of risk depends on the underlying portfolios of the funds, which were selected by the Plan in accordance with its investment policy guidelines including risk assessment.

(b) Securities Lending

The Plan's investment policy provides for its participation in a securities lending program. The program is administered by the Plan's master custodian and there are no restrictions on the amount of loans that can be made. During 2009 and 2008 the types of securities loaned were primarily U.S. Government and corporate bonds. Certain securities of the Plan are loaned to participating brokers, who must provide collateral in the form of cash, U.S. Treasury or Government Agency securities, or letters of credit issued by approved banks.

Under the terms of the securities lending agreement, collateral is required to be provided in the amount of 102% of the fair value of U.S. securities loaned, and 105% of the fair value of non-U.S. securities loaned. At June 30, 2009 and 2008 the Plan has no credit risk exposure to borrowers because the amounts the Plan owes the borrowers exceed the amounts the borrowers owe the Plan. The securities on loan at June 30, 2009 and 2008 were $22,106,533 and $26,676,454, respectively, and the collateral received for those securities on loan was $22,797,241 and $27,781,345, respectively. The master custodian provides for full indemnification to the Plan for any losses that might occur in the program due to the failure of a broker to return a security that was borrowed (and if the collateral is inadequate to replace the securities lent) or failure to pay the Plan for income of the securities while on loan. The Plan cannot pledge or sell collateral securities unless the borrower defaults. The loan premium paid by the borrower of the securities is apportioned between the Plan and its custodial agent in accordance with the securities lending agreement. All securities loans can be terminated on demand by either the lender or the borrower.

The securities lending agreement provides that cash collateral be invested in the custodial agent's short-term investment pool and sets forth credit quality standards, acceptable investments, diversification standards, and maturity and liquidity constraints for the investment fund. The Plan's investment guidelines do not require a matching of investment maturities with loan maturities, but do establish minimum levels of liquidity and other investment restrictions designed to minimize the interest rate risk associated with not matching the maturities of the investments with the loans. At June 30, 2009 and 2008 the cash collateral investments had an average weighted maturity of 15 and 36 days, respectively, and the relationship between the maturities of the custodial agent's investment pool and the Plan's loans is affected by the maturities of the securities loans made by other entities that use the agent's pool, which the Plan cannot determine. The Plan's non-cash collateral is represented by its allocated share of a pool administered by the agent for the Plan and other pool participants.

In September 2008 when the market experienced a significant decline and there was a general lack of liquidity in the credit market, certain assets held in the custodial agent's short-term investment cash collateral pool were deemed to be impaired. The custodial agent re-valued many securities held by the securities lending cash collateral pool resulting in a mark down of the assets and causing the value of the pool to fall below the commitments owed to the borrowers. The amount of the collateral deficiency was calculated based on the difference between book value and vended prices (rather than liquidation) at the time, and a liability was assigned to the Plan based on the Plan's ratable ownership of the pool. If the Plan should elect to withdraw from the securities lending program, the liability would be realized. The impaired assets have been segregated from the collateral pool into a liquidation account which is valued daily. The Plan owns interest in the liquidation account rather than having a direct ownership in the impaired securities. At June 30, 2009 the Plan's liability was $286,903 which approximates the liability initially recorded. The deficiency is reported as a securities lending collateral unrealized loss on the Statements of Changes in Plan Net Assets and a reduction to the asset value of securities lending collateral reported on the Statements of Plan Net Assets.

(c) Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The Plan's investment guidelines provide for the domestic fixed income managers to follow one of three investment styles and specify quality guidelines for each.

The *Core* manager will invest in a broadly diversified portfolio with characteristics similar to a broad fixed income market index such as the Barclays Capital Aggregate Bond Index. The total portfolio minimum quality should be A as rated by Standard and Poor's Corporation (S&P). The portfolio should be made up of investment grade securities only with a minimum quality rating for any issue of BBB- (S&P or its equivalent rating by at least one nationally recognized credit rating agency). In the event that a credit is downgraded below this minimum, the investment manager shall immediately notify OPERS staff and provide an evaluation and recommended course of action.

The *Core plus* manager will invest in a broadly diversified portfolio with characteristics similar to the Core manager and will add a "plus" of limited exposure to high yield. The total portfolio minimum quality should be A as rated by S&P. No more than 20% of the portfolio shall be in non-investment grade issues. The minimum quality rating for any issue is B (S&P or its equivalent rating by at least one nationally recognized credit rating agency) and no more than 5% of a portfolio shall be invested in issues rated below BB (S&P or its equivalent rating by at least one nationally recognized credit rating agency). In the event that a credit is downgraded below this minimum, the investment manager shall immediately notify OPERS staff and provide an evaluation and recommended course of action.

The *Interest Rate Anticipator* manager follows a style that seeks to correctly forecast the long term trend in interest rates and adjust the portfolio duration accordingly. The total portfolio minimum quality should be A as rated by S&P, and the portfolio should be made up of investment grade securities only.

At June 30, 2009 the domestic fixed income portfolio consisted of a core fixed income portfolio, a core plus fixed income portfolio and a rate anticipator portfolio. All components met the stated policy restrictions except the core fixed income portfolio which held $368,620 of the portfolio in issues rated below BBB- and the core plus fixed income portfolio which held $54,600 of the portfolio in issues rated below B. The Plan's investment manager has advised retention of this security after having assessed its risk/reward profile. At June 30, 2008 the domestic fixed income portfolio consisted of a core fixed income portfolio, a core plus fixed income portfolio and a rate anticipator portfolio. All components met the stated policy restrictions except the core fixed income portfolio which held $15,971 of the portfolio in an issue rated below BBB-. The Plan's investment manager has advised retention of this security after having assessed its risk/reward profile.

Investments issued by or explicitly guaranteed by the U.S. Government are not considered to have credit risk. At June 30, 2009 and 2008 the Plan held 28.7% and 27.1%, respectively, of fixed income portfolios in investments that were not considered to have credit risk.

The Plan's exposure to credit risk at June 30, 2009 is presented below, in thousands, by investment category as rated by S&P or Moody's Investor Service.

	AAA/Aaa	AA/Aa	A/A	BBB/Baa	BB/Ba	B/B	CCC/Caa	Rating Not Available or Not Rated	Total
Government agencies	$ 4,139	$ —	$ 835	$ —	$ —	$ —	$ —	$ 602	$ 5,576
Government mortgage-backed securities	—	—	—	—	—	—	—	14,211	14,211
Municipal bonds	—	698	491	198	—	—	—	—	1,387
Corporate bonds	1,589	1,958	5,229	3,434	297	188	55	690	13,440
Asset-backed securities	3,921	56	212	113	109	—	15	—	4,426
Commercial mortgage-backed securities	8,614	—	—	—	—	—	—	—	8,614
Non government backed collateralized mortgage obligations	3,390	51	156	—	124	98	253	—	4,072
Total fixed income securities exposed to credit risk	$ 21,653	$ 2,763	$ 6,923	$ 3,745	$ 530	$ 286	$ 323	$ 15,503	$ 51,726
Percent of total fixed income portfolio	29.8%	3.8%	9.5%	5.2%	0.7%	0.4%	0.5%	21.4%	71.3%

The Plan's exposure to credit risk at June 30, 2008 is presented below, in thousands, by investment category as rated by S&P or Moody's Investor Service.

	AAA/Aaa	AA/Aa	A/A	BBB/Baa	BB/Ba	B/B	Rating Not Available or Not Rated	Total
Government agencies	$ 268	$ 564	$ —	$ —	$ —	$ —	$ 2,414	$ 3,246
Government mortgage-backed securities	—	—	—	—	—	—	23,600	23,600
Municipal bonds	—	41	—	298	—	—	—	339
Corporate bonds	1,412	2,651	5,313	3,821	441	323	90	14,051
Asset-backed securities	5,002	78	258	123	182	—	—	5,643
Commercial mortgage-backed securities	12,755	—	—	—	—	—	—	12,755
Non government backed collateralized mortgage obligations	6,717	—	—	—	—	—	151	6,868
Total fixed income securities exposed to credit risk	$ 26,154	$ 3,334	$ 5,571	$ 4,242	$ 623	$ 323	$ 26,255	$ 66,502
Percent of total fixed income portfolio	28.7%	3.7%	6.1%	4.6%	0.7%	0.3%	28.8%	72.9%

The exposure to credit risk of the underlying investments of the Plan's cash equivalents at June 30 is as follows:

	2009		2008	
Credit Rating	***OK INVEST***	**Custodial Agent**	***OK INVEST***	**Custodial Agent**
AAA	85.6 %	23.2 %	28.1 %	— %
AA	0.3	0.1	—	—
A1	7.7	75.9	29.2	98.2
A2	—	—	—	1.2
A3	—	—	—	0.1
BBB	—	0.2	—	—
BB	—	0.1	—	—
NR	6.4	0.5	42.7	0.5
	100.0 %	100.0 %	100.0 %	100.0 %

(d) Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment or a deposit. Duration is a measure of a debt investment's exposure to fair value changes arising from changing interest rates based upon the present value of cash flows, weighted for those cash flows as a percentage of the investment's full price. Effective duration estimates the sensitivity of a bond's price to interest rate changes.

The Plan does not have a formal investment policy on interest rate risk. Interest rate risk is controlled through diversification of portfolio management styles.

At June 30 the Plan's exposure to interest rate risk as measured by effective duration is listed below by investment category.

	2009		2008	
	Fair value	Effective duration in years	Fair value	Effective duration in years
U.S. Treasury notes/bonds	$ 12,487,773	12.7	$ 14,892,758	11.5
U.S. Treasury strips	7,446,129	24.6	8,882,675	19.9
Government agencies	5,639,441	4.4	3,357,180	2.0
Government mortgage-backed securities	15,081,102	3.5	24,403,238	4.9
Municipal bonds	1,387,370	7.6	338,712	3.1
Corporate bonds	13,440,017	4.8	14,050,928	5.8
Asset-backed securities	4,425,684	0.9	5,643,085	0.8
Commercial mortgage-backed securities	8,613,772	3.6	12,754,518	3.9
Non government backed collateralized mortgage obligations	4,072,262	2.5	6,867,666	2.5
Total fixed income	$ 72,593,550		$ 91,190,760	
Portfolio duration		7.4		6.9

Some investments' sensitivity to changing interest rates may derive from prepayment options embedded in an investment. Asset-backed securities, mortgage-backed securities, and collateralized mortgage obligations are pass-through securities that represent pooled debt obligations repackaged as securities that pass income and principal from debtors through the intermediary to investors.

