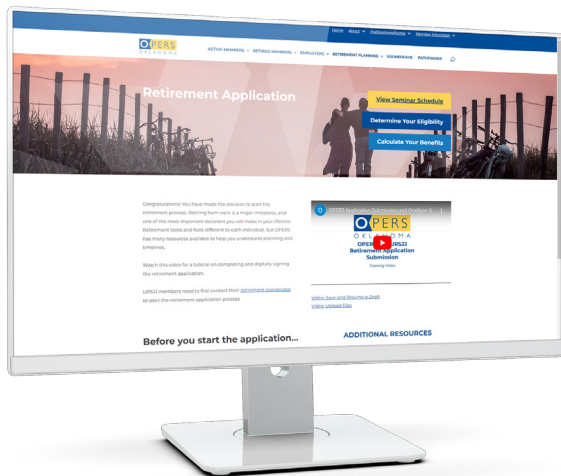


Active Member Edition Winter 2023

## New: Apply for Retirement Online



OPERS has taken another step toward digital transformation with the recent launch of the online retirement application. This new process allows for a faster, more organized way to apply for retirement without excessive paperwork. Feedback from applicants and OPERS staff has been positive and confirms success of the new process.

The digital application guides members to complete forms accurately the first time. Since the launch, error rates have dramatically lowered compared to applications completed using the traditional paper forms. This means fewer rejections, saving time for both members and staff, and helping you feel more confidence and less stress heading into retirement.

*continues on page 2*

## Oklahoma Public Employees Retirement System

### DIRECTOR'S CORNER

Joseph A. Fox, Executive Director

I am humbled and honored to lead such a wonderful organization whose mission is to provide comprehensive and financially sound retirement services to Oklahoma's public servants in a professional, efficient, and courteous manner that is transparent and accountable to its members and the public. Our dedicated and professional employees make all decisions in the best interest of you, our members.

We have been undergoing a lot of change the last couple of years as OPERS enters the decade of digital transformation. Several of our forms, including the all-important retirement application, are now digital and online. Soon, most of our forms and business processes will be digital and online. This saves everyone time and reduces errors and mistakes. The goal is to provide you more information and a more efficient retirement process. We approach every action with a member-experience focus with teams working across several departments to ensure that we support and educate our fellow state and local employees to help them achieve their retirement goals.

Once again, our outstanding financial and communications teams were nationally recognized, for the 25th consecutive year, by the Government Finance Officers Association receiving the Certificate of Achievement for Excellence in Financial Reporting for its annual financial report. Staff also received the Public Pension Standards Award by the Public Pension Coordinating Council for meeting professional standards for plan funding and administration for the 12th consecutive year. These awards are important and

*continues on page 8*

## SEE INSIDE

Oklahoma Public Employees Retirement System  
**POPULAR ANNUAL FINANCIAL REPORT**  
for the Fiscal Year Ended June 30, 2022

## ALSO IN THIS ISSUE

- 2 Pre-Retirement Seminar Schedule
- 3 2022 Popular Annual Financial Report
- 7 Healthful Hints: Five Reasons Walking Is the Most Recommended Exercise  
Member Spotlight
- 8 Contact OPERS

# Apply for Retirement Online *(Continued)*

## Getting Started

Visit the Forms page on our website, or go directly to the application landing page at [opers.ok.gov/retire](https://opers.ok.gov/retire). We provide how-to-videos along with written instructions and a list of information and documents to gather before applying. These include:

- **Retirement date.**
- **Retirement benefit option.** This determines how your benefits will be paid to you.
- **Spousal information, if applicable.** This includes their name, Social Security number, date of birth, and address.
- **Beneficiary information.** This includes beneficiary name, date of birth, Social Security number, addresses, and relationship for at least one primary and one contingent beneficiary.
- **A voided check or letter from your financial institution for direct deposit.**
- **Vital documents** such as proof of birth and marital status.

When completing the application, you will be able to upload PDF or scanned image files of required documents. Since the application is mobile friendly, you can take and upload pictures of these items with your phone. If you are unable to upload files, we will provide instructions to mail these in after submitting your application.