Asset-backed securities are bonds or notes backed by loan paper or accounts receivable originated by banks, credit card companies, or other providers of credit and often enhanced by a bank letter of credit or by insurance coverage provided by an institution other than the issuer. At June 30, 2009 and 2008 the Plan held $4,425,684 and $5,643,085, respectively, in asset-backed securities.

Mortgage-backed securities are securities backed by mortgages issued by public and private institutions. At June 30, 2009 and 2008 the Plan held $15,081,102 and $24,403,238, respectively, in government mortgage-backed securities issued by the Federal Home Loan Mortgage Corporation (FHLMC), Government National Mortgage Association (GNMA), and Federal National Mortgage Association (FNMA) as well as $8,613,772 and $12,754,518, respectively, in commercial mortgage-backed securities.

Collateralized mortgage obligations (CMOs) are mortgage-backed bonds that allocate mortgage cash flows (interest and principal) into different maturity classes, called tranches. This is accomplished by dedicating mortgage cash flows to specific tranches and paying each tranch off, in turn by prespecified rules. In return for a lower yield, CMOs provide investors with increased security about the life of their investment compared to purchasing a pass-through mortgage-backed security. If mortgage rates drop (rise) sharply, prepayment rates will increase (decrease), and CMO tranches may be repaid before (after) the expected maturity. At June 30, 2009 and 2008 the Plan held $4,072,262 and $6,867,666, respectively, in non government backed CMOs.

The exposure to interest rate risk of the underlying investments of the Plan's cash equivalents at June 30 is as follows:

	2009		2008	
Maturities (in days)	***OK INVEST***	**Custodial Agent**	***OK INVEST***	**Custodial Agent**
0 - 14	16.8 %	52.1 %	15.2 %	58.8 %
15 - 30	1.8	14.2	1.2	14.0
31 - 60	1.9	12.2	2.5	8.4
61 - 90	1.9	5.1	2.1	4.6
91 - 180	5.7	8.0	6.2	4.2
181 - 364	12.0	8.1	12.9	10.0
365 - 730	19.9	0.3	25.7	—
Over 730	40.0	—	34.2	—
	100.0 %	100.0 %	100.0 %	100.0 %

(5) Funded Status and Actuarial Information

(a) Funded Status and Funding Progress

The funded status of the Plan as of June 30 is as follows:

	2009		2008	
Actuarial value of assets (a)	$ 221,576,179		$ 235,297,077	
Actuarial accrued liability (AAL) (b)	$ 261,396,022		$ 244,062,321	
Total unfunded actuarial accrued liability (UAAL) (b-a)	$ 39,819,843		$ 8,765,244	
Funded ratio (a/b)		84.8 %		96.4 %
Covered payroll	$ 33,579,668		$ 32,389,296	
UAAL as a percentage of covered payroll		118.6 %		27.1 %

The schedules of funding progress, presented as RSI following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

(b) Actuarial Methods and Assumptions

The information presented in the RSI was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation, June 30, 2009 is as follows:

Funding Method

The funding method is entry age normal (based on a level percentage of covered payrolls). Under this method, the accrued liability and the present value of future normal costs are determined by summing the individual entry age results for each participant. The normal cost is then determined in aggregate by spreading the present value of future normal costs as a level percentage of expected future covered payrolls. Entry age is defined as the first day service is credited under the Plan.

Experience gains and losses, i.e., decreases or increases in accrued liabilities attributable to deviations in experience from the actuarial assumptions adjust the UAAL.

Asset Valuation Method

An expected actuarial value is determined equal to the prior year's actuarial value of assets plus cash flows (excluding realized and unrealized gains and losses) for the year ended on the valuation date and assuming the valuation investment return. Prior year's unrecognized gains and losses are added to this amount to develop expected actuarial value. The expected actuarial value is then compared to the market value of the assets at the valuation date, and 20% of any gain (loss) for the last five years is added to the expected actuarial value. The gain (loss) is amortized over five years with the actuarial value of the assets being constrained to a range of 80% to 120% of the market value at the valuation date.

Amortization

The funding policy amortizes the UAAL on a level percent of payroll method over a 20-year closed period. At June 30, 2009 there are 18 years remaining to the amortization period. Prior to July 1, 2007 the funding policy amortized the UAAL on the level dollar method, and the amortization period was 40 years from July 1, 1987.

Assumptions

Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2008 and 2009 are as follows:

- Salary increases – 5.5% per year
- Post retirement benefit increases – 2% per year
- Investment return – 7.5% per annum
- Assumed inflation rate – 3.0%
- Payroll growth – 4.25% per year
- Mortality Rates – RP-2000 Combined Active/Retired Healthy Mortality Table projected to 2010, set back one year

(6) Federal Income Tax Status

Pursuant to a determination by the Internal Revenue Service, the Plan is qualified under the Internal Revenue Code of 1986, as amended, and therefore, is exempt from federal income taxes. The latest determination letter is dated May 22, 2000 and was a favorable determination for the Uniform Retirement System for Justices and Judges. The Plan has been amended since receiving the determination letter; however, the Plan administrator believes that the Plan is designed and is currently being operated in substantial compliance with the applicable requirements of the Internal Revenue Code and retains its status as a qualified plan.

(7) Plan Amendments

The State Legislature enacted the following significant plan provisions during the session ended in May 2009:

(a) Board Authorized to Adjust Contribution Rate

The Board is authorized to adjust the employer contribution rate to prevent a funded ratio below the target of "at or near" ninety percent. The Board has the flexibility to work with staff toward achieving the setting and collecting of the actuarially determined employer rate over a period of time.

(b) Court System Provides Employer Contributions

Funds in the amount of $6,000,000 in the Supreme Court's Management Information Systems Fund were designated to pay employer contributions to the Plan in fiscal year 2010 and were received by the Plan in July 2009.

(8) New Pronouncements

On June 30, 2008 GASB issued Statement No. 53 *Accounting and Financial Reporting for Derivative Instruments* (GASB 53) which provides guidance to governments to improve the reporting of derivative instruments in their financial statements. GASB 53 applies to all state and local governments and is effective for financial statements for periods beginning after June 15, 2009.

UNIFORM RETIREMENT SYSTEM FOR JUSTICES AND JUDGES

Administered by the Oklahoma Public Employees Retirement System

Required Supplementary Information
(Unaudited)

June 30, 2009

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/04	$ 201,141,649	$ 166,275,941	$ (34,865,708)	121.0 %	$ 25,715,005	(135.6) %
6/30/05	203,951,085	187,556,845	(16,394,240)	108.7	24,814,338	(66.1)
6/30/06	210,376,209	205,305,048	(5,071,161)	102.5	27,488,381	(18.4)
6/30/07	224,577,704	227,062,193	2,484,489	98.9	32,191,938	7.7
6/30/08	235,297,077	244,062,321	8,765,244	96.4	32,389,296	27.1
6/30/09	221,576,179	261,396,022	39,819,843	84.8	33,579,668	118.6

Schedule of Employer Contributions

Year Ended June 30,	Annual Required Contribution	Percentage Contributed
2004	$ —	N/A %
2005	2,234,175	21.3
2006	4,441,184	17.8
2007	5,936,316	20.6
2008	7,615,245	22.2
2009	8,169,214	27.5

Schedule 2

UNIFORM RETIREMENT SYSTEM FOR JUSTICES AND JUDGES
Administered by the Oklahoma Public Employees Retirement System

Supplementary Information

Schedule of Investment Expenses

Years Ended June 30, 2009 and 2008

		2009		2008
Investment management fees:				
Fixed Income Managers:				
Blackrock Financial Management, Inc.	$	42,031	$	63,676
Hoisington Investment Management		19,308		23,021
Metropolitan West Asset Management, LLC		7,278		11,640
U.S. Equity Manager:				
Barclays Global Investors		8,312		10,420
International Equity Manager:				
Barclays Global Investors		11,616		12,218
Total investment management fees		88,545		120,975
Investment consultant fees:				
Strategic Investment Solutions, Inc.		5,478		3,156
Investment custodial fees:				
Northern Trust Company		1,565		5,113
Total investment expenses	$	95,588	$	129,244

See accompanying independent auditors' report.

Schedule 3

UNIFORM RETIREMENT SYSTEM FOR JUSTICES AND JUDGES
Administered by the Oklahoma Public Employees Retirement System

Supplementary Information

Schedule of Administrative Expenses

Years Ended June 30, 2009 and 2008

	2009	2008
Professional / Consultant services	$ 8,739	$ 6,269
Allocated administrative expenses (see note below)	108,342	106,215
	$ 117,081	$ 112,484

Note to Schedule of Administrative Expenses:
A portion of the administrative overhead expenses, including personnel and other supporting services costs, which are paid for by a separate retirement fund also administered by OPERS, are allocated to the Plan. The allocation is based on OPERS' estimate of the cost of services provided to the Plan by the separate fund. Allocated costs are charged to the Plan and paid with funds provided through operations of the Plan.

See accompanying independent auditors' report.

UNIFORM RETIREMENT SYSTEM FOR JUSTICES AND JUDGES

Administered by the Oklahoma Public Employees Retirement System

Supplementary Information

Schedule of Professional/Consultant Fees

Years Ended June 30, 2009 and 2008

Professional/Consultant	Service	2009	2008
Milliman, Inc.	Actuarial	$ 3,918	$ 2,716
Cole & Reed, PC	External Auditor	1,811	1,501
Finley & Cook, PLLC	Internal Auditor	968	1,181
CEM Benchmarking, Inc.	Performance Measurement Consulting	783	762
EFL Associates, Inc.	Executive Search	325	—
Ennis Knupp & Associates, Inc.	Board Governance Consulting	179	—
Fox Lawson & Associates	Compensation Consulting	643	—
Glass Lewis & Co.	Proxy Services	112	109
		$ 8,739	$ 6,269

See accompanying independent auditors' report.

This page left intentionally blank.

LISTENING to our customers

Informing and **educating** all members to help them identify and meet their retirement goals

Retirement planning can be intimidating for many people. Listening to our customers and providing timely and accurate information is another example of how the URSJJ is improving the lines of communication with members. Educational tools are being developed to help members make more informed decisions regarding retirement. It is our goal to make the transition from work to retirement as smooth and transparent as possible.

The following initiatives are important elements to that end:

- Producing online educational programs to increase access and availability to members and employers, alike.
- Developing retirement education seminars for our early and mid-career stage members to help them more fully understand the financial decisions they will be faced with throughout their careers and leading up to retirement.
- Providing more online resources and training to the courts, as participating employers, to help them communicate the benefits of the retirement plan to their employees.