## Completing the Application

Most applicants complete the application in about 15 to 30 minutes. You also have the option to save your progress and finish later. The application will guide you through the six sections and present only questions that apply to your situation based on your previous answers.

## Signing Your Application

You must electronically sign the application before OPERS receives it. After submitting the online application, you will receive an email from OneSpan asking to verify your electronic signature. This email will be sent to your personal email address you provided on the application. Follow the instructions and click the link in the email. Once verified, you will receive a second email confirming your retirement

application was sent to OPERS. You must submit and complete the electronic signature verification by the deadline for your retirement date. Retirement deadlines are found on our website at [opers.ok.gov/dates-and-deadlines](https://opers.ok.gov/dates-and-deadlines).

Ready to apply? Go to [opers.ok.gov/retire](https://opers.ok.gov/retire) and start your application today!

## ESSENTIAL Retirement Checklist

This checklist guides you through the OPERS retirement journey. View or download at [opers.ok.gov/publications](https://opers.ok.gov/publications).

ESSENTIAL Retirement Checklist		
We know you have questions about retirement even after submitting your application. We are here to help. The checklist below guides you through the rest of the retirement journey. Our goal is to keep you informed about the retirement process by communicating with you at specific points. The good news is, if you don't hear from us in-between those times, your retirement application process is going smoothly.		
COMPLETED	TIME FRAME	ACTION
	<b>RETIREMENT DECISION</b>	
	6 months to 60 days before	Submit Retirement Application.
		Create a retirement file for documents, copies of forms and OPERS communications.
		Have you submitted these documents? Proof of birth for member and survivor, and if applicable: marriage license, divorce decree or death certificate.
	<b>BEFORE RETIREMENT</b>	
	4 months	Contact Social Security regarding when to start benefits.
	3 months before age 65	Contact Medicare about your coverage options.
	60-90 days	Contact EGD about continuing insurance in retirement.
	45 days (could be earlier)	COMMUNICATION FROM OPERS: OPERS Acknowledgment Letter confirms retirement date and requests any outstanding forms or documents.

## PRE-RETIREMENT SEMINARS

Start planning your retirement with an OPERS pre-retirement seminar. This seminar is offered as an online webinar or in-person presentation. Register online at [opers.ok.gov](https://opers.ok.gov).

## 2023 WEBINAR DATES

Monday, March 6	1:00 p.m.
Tuesday, April 4	9:30 a.m.
Thursday, May 4	1:00 p.m.
Thursday, June 1	9:30 a.m.
Tuesday, June 27	1:00 p.m.

## 2023 IN-PERSON DATES

Thursday, February 23	9:30 a.m.
Tuesday, March 21	1:00 p.m.
Wednesday, April 19	9:30 a.m.
Monday, May 15	1:00 p.m.
Wednesday, June 14	9:30 a.m.

Oklahoma Public Employees Retirement System  
**POPULAR ANNUAL FINANCIAL REPORT**  
For the Fiscal Year Ended June 30, 2022

Dear Esteemed Member:

I am pleased to bring you the Popular Annual Financial Report for the Oklahoma Public Employees Retirement System (OPERS) for the fiscal year ended June 30, 2022. This report is a reader-friendly summary of financial information provided in the 2022 Annual Comprehensive Financial Report.

OPERS continued to meet our responsibilities during fiscal year 2022 with an absolute commitment to the highest quality service to our members and employers, which shows our dedication to accountability and transparency.

This report represents what is best about OPERS and its' members. My gratitude goes to those who have worked purposefully and intentionally to prepare this report for our members and employers.

Sincerely,

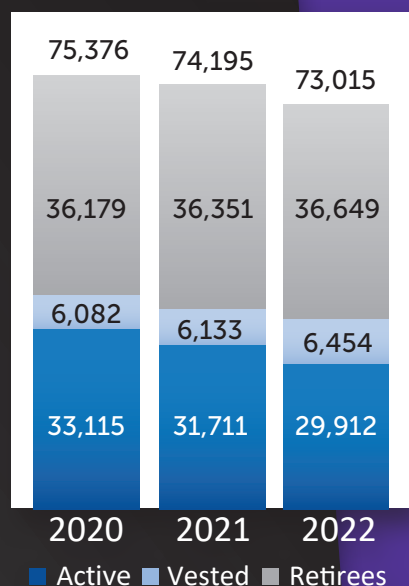
Joseph A. Fox  
Executive Director



### **Annual Comprehensive Financial Report Online**

The 2022 Popular Annual Financial Report for the Oklahoma Public Employees Retirement System (OPERS) contains summary financial information from the 2022 Annual Comprehensive Financial Report. The full report may be viewed, in its entirety online, at [www.opers.ok.gov/publications](http://www.opers.ok.gov/publications).

## DEMOGRAPHICS as of June 30



## About OPERS

The Oklahoma Legislature established OPERS in 1964. As of June 30, 2022, the Plan consisted of 288 participating employers comprised of state, county, and local agencies. The membership includes 29,912 active members, 6,454 inactive members, and 36,649 retirees and beneficiaries. Active membership has steadily decreased since the creation the mandatory Pathfinder Defined Contribution plan for new state employees after November 1, 2015.

## Net Position

The net position restricted for pension and health insurance subsidy plan (HISP) totaled slightly under \$10.4 billion at June 30, 2022 comparable to the position at June 30, 2021, declining by approximately \$2.1 billion due to a considerable decline in investment income and flows of funds, and \$10.1 billion at June 30, 2020. The net position is available for payment of monthly retirement benefits and other qualified distributions to the System's participants. US Equity and International Equity saw a significant loss in fiscal year 2022, resulting in a decrease in net investment income which led to a loss in net position restricted for pension/HISP benefits from June 30, 2021 to June 30, 2022 contrary to the prior year where there was a significant gain in net investment income of 28.0 percent from June 30, 2020 to June 30, 2021.

### CONDENSED SCHEDULES OF FIDUCIARY NET POSITION

(\$ millions)

	2022			2021			2020		
	Pension	HISP	Combined	Pension	HISP	Combined	Pension	HISP	Combined
<b>Assets:</b>									
Cash and cash equivalents	\$ 172.4	\$ 8.9	\$ 181.3	\$ 511.7	\$ 11.6	\$ 523.3	\$ 299.2	\$ 9.4	\$ 308.6
Receivables	317.2	12.7	329.9	543.5	20.8	564.3	258.8	9.9	268.7
Investments	10,092.0	407.8	10,499.8	12,064.2	466.3	12,530.5	9,632.5	374.1	10,006.6
Securities lending collateral	463.1	18.7	481.8	580.4	22.4	602.8	411.2	16.0	427.2
Other assets	0.4	-	0.4	0.8	0.1	0.9	1.0	0.1	1.1
<b>Total assets</b>	<b>11,045.1</b>	<b>448.1</b>	<b>11,493.2</b>	<b>13,700.6</b>	<b>521.2</b>	<b>14,221.8</b>	<b>10,602.7</b>	<b>409.5</b>	<b>11,012.2</b>
<b>Liabilities:</b>									
Other liabilities	594.5	24.0	618.5	1052.5	40.7	1093.2	469.0	18.2	487.2
Securities lending collateral	463.1	18.7	481.8	580.4	22.4	602.8	411.2	16.0	427.2
<b>Total liabilities</b>	<b>1,057.6</b>	<b>42.7</b>	<b>1,100.3</b>	<b>1,632.9</b>	<b>63.1</b>	<b>1,696.0</b>	<b>880.2</b>	<b>34.2</b>	<b>914.4</b>
<b>Ending fiduciary net position</b>	<b>\$9,987.5</b>	<b>\$405.4</b>	<b>\$10,392.9</b>	<b>\$12,067.7</b>	<b>\$458.1</b>	<b>\$12,525.8</b>	<b>\$9,722.5</b>	<b>\$375.3</b>	<b>\$10,097.8</b>

### CONDENSED SCHEDULES OF CHANGES IN FIDUCIARY NET POSITION

(\$ millions)