We are also working to establish a comprehensive and periodic customer satisfaction survey program to gauge our customers' attitudes and gain objective information on how well we provide service in person, over the phone, and online.

STRATEGIC INVESTMENT SOLUTIONS, INC.

333 BUSH STREET, STE. 2000
SAN FRANCISCO, CALIFORNIA 94104

BARRY W. DENNIS
MANAGING DIRECTOR

TEL 415/362-3484
FAX 415/362-2752

Investment Consultant's Report

Investment Objectives

The primary financial objective is to earn a long-term return sufficient to avoid deterioration in funded status. The System's actuary estimates this return requirement to be 7.5% while its investment consultant estimates the real return requirement to be 5.0%.

Secondary goals are to outperform the asset allocation-weighted benchmark and to rank in the top fifty percent of a universe of public pension funds.

Asset Allocation

The System's Investment Philosophy stresses the following key points:

1. Asset allocation is the key determinant of return. Therefore, commitments to asset allocation targets are maintained through a disciplined rebalancing program.

2. Diversification, both by and within asset classes, is the primary tool for risk control.

3. Passive instruments (index funds) are suitable strategies in highly efficient markets.

ASSET CLASS	6/30/09 ALLOCATION	MINIMUM	TARGET	MAXIMUM	% PASSIVE OR SEMI-PASSIVE
US EQUITY	40.2%	34.7%	40.0%	45.3%	100.0%
FIXED INCOME	37.2%	31.9%	36.0%	40.1%	57.9%
NON-US EQUITY	22.5%	21.0%	24.0%	27.0 %	100.0%
CASH	0.1%	0.0%	0.0%	0.0%	100.0%

Capital Market Review

The U.S. economy showed mixed signs of improvement in the second quarter of 2009 and U.S. equity markets rebounded sharply. U.S. Federal Chairman, Ben Bernanke stated that recent data supports a slowing in the economic contraction. The U.S. labor market has lost 6.5 million jobs since December 2007. The unemployment rate continued to rise, ending June 20, 2009 at 9.5%. This marked the ninth consecutive month of increases in unemployment and the highest U.S. rate since 1983. Oil prices edged upward during the second quarter of 2009, rising above $70/barrel in June and ending the month at $73.4. Analysts note that while oil inventories remain relatively high, recent inflows into commodities have steadily driven prices higher. While for the most part the real estate news is dismal, there have been signs of stabilization. For example, at the end of June, the S&P Case-Shiller Index, which reviews prices in 20 metropolitan areas, appears to be bottoming out (stabilizing at low historical levels).

Interest Rates

The U.S. Federal Reserve continued to hold the key short-term interest rate at the historical low range of 0.0 to 0.25% during the quarter ending June 30, 2009. Long-term treasury yields increased in calendar year 2009. The Fed announced it was willing to purchase long-term treasury securities if necessary, however many bond investors are concerned that there will be an increase in supply as new bonds are issued to pay for the stimulus plan. Amid large U.S. government purchases of mortgage-backed securities and Treasuries, the gap between yields of the 2-year US Treasury and 10-year US Treasury note widened to its highest point ever during May, 2009.

Review of Fiscal 2009 Investment Environment

Fiscal year 2009 (June 30, 2009) saw a steep decline of equity returns over the first nine months of the fiscal year (July 2008 – March 2009) with losses in US and foreign stock markets in excess of -35% as the Dow Jones Industrial Average fell below 7,000 for the first time in over 11 years in the beginning of March. The equity markets rebounded sharply in the final quarter (April – June 2009) of the fiscal year registering the best quarterly performance since 1998. Overall, US and foreign stock markets still ended the fiscal year sharply lower with negative returns of about -25% in US markets and -30% in foreign markets. The US Fixed Income markets continued its positive return in fiscal year 2009 as US Treasuries rallied due to a flight to quality by investors and short-term interest rates were cut numerous times to inject liquidity into the financial system. Spread fixed income instruments such as corporate bonds were sharply lower during the first nine months of the fiscal year before rallying in the final quarter.

Fiscal year 2009 was once again negative (second straight fiscal year) for both the U.S. equity markets and foreign equity markets. For the fiscal year, the Russell 3000 US Stock Index lost -26.6% and the MSCI ACW (All Country World) ex-US Index of foreign stocks lost -30.5%. The US fixed income market produced a positive return (+6.1% Barclays Aggregate Index) for the fiscal year ending June 30, 2009.

Within the US equity market, stocks of small companies outperformed large (-25.0% versus -26.2%) for the fiscal year. Growth stocks outperformed value on a relative basis in large caps (-24.5% versus -29.0%) and also within small caps (-24.8% versus -25.2%).

Investment Returns Through June 2009

US Equity Indices	Style	1 Year	3 Years	5 Years
Russell 3000	Broad US Equity	(26.56%)	(8.35%)	(1.84%)
S&P 500	Large Cap Equity	(26.21%)	(8.22%)	(2.24%)
Russell 1000 Growth	Large Cap Growth	(24.50%)	(5.45%)	(1.83%)
Russell 1000 Value	Large Cap Value	(29.03%)	(11.11%)	(2.13%)
Russell 2000	Small Cap Equity	(25.01%)	(9.89%)	(1.71%)
Russell 2000 Growth	Small Cap Growth	(24.85%)	(7.83%)	(1.32%)
Russell 2000 Value	Small Cap Value	(25.24%)	(12.07%)	(2.27%)
Non-US Indices				
MSCI ACWI Ex-US	Broad Non-US Equity	(30.54%)	(5.35%)	4.95%
MSCI EAFE	Developed Non-US Equity	(30.96%)	(7.51%)	2.79%
MSCI Emerging Mkts.	Emerging Non-US Equity	(27.82%)	3.27%	15.08%
US Fixed Income Indices				
ML 3-month T-Bill	Cash	0.60%	2.96%	3.12%
Barclays US Aggregate	Core Bonds	6.05%	6.43%	5.01%
ML US Corporate Master	Corporate Bonds	2.62%	4.11%	3.65%
Barclays Mortgage Backed Securities	Mortgages	9.38%	7.86%	5.98%
Merrill Lynch High Yield Master II	High Yield Bonds	(3.53%)	1.81%	4.10%

Performance Review

At quarterly intervals, the System reviews performance at the total fund, asset class and individual manager levels. At each level, returns are evaluated versus appropriate indexes and peers. Index comparisons have as return objectives various after-fee return premiums with risk (standard deviation) not exceeding 125% of the underlying index. Comparisons with peers seek top forty percentile results for active strategies. It should be noted that the US Equity and Non-US Equity classes are completely passive.

Investment returns achieved through June 30, 2009 have been calculated using a time-weighted rate of return methodology based upon market values. As shown in the following table, for the one-year time period ending June 30, 2009 the Domestic Equity asset class and the Non-US Equity asset class performed in-line with their respective benchmarks (each are 100% passive); and the Fixed Income asset class performed below its respective (80% Barclays Aggregate/ 20% Citigroup 20 -Year Index) custom benchmark. The Domestic Equity, Non-US Equity and Fixed Income asset classes each ranked at about median within their respective peer universes.

Strategic Investment Solutions prepares a Quarterly Report of Investment Performance for the Fund based on Performance calculations made by the Fund's custodian The Northern Trust Company. The one-year, three-year, and five-year time-weighted rates of return for the years ended June 30, 2009 are

PERIODS ENDED 6/30/09	ONE YEAR	THREE YEARS	FIVE YEARS
Domestic Equity	-26.4%	-8.2%	-1.7%
Russell 3000	-26.6%	-8.3%	-1.7%
Rank	58*	57	65
Non-US Equity	-31.0%	-7.6%	+2.7%
MSCI EAFE	-31.0%	-7.6%	+2.7%
Rank	60	75	79
Fixed Income	+3.8%	+6.3%	+5.4%
80% Barclays Agg/ 20% Citi 20-Year Index	+6.6%	+7.0%	+5.6%
Rank	55	40	28
Total Fund	-15.7%	-2.2%	+1.9%
*Policy Benchmark****	-16.2%	-2.5%	+1.6%
Public Fund > $100 Million	-17.9%	-2.8%	+2.1%
Rank**	26	29	57

* Ranking 1 is best, 100 is worst.
** Rankings source - ICC Public Funds Universe
***Policy Benchmark is 40% Russell 3000/ 36% (80% Barclays Agg and 20% Citi 20-Yr.) Custom Fixed Income Benchmark / 24% MSCI EAFE.

Yours truly,

Barry W. Dennis
Managing Director

Largest Holdings

The Plan's ten largest fixed income holdings at June 30, 2009 are described in the following schedule. The Plan invests in two index funds which are separately presented.

Ten Largest Fixed Income Holdings (By Fair Value):

Security	Par	Fair Value
U.S. Treasury Bonds Principal Strips due 11-15-2027	$ 7,165,000	$ 3,135,590
U.S. Treasury Bonds 5.25% due 2-15-2029	2,700,000	3,036,658
U.S. Treasury Bonds Principal Strips due 5-15-2039	10,727,000	2,930,831
U.S. Treasury Bonds 4.75% due 2-15-2037	2,325,000	2,491,382
U.S. Treasury Bonds Principal Strips due 2-15-2036	4,400,000	1,379,708
FHLMC Preassign 000051 1.75% 6-15-2012	1,375,000	1,370,001
U.S. Treasury Bonds 4.5% due 5-15-2038	1,310,000	1,352,371
FHLMC 30 Year Gold Participation Certificate 5.5%	1,300,000	1,336,969
U.S. Treasury Bonds 5.375% due 2-15-2031	994,000	1,140,925
FNMA 30 Year Single Family Mortgage 5%	1,055,000	1,074,122

Investments in Funds and Stock Holdings (By Fair Value):

Fund/Security	Units	Fair Value
BGI Russell 3000 Index Fund	8,530,072	$ 74,040,330
BGI EAFE Equity Index Fund	315,323	41,373,997

A complete list of portfolio holdings is available upon request from the URSJJ Investment Accounting and Financial Reporting Department.

Schedule of Stock Brokerage Commissions Paid

Year ended June 30, 2009

None

Investment Portfolio by Type and Manager

At June 30, 2009, the investment portfolio of URSJJ was allocated by type and style as follows:

Investment Type and Manager	Style	Fair Value* (000's)	Percent of Total Fair Value
Fixed Income:			
Hoisington Investment Management	Interest Rate Anticipation	$ 15,095	8.0%
Blackrock Financial Management, Inc.	Enhanced Index	42,568	22.5%
Metropolitan West Asset Management	Full Range Core +	15,613	8.2%
Total Fixed Income		73,276	38.7%
US Equities:			
Barclays Global Investors	Index Fund – Russell 3000	74,040	39.1%
International Equities:			
Barclays Global Investors	Index Fund – EAFE	41,374	21.9%
Short-term Investment Funds	Operating Cash	483	0.3%
Total Managed Investments		189,173	100.0%
Securities Lending Collateral		22,510	
Cash Equivalents on Deposit with State		78	
Total Investments and Cash Equivalents		$ 211,761	
Statement of Plan Net Assets			
Cash Equivalents		$ 1,243	
Investments		210,518	
Total Investments and Cash Equivalents		$ 211,761	

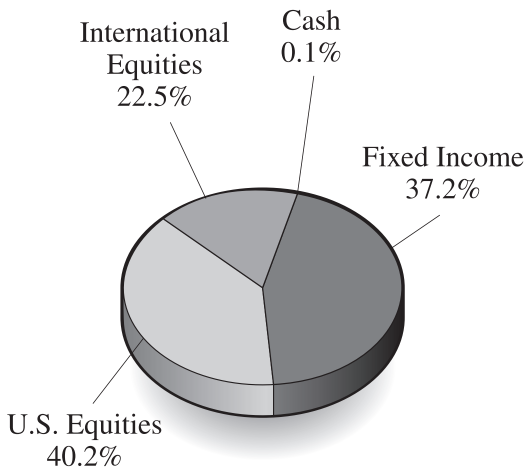
* *Manager fair values include their respective cash equivalents.*

Asset Comparison

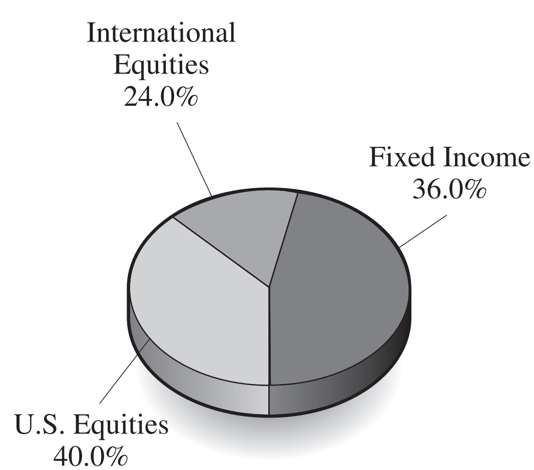
A comparison of the actual investment distribution at June 30, 2009 and 2008, based on the net investment manager holdings, including the securities lending collateral deficiency, accrued income, payables and receivables, compared to the target allocation and previous year's allocation is as follows:

2009

Asset Mix

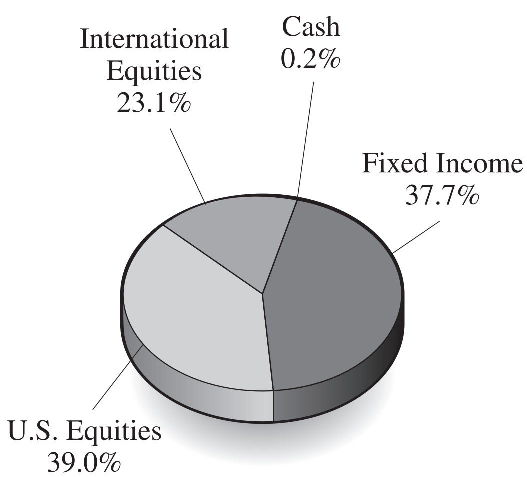


Target Policy Mix

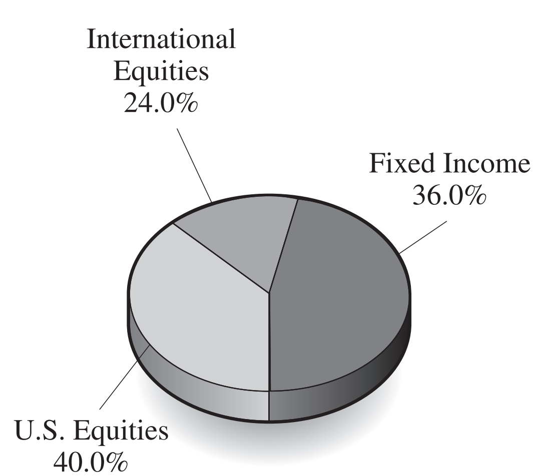


2008

Asset Mix



Target Policy Mix



This page left intentionally blank.

LEARNING from our peers

Achieving and maintaining well-funded status, and **securing** changes in plan design that make the plan easier to understand

The URSJJ Board and staff believe in learning from our peers and sharing ideas on issues of plan design and benchmarking our performance. We understand that we must continue taking positive steps to ensure the long-term financial health of the Plan in light of the downturn in the economy and financial markets.

The biggest impact on public pension systems like the URSJJ is legislation. Legislation can improve the funded status of the Plan. It can also improve plan provisions and provide a valuable benefit to the State in attracting and retaining quality employees.

Consequently, the URSJJ is focusing on:

- Advocating for improved funding for the Plan.
- Opposing benefit enhancements with substantial fiscal impact until the Plan is collecting 100% of required annual contributions.
- Requesting legislation that makes the retirement system more equitable, limits abuses, and simplifies plan provisions.
- Participating in a national and international benchmarking process that measures our performance against our peers in nearly every conceivable area of fund administration.

The URSJJ Plan has been in operation since 1968 and has weathered unfavorable times in the market before. The Board and staff will continue to pursue a prudent, long-term investment strategy. The strength of the “pension promise” remains as strong as ever.

1120 S. 101st Street, Suite 400
Omaha, NE, 68124
USA

Tel +1 402 393.9400
Fax +1 402 393.1037

milliman.com

October 23, 2009

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

Re: Certification of July 1, 2009 Actuarial Valuation of the Oklahoma Uniform Retirement System for Justices and Judges (URSJJ)

Dear Members of Board:

At your request, we have completed an actuarial valuation of the Oklahoma Uniform Retirement System for Justices and Judges (URSJJ) as of July 1, 2009 for the purpose of determining the actuarial contribution rate for the fiscal year ending June 30, 2010 and calculating and analyzing key financial measurements. Actuarial valuations are performed annually. The valuation reflects the benefit provisions and contribution rates in effect as of July 1, 2009.

All of the information and supporting schedules in the Actuarial Section have been provided by Milliman, Inc. We also provided the *Schedule of Funding Progress* and *Schedule of Employer Contributions*, which appear in the Financial Section of the System's Annual Report.

In preparing our report, we relied, without audit, on information (some oral and some written) supplied by the System's staff. This information includes, but is not limited to, statutory provisions, member data and financial information. We have found this information to be reasonably consistent and comparable with information used for other purposes. The valuation results depend on the integrity of this information. If any of this information is inaccurate or incomplete, our results may be different and our calculations may need to be revised.

All costs, liabilities, rates of interest, and other factors for the System have been determined on the basis of actuarial assumptions and methods which are individually reasonable (taking into account the experience of the System and reasonable expectations); and which, in combination, offer our best estimate of anticipated experience affecting the System.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements.

Actuarial computations presented in this report are for purposes of determining the actuarial contribution rates for funding the System. Actuarial computations under GASB Statements No. 25 and 27 are for purposes of fulfilling financial accounting requirements. The computations prepared for these two purposes may differ. The calculations in this report have been made on a basis consistent with our understanding of the System's funding requirements and goals, and of GASB Statements No. 25 and 27. Determinations for purposes other than meeting these requirements may be significantly different from the results contained in this report. Accordingly, additional determinations may be needed for other purposes.

In addition to these results, 20 Okla. Stat, Section 1108(D) requires disclosure of valuation results under prescribed assumptions. This information is provided elsewhere in the System's Annual Report.

We would like to express our appreciation to the OPERS staff, who gave substantial assistance in supplying the data on which this report is based.

I, Patrice A. Beckham F.S.A., am a member of the American Academy of Actuaries and a Fellow of the Society of Actuaries, and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

I, Brent A. Banister F.S.A., am a member of the American Academy of Actuaries and a Fellow of the Society of Actuaries, and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

MILLIMAN, Inc.

Sincerely,

Patrice Beckham

Patrice A. Beckham, F.S.A.
Consulting Actuary

Brent A. Banister

Brent A. Banister, F.S.A.
Consulting Actuary

Summary of Principal Valuation Results

The key results for the July 1, 2009 valuation are presented below, along with a comparison to the prior valuation results.

	7/1/2009 Valuation	7/1/2008 Valuation	% Change
1. PARTICIPANT DATA			
Number of:			
Active Members*	274	277	(1.1)
Retired and Disabled Members and Beneficiaries	200	195	2.6
Inactive Members	13	11	18.2
Total Members	487	483	0.8
Projected Annual Salaries* of Active Members	$ 33,579,668	$ 32,389,296	3.7
Annual Retirement Payments for Retired Members and Beneficiaries	$ 10,545,466	$ 9,940,068	6.1
* Includes "No Application" members			
2. ASSETS AND LIABILITIES			
Total Actuarial Accrued Liability	$ 261,396,022	$ 244,062,321	7.1
Market Value of Assets	184,646,816	225,924,669	(18.3)
Actuarial Value of Assets	221,576,179	235,297,077	(5.8)
Unfunded Actuarial Accrued Liability	39,819,843	8,765,244	354.3
Funded Ratio	84.8%	96.4%	(12.1)
3. EMPLOYER CONTRIBUTION RATES AS A PERCENT OF PAYROLL			
Normal Cost Rate	30.86%	30.74%	0.4
Amortization of Unfunded Actuarial Accrued Liability	8.76%	1.92%	356.3
Budgeted Expenses	0.49%	0.56%	(12.5)
Actuarial Contribution Rate	40.11%	33.22%	20.7
Less Estimated Member Contribution Rate	8.00%	8.00%	0.0
Employer Actuarial Required Contribution Rate	32.11%	25.22%	27.3
Less Statutory Employer Contribution Rate	8.50%	7.00%	21.4
Contribution Shortfall	23.61%	18.22%	29.6

Summary of Actuarial Assumptions and Methods

1. The investment return rate used in the valuation was 7.50 percent per year, net of investment expenses, compounded annually. This rate of return is not the assumed real rate of return. The real rate of return is the rate of return in excess of the inflation rate. Considering other financial assumptions, the 7.50 percent investment return rate translates to an assumed real rate of return of 4.50 percent.

2. The RP-2000 Mortality Table projected to 2010 using Scale AA for males and females with a one-year age setback is used for preretirement and postretirement mortality.