	2022			2021			2020		
	Pension	HISP	Combined	Pension	HISP	Combined	Pension	HISP	Combined
Member contributions	\$ 66.4	\$ -	\$ 66.4	\$ 66.2	\$ -	\$ 66.2	\$ 67.8	\$ -	\$ 67.8
State and local agency contributions	283.2	16.6	299.8	275.3	17.7	293.0	274.9	19.2	294.1
Net investment income (loss)	(1,736.6)	(51.9)	(1788.5)	2,681.3	83.0	2,764.3	435.3	14.5	449.8
<b>Total additions</b>	<b>(1,387.0)</b>	<b>(35.3)</b>	<b>(1,422.3)</b>	<b>3,022.8</b>	<b>100.7</b>	<b>3,123.5</b>	<b>778.0</b>	<b>33.7</b>	<b>811.7</b>
Retirement, death and survivor benefits	675.6	17.2	692.8	661.6	17.7	679.3	628.7	18.1	646.8
Refunds and withdrawals	11.9	-	11.9	10.7	-	10.7	14.4	-	14.4
Administrative expenses	5.7	0.2	5.9	5.3	0.2	5.5	5.5	0.2	5.7
<b>Total deductions</b>	<b>693.2</b>	<b>17.4</b>	<b>710.6</b>	<b>677.6</b>	<b>17.9</b>	<b>695.5</b>	<b>648.6</b>	<b>18.3</b>	<b>666.9</b>
<b>Net increase in fiduciary net position</b>	<b>(2,080.2)</b>	<b>(52.7)</b>	<b>(2,132.9)</b>	<b>2,345.2</b>	<b>82.8</b>	<b>2,428.0</b>	<b>129.4</b>	<b>15.4</b>	<b>144.8</b>
<b>Beginning of year</b>	<b>12,067.7</b>	<b>458.1</b>	<b>12,525.8</b>	<b>9,722.5</b>	<b>375.3</b>	<b>10,097.8</b>	<b>9,593.1</b>	<b>359.9</b>	<b>9,953.0</b>
<b>End of year</b>	<b>\$ 9,987.5</b>	<b>\$ 405.4</b>	<b>\$10,392.9</b>	<b>\$12,067.7</b>	<b>\$ 458.1</b>	<b>\$12,525.8</b>	<b>\$ 9,722.5</b>	<b>\$ 375.3</b>	<b>\$10,097.8</b>

## Changes in Fiduciary Net Position

OPERS is funded through a combination of member contributions, employer contributions and investment earnings. For the year ended June 30, 2022, fiduciary net position decreased by \$2,132.9 million, or 17.0 percent, from June 30, 2021. Total assets decreased \$2,728.6 million, or 19.2 percent, due to a 16.2 percent decrease in investments change in fair value and 20.1 percent decrease in Securities lending collateral. The System achieved a rate of return of -14.5 percent which is considerably lower than the prior year of 28.0 percent. Total liabilities decreased \$595.7 million, or 35.1 percent, due to a 43.4 percent decrease in pending purchases of securities.

Deductions to fiduciary net position are incurred primarily for the purpose for which OPERS was created, namely the payment of benefits to retirees. For the year ended June 30, 2022, total deductions increased \$15.1 million, or 2.2 percent, from the prior year. Retirement, death, and survivor benefits increased \$13.5 million, or 2.0 percent, due to a 0.8 percent increase in the number of retirees at year end and a 1.4 percent increase in the average benefit. Refunds and withdrawals increased \$1.2 million, or 10.9 percent, from prior year followed by a 7.6 percent increase in administrative costs.

## Benefits Paid to Members

Members qualify for full retirement benefits at their specified normal retirement age or, for any person who became a member prior to July 1, 1992, when the sum of the member's age and years of credited service equals or exceeds 80 (Rule of 80), and for any person who became a member on or after June 30, 1992, when the member's age and years of credited service equals or exceeds 90 (Rule of 90). Normal retirement age under the Plan is 62 or Rule of 80/90 if the participant became a member prior to November 1, 2011, or age 65 or Rule of 90 if the participant became a member on or after November 1, 2011.