3. The probability of withdrawal from service is 2% for all years of service. The individual pay increase assumption is 5.5% per year.

4. The probabilities of retirement are shown in Schedule 1.

5. Benefits are assumed to increase two percent each year due to future ad hoc cost-of-living increases.

6. The individual entry-age normal actuarial cost method of valuation was used in determining actuarial accrued liability and normal cost. Actuarial gains and losses reduce or increase the unfunded actuarial accrued liability and are amortized over the remaining amortization period (18 years as of July 1, 2009), as a level percent of pay method.

7. The actuarial value of assets is based on a five-year moving average of expected actuarial values and market values. A preliminary expected value is determined equal to the prior year's actuarial value of assets plus net cash flow for the year ending on the valuation date, assuming the valuation investment return. The expected actuarial asset value is equal to the preliminary expected actuarial value plus the unrecognized investment gains and losses as of the beginning of the previous fiscal year. Twenty percent (20%) of the gain/loss as measured by the difference between the expected actuarial value and the market value at the valuation date is added to the preliminary expected actuarial value plus twenty percent (20%) of the unrecognized gains or losses for the four preceding fiscal years. The final result is constrained to a value no less than 80% and no more than 120% of the market value at the valuation date.

8. The actuarial assumptions and methods used in the valuation were adopted by the Board based upon the recommendations of the actuary. The assumptions and methods used for the July 1, 2009 valuation were adopted by the Board based on System experience through June 30, 2007.

Summary of Actuarial Assumptions and Methods (continued)

Schedule 1

Percent of Eligible Active Members Retiring Within Next Year

Retirement Ages	Percent	Retirement Ages	Percent
Below 62	10%	69	30%
62	25%	70	20%
63	25%	71	10%
64	25%	72	10%
65	25%	73	10%
66	10%	74	10%
67	10%	75	100%
68	30%		

Schedule of Active Member Valuation Data

Valuation Date	Number	Annual Payroll[1]	Annual Average Pay	% Increase in Average Pay
July 1, 2009	274	$33,579,668	$122,554	4.81
July 1, 2008	277	32,389,296	116,929	0.98
July 1, 2007	278	32,191,938	115,798	14.58
July 1, 2006	272	27,488,381	101,060	8.33
July 1, 2005	266	24,814,338	93,287	(2.05)
July 1, 2004	270	25,715,005	95,241	(0.50)
July 1, 2003	268	25,652,805	95,719	(1.10)
July 1, 2002	266	25,744,427	96,784	6.10
July 1, 2001	261	23,808,429	91,220	5.97
July 1, 2000	259	22,295,354	86,082	(1.02)
July 1, 1999	259	22,525,441	86,971	5.45

[1]The annual payroll shown above differs from the covered payroll shown in the Financial Section. The annual payroll reflects total compensation paid during the fiscal year. The covered payroll reflects compensation up to the maximum compensation levels on which employee and employer contributions are based.

Schedule of Retirants, Disabled Retirants, and Beneficiaries Added to and Removed from Rolls

	Added to Rolls		Removed from Rolls		Rolls – End of Year			
Year Ended	No.	Annual Allowances	No.	Annual Allowances	No.	Annual Allowances	% Increase in Annual Allowances	Average Annual Allowances
June 30, 2009	11	$877,758	6	$267,360	200	$10,545,466	6.09	$52,727
June 30, 2008	7	459,236	6	205,594	195	9,940,068	5.62	50,975
June 30, 2007	19	1,278,139	5	193,466	194	9,410,934	12.50	48,510
June 30, 2006	8	561,682	3	72,874	180	8,365,205	9.35	46,473
June 30, 2005	16	1,258,767	9	182,188	175	7,649,990	16.03	43,703
June 30, 2004	6	334,685	7	143,267	168	6,591,422	6.17	39,235
June 30, 2003	22	1,195,498	6	113,045	169	6,208,320	18.97	36,736
June 30, 2002	4	201,284	7	115,880	153	5,218,274	4.92	34,106
June 30, 2001	6	201,563	4	90,075	156	4,973,461	1.89	31,881
June 30, 2000	4	233,672	3	36,766	154	4,881,381	5.89	31,697
June 30, 1999	17	842,751	6	74,816	153	4,609,794	19.16	30,129

Analysis of Financial Experience

Gains & Losses in Actuarial Accrued Liability During the Year Ended June 30, 2009 Resulting from Differences Between Assumed Experience & Actual Experience

Type of Activity	(Gain) or Loss for Year 2009
1. Age & Service Retirements. If members retire at older ages or with greater benefits than assumed, there is a gain. If they retire at younger ages or have higher average pays, a loss occurs.	$ (1,000,000)
2. Death Benefits. If survivor claims are less than assumed, there is a gain. If more claims, there is a loss.	300,000
3. Withdrawal from Employment. If more liabilities are released by withdrawals than assumed, there is a gain. If smaller releases, a loss.	0
4. Pay Increases. If there are smaller pay increase than assumed, there is a gain. If greater increases, a loss.	(100,000)
5. New Entrants. All new entrants to the System create a loss.	0
6. Other. Miscellaneous gains and losses resulting from data adjustments, employee transfers, valuation methods, etc.	(300,000)
7. (Gain) or Loss During Year From Financial Experience.	25,600,000
8. Composite (Gain) or Loss During Year.	$ 24,700,000

Summary of System Provisions

Employees Included:	All Justices and Judges of the Supreme Court, Court of Criminal Appeals, Workers Compensation Court, Courts of Appeals or District Court who serve in the State of Oklahoma participate in the Uniform Retirement System for Justices and Judges.
System Contributions:	The contributions are received from the employer agencies based on a percentage of salary of covered members. Effective for the fiscal year ending June 30, 2006, employer contributions increased to 3.0% of the member's salary and will increase annually up to 22.0% of member payroll for fiscal years ending June 30, 2019, and thereafter. Effective July 1, 2009, the funded ratio of the URSJJ is to be at or near 90%. The Board is authorized to set the contribution rates annually up to the actuarially required contribution rate subject to certain limitations to prevent a funded ratio of the System of less than 100%.
Member Contributions:	Before September 1, 2005, basic member contributions equal 5% of salary, while married members could have elected an 8% contribution rate in order to provide survivor coverage. After September 1, 2005, the member contribution rate for all members is 8% of salary.
Final Average Salary:	The average monthly salary received during the highest three years of active service as a Justice or Judge in a court of record.
Retirement Date:	A member who completes eight years of service and attains age 65, or completes ten years of service and attains age 60, or whose sum of years of service and age equals or exceeds 80, may begin receiving retirement benefits at his request.
Normal Retirement Benefit:	General formula is 4% of average monthly salary multiplied by service, up to a maximum benefit of 100% of final average salary.
Disability Benefit:	After fifteen years of service and age 55, provided the member is ordered to retire by reason of disability is eligible for disability retirement benefits. This benefit, payable for life, is calculated in the same manner as a normal retirement benefit but cannot exceed 100% of final average salary.
Survivor Benefit:	The spouse of a deceased active member who had met normal or vested retirement provisions may elect a spouse's benefit. The spouse's benefit is the benefit that would have been paid if the member had retired and elected the joint and 100% survivor option (Option B), or a 50% unreduced benefit for certain married participants making 8% of pay contributions prior to September 1, 2005. If the member has ten years of service and the death is determined to be employment related, this benefit is payable immediately to the spouse. In order to be eligible for this survivor coverage, members must be married to their spouse for three years

preceding death and they must be married 90 days prior to the member's termination of employment as a Justice or Judge. Effective October 1, 2004, the benefit for surviving spouses may be

higher than 50% of the member's benefit, up to 65% for certain members who made additional voluntary survivor benefit contributions of 3% of salary prior to July 1, 1999, and who die or retire after July 1, 1999.

Optional Forms of Retirement Benefits: The normal form of benefit for a single member is a single life monthly annuity with a guaranteed refund of the contribution accumulation. The normal form for a married member is a 50% joint and survivor annuity benefit. Optional forms of payment with actuarial reduction (if applicable) are available to all members retiring under the normal retirement or vested retirement provisions. After September 1, 2005, the options providing post-retirement death benefits are:

Option A -- Joint and 50% survivor annuity with a return to the unreduced amount if the joint annuitant dies.

Option B -- Joint and 100% survivor annuity with a return to the unreduced amount if the joint annuitant dies.

For married members, spousal consent is required for any option other than Option A.

Postretirement Death Benefit: $5,000 lump sum.

Supplemental Medical Insurance Premium: The System contributes the lesser of $105 per month or the Medicare Supplement Premium to the Oklahoma State and Education Employee's Group Health Insurance Program for members receiving retirement benefits.

Solvency Test

The Judges funding objective is to be able to pay long-term benefit promises through contributions that remain approximately level from year to year as a percent of salaries earned by members. In this way, members and employers in each year pay their fair share for retirement service accrued in that year by System members.

If the retirement system follows level contribution rate financing principles, the system will pay all promised benefits when due – the ultimate test of financial soundness.

A short-term solvency test is one means of checking the funding progress. In a short-term solvency test, the retirement System's present valuation assets are compared with: 1) active member contributions on deposit, 2) the liabilities for future benefits to persons who have retired and the liabilities for terminated employees with vested benefits, and 3) the liabilities for service already rendered by active members. In a system that has been following the discipline of level contribution rate financing, the liabilities for member contributions on deposit (liability 1), the liabilities for future benefits to present retirees and the liabilities for future benefits for terminated employees (liability 2) will be fully covered by present assets, except in rare circumstances.

In addition, the liabilities for service already rendered by members (liability 3) will be partially covered by the remainder of present assets. Generally, if the system has been using level contribution rate financing, the funded portion of liability 3 will increase over time; however, a decrease generally occurs in those years when substantial benefit improvements are granted by the Legislature. It is unusual for liability 3 to be fully funded. The funded ratio of the System based on total actuarial accrued liabilities (1 + 2 + 3) provides an indication of how well the System is funded.

The schedule below illustrates the progress of funding the actuarial accrued liabilities.

Actuarial Accrued Liabilities and Valuation Assets						Portion of Actuarial Accrued Liabilities Covered by Reported Assets			
Date	Active Member Contributions (Liability 1)	Retirees, Beneficiaries and Terminated Vested Members (Liability 2)	Employer Financed Portion of Active Members (Liability 3)	Total Liability (1 + 2 + 3)	Reported Assets[1]	(1)	(2)	(3)	Funded Ratio of Total Accrued Actuarial Liabilities
7/1/00	11,758,092	47,407,633	68,854,755	128,020,480	169,693,888	100	100	100.0	132.6%
7/1/01	13,243,150	47,984,952	77,929,139	139,157,241	184,909,669	100	100	100.0	132.9%
7/1/02	14,478,606	50,647,373	65,101,064	130,227,043	193,010,895	100	100	100.0	148.2%
7/1/03	14,614,834	63,042,410	63,198,959	140,856,203	196,989,778	100	100	100.0	139.9%
7/1/04	15,947,990	64,357,324	85,970,627	166,275,941	201,141,649	100	100	100.0	121.0%
7/1/05	15,883,671	82,158,147	89,515,027	187,556,845	203,951,085	100	100	100.0	108.7%
7/1/06	16,672,133	90,877,534	97,755,381	205,305,048	210,376,209	100	100	100.0	102.5%
7/1/07	17,218,458	104,441,388	105,402,347	227,062,193	224,577,704	100	100	97.6	98.9%
7/1/08	19,206,749	108,823,528	116,032,044	244,062,321	235,297,077	100	100	96.2	96.4%
7/1/09	20,120,183	119,470,132	121,805,707	261,396,022	221,576,179	100	100	67.3	84.8%

[1] Actuarial value of assets based on the smoothing technique adopted by the Board.

investing in PEOPLE

Maintaining a **competent** and **well-trained** workforce

The URSJJ believes in investing in people and is fortunate to have an experienced and highly skilled staff to deliver on our promises to members and employers. With this experience, however, comes the business risk of losing veteran staff to retirement. We have been successful in recruiting talented, new employees to learn from our experienced staff to help bridge that gap.

However, the Plan has focused on the following items to ensure the quality of our services will not falter as knowledge and expertise are transferred between staff:

- Creating and implementing an agency workforce plan to identify areas where staffing levels may change as a result of changes in agency operations.
- Identifying where training and skills will need to be developed and reassigning employees to others areas where appropriate.
- Identifying critical positions that require specific expertise unavailable through short-term training and developing succession plans for each position.
- Developing a comprehensive procedure manual for all operations of the agency to ensure continuity of operations and identify where improvements can be made.

Collaboration is an important piece of the URSJJ strategic planning process. Staff members are also active in several national industry groups to stay current on issues facing public pension plans in the areas of fund administration, institutional investment, and retirement education.

The Statistical Section provides additional historical perspective, context, and detail to assist the reader in using the information in the financial statements, notes to financial statements and required supplementary information to understand and assess the economic condition of the Uniform Retirement System for Justices and Judges (URSJJ).

Financial trend information is intended to assist users in understanding and assessing the changes in the financial position over time. Schedules presenting financial trend information are *Schedule of Changes in Net Assets, Schedule of Revenue by Source, Schedule of Expenses by Type, Schedule of Benefit Payments and Refunds by Type*, and *Funded Ratio Chart*.

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the ability of URSJJ to generate own-source revenue, specifically investment income. The schedule presenting revenue capacity information is the *Rate of Return by Type of Investment.*

Operating information is intended to provide contextual information about the operations and resources of URSJJ to assist readers in using financial statement information to understand and assess the economic condition. Schedules and charts presenting operating information are *Schedule of Retired Members by Type of Benefit, Schedule of Average Benefit Payments, Principal Employer, Demographics Chart, Member Statistics*, Summary of Retirees, Beneficiaries and Disabled Members*, Summary of Terminated Vested Members*, Summary of Active Members*.*

Schedules and information are derived from URSJJ internal sources unless otherwise noted.
*Schedules and data are provided by actuarial consultant Milliman, Inc.

Schedule of Changes in Net Assets

Year Ending June 30	Additions			Deductions			Total Changes in Net Assets
	Contributions		Investment	Benefit	Administrative		
	Member	Employer	Income (Loss)	Payments	Expenses	Refunds	
2009	$ 2,774,837	$ 2,243,701	$ (35,739,688)	$ 10,430,301	$ 117,081	$ 9,321	$ (41,277,853)
2008	2,486,481	1,688,673	(8,735,864)	9,650,446	112,484	2,333	(14,325,973)
2007	2,599,296	1,223,765	31,881,175	8,962,416	111,057	97,642	26,533,121
2006	2,058,456	791,343	13,325,490	8,009,684	98,218	55,220	8,012,167
2005	1,716,996	475,019	19,379,000	7,393,588	87,744	164,018	13,925,665
2004	1,772,673	485,793	20,516,444	6,476,146	82,832	83,112	16,132,820
2003	1,791,825	488,459	10,817,945	5,958,531	80,957	94,062	6,964,679
2002	1,810,491	491,596	(6,161,553)	5,097,638	89,461	223,380	(9,269,945)
2001	1,683,917	1,886,294	(7,401,129)	5,024,026	74,025	32,762	(8,961,731)
2000	1,621,422	3,201,123	18,373,162	4,688,241	65,663	133,976	18,307,827

Schedule of Revenue by Source

Year Ending June 30	Member Contributions	Employer Contributions Dollars	Employer Contributions % of Annual Covered Payroll	Investment Income (Loss)	Total
2009	$ 2,774,837	$ 2,243,701	6.68%	$(35,739,688)	$ (30,721,150)
2008	2,486,481	1,688,673	5.21	(8,735,864)	(4,560,710)
2007	2,599,296	1,223,765	3.80	31,881,175	35,704,236
2006	2,058,456	791,343	2.88	13,325,490	16,175,289
2005	1,716,996	475,019	1.91	19,379,000	21,571,015
2004	1,772,673	485,793	1.89	20,516,444	22,774,910
2003	1,791,825	488,459	1.90	10,817,945	13,098,229
2002	1,810,491	491,596	1.91	(6,161,553)	(3,859,466)
2001	1,683,917	1,886,294	8.46	(7,401,129)	(3,830,918)
2000	1,621,422	3,201,123	14.21	18,373,162	23,195,707

Effective January 1, 2001 the employer contribution rate was lowered from 15.27% to 2.0%. The rate was raised to 3.0% effective July 1, 2005, 4.0% effective July 1, 2006, 5.5% effective July 1, 2007, and 7.0% effective July 1, 2008.

Schedule of Expenses by Type

Year Ending June 30	Benefit Payments	Administrative Expenses	Refunds and Withdrawals	Total
2009	$ 10,430,301	$ 117,081	$ 9,321	$ 10,556,703
2008	9,650,446	112,484	2,333	9,765,263
2007	8,962,416	111,057	97,642	9,171,115
2006	8,009,684	98,218	55,220	8,163,122
2005	7,393,588	87,744	164,018	7,645,350
2004	6,476,146	82,832	83,112	6,642,090
2003	5,958,531	80,957	94,062	6,133,550
2002	5,097,638	89,461	223,380	5,410,479
2001	5,024,026	74,025	32,762	5,130,813
2000	4,688,241	65,663	133,976	4,887,880

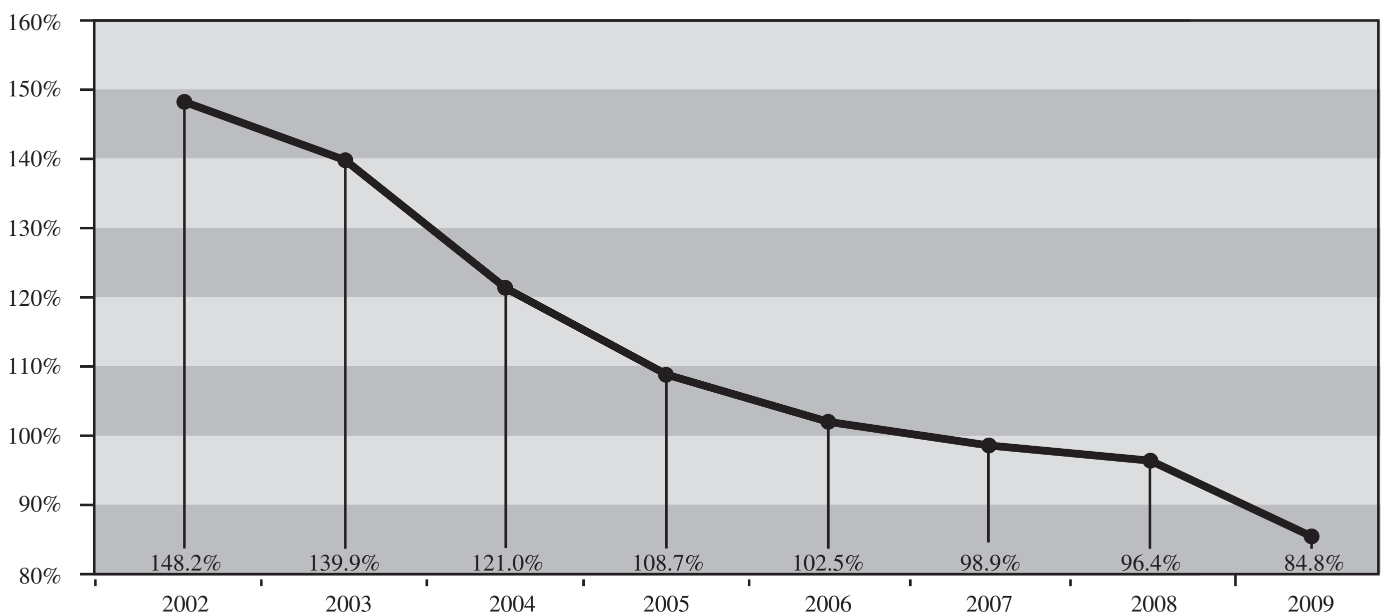
Schedule of Benefit Payments and Refunds by Type

The following schedule provides information as to the type of benefit expenses incurred by the Plan as reflected in the "Benefit Payment" and "Refunds" columns of the **Schedule of Changes in Net Assets** and **the Schedule of Expenses by Type** included elsewhere in this Statistical Section.

Year Ending June 30	Benefits: Age and Service	Benefits: Disability	Benefits: Beneficiary Death	Refunds and Withdrawals	Total Benefit Payments and Refunds
2009	$ 10,248,035	$ 157,266	$ 25,000	$ 9,321	$ 10,439,622
2008	9,478,930	151,516	20,000	2,333	9,652,779
2007	8,795,900	151,516	15,000	97,642	9,060,058
2006	7,815,666	149,018	45,000	55,220	8,064,904
2005	7,221,805	144,283	27,500	164,018	7,557,606
2004	6,326,266	134,880	15,000	83,112	6,559,258
2003	5,848,239	80,292	30,000	94,062	6,052,593
2002	4,966,510	91,128	40,000	223,380	5,321,018
2001	4,908,825	105,202	10,000	32,761	5,056,788
2000	4,604,375	64,866	19,000	133,976	4,822,217

Funded Ratio Chart

As of July 1



Rate of Return by Type of Investment

Year Ending June 30	Fixed Income	U.S. Equity	International Equity	Total
2009	3.8 %	(26.4) %	(31.0) %	(15.7) %
2008	8.7	(12.6)	(10.2)	(3.7)
2007	6.4	20.1	27.4	15.1
2006	(2.0)	9.6	26.9	6.6
2005	10.8	8.1	14.0	10.3
2004	0.8	20.3	32.8	11.8
2003	13.1	(0.9)	(6.1)	6.7
2002	7.3	(16.8)	(11.6)	(3.4)
2001	10.3	(13.6)	(28.2)	(3.8)
2000	5.8	12.5	24.4	11.1

Schedule of Retired Members by Type of Benefit

June 30, 2009

Amount of Monthly Benefit	Number of Retirees	Type of Retirement** 1	2	3	4	Option Selected # Opt. 1	Opt. 2	Opt. 3	Opt. 4
$ 1 - 1,000	9	-	9	-	-	-	9	-	-
1,001 - 2,000	29	7	22	-	-	-	27	1	1
2,001 - 3,000	21	12	9	-	-	1	19	-	1
3,001 - 4,000	26	19	6	-	1	-	24	1	1
4,001 - 5,000	38	34	2	2	-	2	29	1	6
Over - 5,000	77	77	-	-	-	4	69	2	2
Totals	200	149	48	2	1	7	177	5	11

****Type of Retirement**

Type 1 - *Normal retirement for age and service:* Eligible at (1) when the sum of the member's age plus years of service equals or exceeds 80 points and has judicial service of at least 8 years, or (2) age 65 with 8 years of judicial service, or (3) age 60 with 10 years of judicial service

Type 2 - *Survivor payment:* Normal

Type 3 - *Disability:* Available for members who have attained age 55 and have 15 years of credited service and are determined to be disabled by the Court of the Judiciary

Type 4 - *Survivor payment:* Disability retirement

#Option Selected

Option 1 - *Single-life annuity*: The maximum benefit is paid for the member's lifetime.

Option 2 - *50% to 65% Survivor Annuity:* Paid to surviving spouse for his or her lifetime if certain contributions were paid by the justice or judge while actively participating and if other criteria are met.

Option 3 - *Option A – ½ Joint and Survivor Annuity:* The member will receive a reduced retirement benefit for life and ½ of the reduced retirement benefit will be paid to the surviving joint annuitant for their lifetime. This option became available September 1, 2005.

Option 4 - *Option B – 100% Joint and Survivor Annuity:* A reduced benefit is paid to the member for life and the same benefit is paid to a surviving joint annuitant for their lifetime. This option became available September 1, 2005.

Deferred Members

At June 30, 2009, there are 13 former members with deferred future benefits.

Schedule of Average Benefit Payments

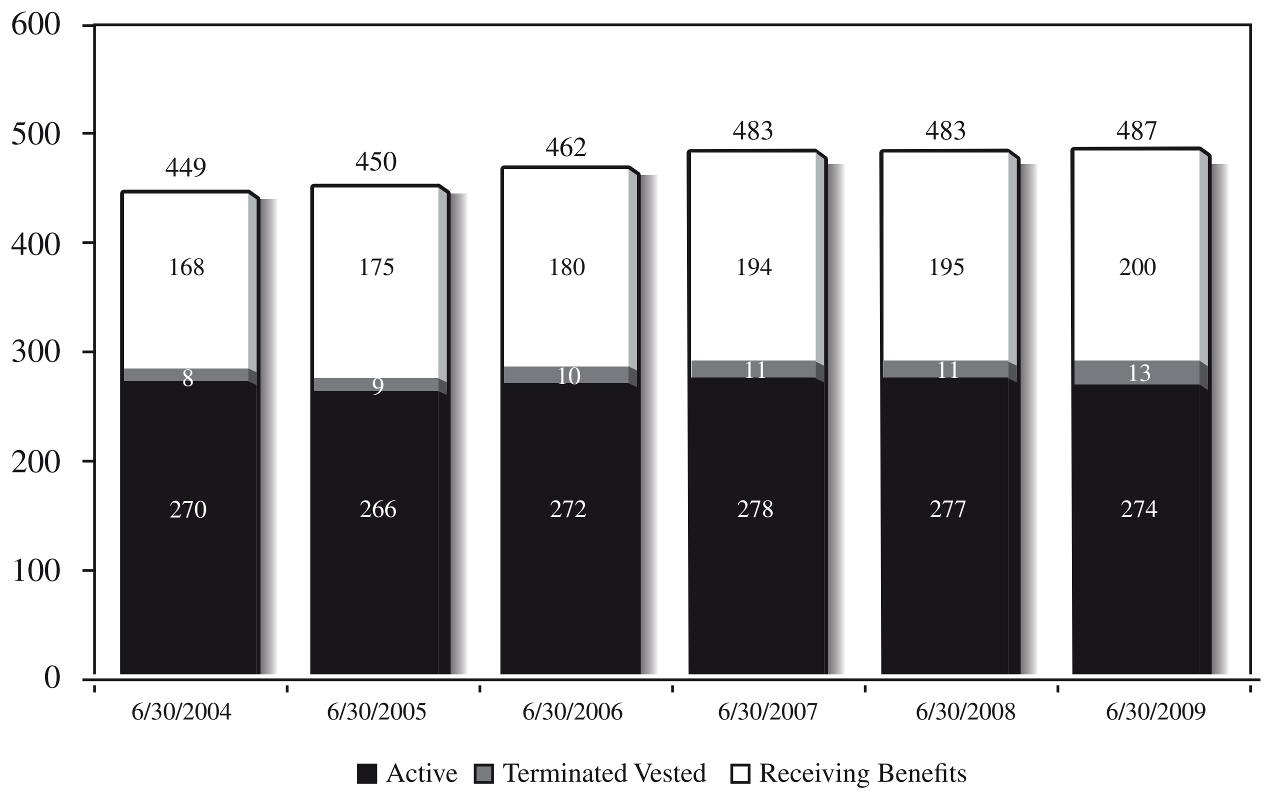
Retirement Effective Dates July 1, 1999 to June 30, 2009	Years of Credited Service 0 to 5	6 to 10	11 to 15	16 to 20	21 to 25	26 to 30	31+
Period 7/1/99 to 6/30/00							
Average Monthly Benefit	$ -	$ -	$ -	$ -	$ 4,700	$ 5,604	$ 4,328
Average Final Average Salary	$ -	$ -	$ -	$ -	$ 5,734	$ 6,778	$ 8,054
Number of Active Retirees	-	-	-	-	1	1	1
Period 7/1/00 to 6/30/01							
Average Monthly Benefit	$ -	$ 2,048	$ 3,188	$ 4,106	$ -	$ -	$ -
Average Final Average Salary	$ -	$ 4,816	$ 4,887	$ 6,255	$ -	$ -	$ -
Number of Active Retirees	-	1	2	3	-	-	-
Period 7/1/01 to 6/30/02							
Average Monthly Benefit	$ -	$ -	$ 1,711	$ 4,772	$ 6,066	$ -	$ -
Average Final Average Salary	$ -	$ -	$ 5,356	$ 7,384	$ 7,704	$ -	$ -
Number of Active Retirees	-	-	2	2	1	-	-
Period 7/1/02 to 6/30/03							
Average Monthly Benefit	$ -	$ -	$ 3,460	$ 5,015	$ 5,764	$ 6,255	$ 6,446
Average Final Average Salary	$ -	$ -	$ 5,643	$ 6,680	$ 7,068	$ 7,670	$ 7,905
Number of Active Retirees	-	-	3	10	5	2	1
Period 7/1/03 to 6/30/04							
Average Monthly Benefit	$ -	$ 1,787	$ 1,437	$ 5,318	$ -	$ 7,108	$ -
Average Final Average Salary	$ -	$ 4,132	$ 4,744	$ 7,312	$ -	$ 9,065	$ -
Number of Active Retirees	-	1	1	4	-	1	-
Period 7/1/04 to 6/30/05							
Average Monthly Benefit	$ -	$ 3,469	$ 3,763	$ 6,473	$ 7,459	$ 8,054	$ 9,440
Average Final Average Salary	$ -	$ 8,017	$ 7,534	$ 8,078	$ 7,559	$ 7,446	$ 8,728
Number of Active Retirees	-	1	2	2	3	2	4
Period 7/1/05 to 6/30/06							
Average Monthly Benefit	$ -	$ 2,529	$ 3,869	$ 4,597	$ 7,344	$ -	$ 8,686
Average Final Average Salary	$ -	$ 6,755	$ 8,372	$ 6,423	$ 7,995	$ -	$ 8,352
Number of Active Retirees	-	1	1	2	4	-	1
Period 7/1/06 to 6/30/07							
Average Monthly Benefit	$ -	$ 1,509	$ 3,982	$ 5,374	$ 7,470	$ 8,423	$ 8,151
Average Final Average Salary	$ -	$ 4,369	$ 7,936	$ 7,872	$ 7,580	$ 8,213	$ 7,838
Number of Active Retirees	-	2	5	3	4	4	1
Period 7/1/07 to 6/30/08							
Average Monthly Benefit	$ -	$ 2,918	$ 3,990	$ 4,968	$ 7,610	$ -	$ 9,827
Average Final Average Salary	$ -	$ 7,296	$ 8,523	$ 8,015	$ 7,610	$ -	$ 9,827
Number of Active Retirees	-	1	2	2	1	-	1
Period 7/1/08 to 6/30/09							
Average Monthly Benefit	$ -	$ -	$ 4,248	$ 5,813	$ 8,822	$ -	$ -
Average Final Average Salary	$ -	$ -	$ 8,579	$ 8,920	$ 9,016	$ -	$ -
Number of Active Retirees	-	-	4	2	5	-	-

Principal Employer

The Uniform Retirement System of Justices and Judges is a single-employer public employee retirement plan. The Plan covers Justices and Judges who sit on the Supreme Court of Oklahoma, the Oklahoma Court of Criminal Appeals, the Oklahoma Courts of Civil Appeals, the Oklahoma District Courts, and the Oklahoma Workers' Compensation Court. The Plan also covers the Administrative Director of the Courts.

Year Ending June 30	Covered Employees of the State
2009	274
2008	277
2007	278
2006	272
2005	266
2004	270
2003	268
2002	266
2001	261
2000	259

Demographics Chart



Member Statistics

Inactive members as of July 1, 2009	No.		Amount of Annual Benefit
Members receiving benefits			
Retired	148	$	9,279,624
Surviving spouses	50		1,149,890
Disabled	2		115,952
Total	**200**	**$**	**10,545,466**
Members with deferred benefits			
Vested terminated	13	$	538,787
Surviving spouses	0		-
Disabled	0		-
Total	**13**	**$**	**538,787**

		Average			
Statistics for	**No.**	**Age**	**Service**		**Earnings**
Active members as of July 1, 2008					
Continuing	272	56.6	12.4	$	117,130
New	5	47.2	0.7		105,981
Total	**277**	**56.5**	**12.0**	**$**	**116,929**
Active members as of July 1, 2009					
Continuing	263	57.3	12.9	$	123,018
New	11	49.4	0.7		111,442
Total	**274**	**57.0**	**12.2**	**$**	**122,554**

Summary of Retirees, Beneficiaries and Disabled Members

(Annual Benefits)[1]

	Retired Members		Surviving Spouses		Disabled Members		Total	
Age	**No.**	**Benefit**	**No.**	**Benefit**	**No.**	**Benefit**	**No.**	**Benefit**
Under 51	0	$ 0	0	$ 0	0	$ 0	0	$ 0
51	0	0	0	0	0	0	0	0
52	0	0	0	0	0	0	0	0
53	0	0	0	0	0	0	0	0
54	0	0	0	0	0	0	0	0
55	0	0	1	34,524	0	0	1	34,524
56	2	210,022	0	0	0	0	2	210,022
57	3	295,055	0	0	0	0	3	295,055
58	0		0	0	0	0	0	0
59	1	55,148	0	0	0	0	1	55,148
60	3	239,211	1	19,436	0	0	4	258,648
61	4	253,169	0	0	0	0	4	253,169
62	6	559,933	3	113,380	0	0	9	673,313
63	6	477,461	0	0	1	59,555	7	537,016
64	5	331,724	2	70,178	1	56,397	8	458,299
65	4	312,201	1	17,240	0	0	5	329,441
66	10	690,808	1	16,908	0	0	11	707,716
67	5	339,693	0	0	0	0	5	339,693
68	5	236,950	0	0	0	0	5	236,950
69	8	493,899	1	39,128	0	0	9	533,027
70	5	285,624	0	0	0	0	5	285,624
71	7	448,746	0	0	0	0	7	448,746
72	6	378,099	3	91,868	0	0	9	469,967
73	6	378,421	2	47,030	0	0	8	425,450
74	3	186,292	1	21,378	0	0	4	207,670
75	1	67,245	0	0	0	0	1	67,245
76	2	145,308	3	86,739	0	0	5	232,047
77	6	298,118	1	27,771	0	0	7	325,889
78	5	301,363	0	0	0	0	5	301,363
79	9	519,480	2	60,102	0	0	11	579,582
80	2	131,425	1	17,158	0	0	3	148,583
81	3	108,639	3	85,121	0	0	6	193,759
82	4	213,802	2	49,039	0	0	6	262,841
83	5	305,709	6	120,964	0	0	11	426,673
84	4	170,947	2	39,940	0	0	6	210,887
85	5	204,306	0	0	0	0	5	204,306
86	3	149,215	0	0	0	0	3	149,215
87	5	267,508	1	17,678	0	0	6	285,186
88	1	0	0	0	0	0	1	0
89	0	45,688	0	0	0	0	0	45,688
90	1	51,381	6	84,110	0	0	7	135,491
Over 90	3	127,032	7	90,198	0	0	10	217,230
Total	**148**	**$ 9,279,624**	**50**	**$ 1,149,890**	**2**	**$ 115,952**	**200**	**$ 10,545,464**

[1] Benefit amounts do not include the supplemental medical insurance premium.

Summary of Terminated Vested Members

(Deferred Annual Benefits)[1]

Age	Members with Deferred Benefits No.	Benefit
Under 40	0	$ 0
41	0	0
42	0	0
43	0	0
44	0	0
45	0	0
46	0	0
47	0	0
48	1	48,216
49	1	54,116
50	1	54,636
51	0	0
52	1	29,232
53	1	36,604
54	1	24,985
55	1	32,710
56	2	63,479
57	0	0
58	0	0
59	1	25,358
60	3	169,452
61	0	0
62	0	0
63	0	0
64	0	0
Over 64	0	0
Total	13	538,787

[1] Benefit amounts do not include the supplemental medical insurance premium.

Summary of Active Members

Age and years of credited service
Earnings tabulated are average rates of pay as of July 1, 2009

Count of Active Members

	Years of Service									
Age	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & Up	Total
Under 20	0	0	0	0	0	0	0	0	0	0
20 to 24	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0
35 to 39	4	3	0	0	0	0	0	0	0	7
40 to 44	8	5	3	1	0	0	0	0	0	17
45 to 49	21	9	7	0	0	0	0	0	0	37
50 to 54	10	7	10	7	2	0	0	0	0	36
55 to 59	14	7	21	12	13	7	1	0	0	75
60 to 64	10	9	15	3	8	7	2	0	1	55
65 to 69	5	8	9	2	2	0	0	1	0	27
70 to 74	1	1	3	0	2	1	0	0	1	9
75 & Up	0	0	2	2	2	2	0	0	3	11
Total	73	49	70	27	29	17	3	1	5	274

Average Compensation

	Years of Service									
Age	0 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & Up	Total
Under 20	0	0	0	0	0	0	0	0	0	0
20 to 24	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0
35 to 39	118,474	114,228	0	0	0	0	0	0	0	116,655
40 to 44	116,419	125,099	117,625	110,831	0	0	0	0	0	118,856
45 to 49	114,433	122,155	118,110	0	0	0	0	0	0	117,007
50 to 54	113,888	121,022	120,003	125,936	121,022	0	0	0	0	119,713
55 to 59	120,749	117,746	124,723	120,527	125,811	128,848	121,022	0	0	123,183
60 to 64	123,448	118,050	124,165	117,625	125,322	136,831	134,398	0	137,583	125,074
65 to 69	131,407	119,748	124,419	138,220	131,214	0	0	121,022	0	125,729
70 to 74	131,214	121,022	123,145	0	121,022	145,226	0	0	131,214	126,684
75 & Up	0	0	121,022	134,398	134,398	124,844	0	0	140,555	131,908
Total	118,636	120,008	122,751	123,586	125,980	132,627	129,939	121,022	138,092	122,554

MISSION and VISION

The mission of the URSJJ is to provide and promote accountable and financially sound retirement programs for those who have dedicated themselves to serving the people of our great state.

Our vision is to exceed the expectations of our customers and be recognized for excellence in providing retirement services to our members and helping them be financially prepared for retirement.

We do that by adhering to a set of values and behaviors centered on honesty and integrity, accountability, quality, customer service, teamwork and workforce development.

1120 South 101st Street
Suite 400
Omaha, NE 68124
USA

Tel +1 402 393 9400
Fax +1 402 393 1037

milliman.com

October 23, 2009

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

Re: Certification of 2009 Actuarial Results Under Prescribed Assumptions

Dear Members of the Board:

We have prepared an actuarial valuation of the Oklahoma Uniform Retirement System for Justices and Judges as of July 1, 2009 for the fiscal year ending June 30, 2010 using the prescribed assumptions and methods specified in 20 Okla. Stat, Section 1108(D). The results of the valuation reflect the benefit provisions in effect on July 1, 2009. Determinations for purposes other than meeting this requirement may be significantly different than the results shown here.

The results in this Section have been prepared for the sole purpose of meeting the statutory requirement, based on the following prescribed assumptions:

Interest rate: 7.50%

COLA assumption: 2.00%

Mortality: RP-2000 Mortality Table for Employees, Healthy Retirees and Disabled Retirees with Mortality Projected Forward from 2000 using Scale AA.

Amortization period: 30 years, open period

Sources of all contributions and revenues, including dedicated tax free revenue and federal monies.

All other assumptions, methodologies, and System provisions used are consistent with those used in the July 1, 2009 valuation. These assumptions, methodologies and provisions are described elsewhere in this document.

In preparing this valuation, we relied, without audit, on information (some oral and some in writing) supplied by the System's staff. This information includes, but is not limited to, statutory provisions, employee data, and financial information. In our examination of these data, we have found them to be reasonably consistent and comparable with data used for other purposes. Since the valuation results are dependent on the integrity of the data supplied, the results can be expected to differ if the underlying data is incomplete, or missing. It should be noted that if any data or other information is inaccurate or incomplete, our calculations may need to be revised.

The results shown here are not consistent with those in the July 1, 2009, valuation of the System. The July 1, 2009 valuation results were determined in accordance with generally accepted actuarial principles and practices that are consistent with the Actuarial Standards of Practice promulgated by the Actuarial Standards Board and the applicable Guides to Professional Conduct, amplifying opinion and supporting recommendations of the American Academy of Actuaries. The results shown in this section are not based on the assumptions and methodologies adopted by the Board of Trustees.

The undersigned credentialed actuaries meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained in this report.

Patrice Beckham	October 23, 2009
Patrice A. Beckham, F.S.A.	Date
Brent A. Banister	October 23, 2009
Brent A. Banister, F.S.A.	Date

Summary of Valuation Results Under Prescribed Assumptions

Actuarial Valuation as of July 1, 2009

Summary of Contribution Requirements		**Amount**
1. Expected annual payroll	$	33,579,668
2. Total normal cost	$	10,515,601
3. Unfunded actuarial accrued liability	$	36,586,783
4. Amortization of unfunded actuarial		
accrued liability over 30 years*	$	1,905,473
5. Budgeted expenses (provided	$	163,304
by the System)		
6. Total required contribution		
(2) + (4) + (5)	$	12,584,378
7. Estimated member contribution	$	2,686,373
8. Required employer contribution	$	9,898,005
(6) – (7)		
9. Previous year's actual contribution		
a. Member	$	2,774,837
b. Employer		2,243,701
c. Total	$	5,018,538

Summary of Costs	**Actuarial Valuation as of July 1, 2009**
Required employer contribution for current year	$9,898,005
Actual employer contributions received in prior year	2,243,701
Funded Status	
Actuarial accrued liability	$258,162,962
Actuarial value of assets	221,576,179
Unfunded actuarial accrued liability	36,586,783
Funded Ratio	85.8%
Market Value of Assets and Additional Liabilities	
Market value of assets	$184,646,816
Present value of projected future System benefits	331,861,414

This page left intentionally blank.

Uniform Retirement System for Justices and Judges
P.O. Box 53007 • Oklahoma City, Oklahoma 73152-3007
800.733.9008