The Schedule of Benefit Payments provides information on the total benefit expenses incurred by the Plan consisting of age and service, disability, and beneficiary death benefits.

## Investments

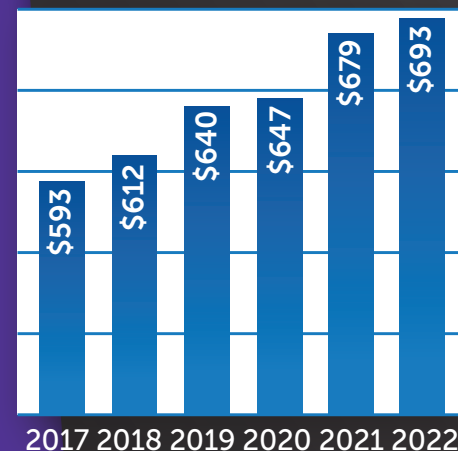
The Board of Trustees adheres to the highest standard in making investment decisions for the Plan – the Prudent Investor Rule. OPERS' funds are invested solely in the best interest of the members and their beneficiaries with a goal of keeping administrative expenses as low as possible. The 2022 decrease in the System's managed investments is reflective of the decrease in domestic and international income markets for the year. The System's overall return for the year ended June 30, 2022 was a loss of 14.5 percent. The Rate of Return table reflects overall investment returns over the past six fiscal years.

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 suitable investment strategies, especially in highly efficient markets.

The Board engages outside investment managers to manage the various asset classes where OPERS has exposure. At fiscal year end, the investment portfolio of OPERS was actively managed by three fixed income managers, six domestic equity managers and two international equity managers. OPERS' investment portfolio also consisted of passively managed index funds, including one fixed income index fund, two domestic equity index fund and two international equity index funds.

For fiscal year 2022, investments provided a loss of 14.5 percent. The annualized rate of return for OPERS was 4.6 percent over the last three years and 5.7 percent over the last five years. The allocation of the investment portfolio, as of June 30, 2022, is shown in the Asset Mix chart.

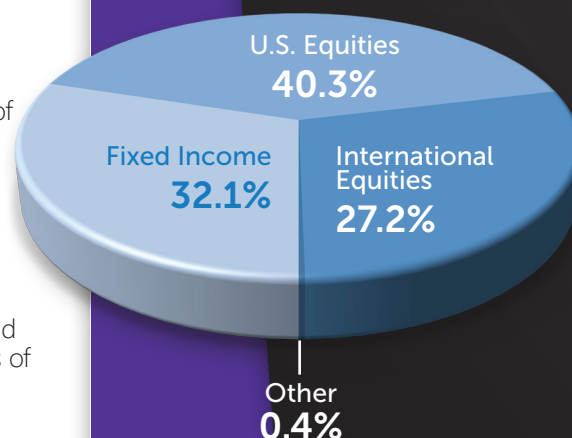
### SCHEDULE OF BENEFIT PAYMENTS (\$ millions)



### RATE OF RETURN

Year Ended June 30,	Total
2022	(14.5) %
2021	28.0
2020	4.7
2019	6.1
2018	8.4
2017	12.8

### 2022 ASSET MIX





## Funding

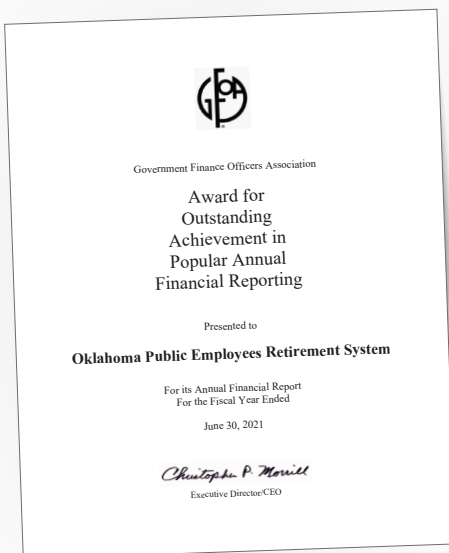
A pension fund is well funded when it has enough money in reserve to meet all expected future obligations to participants. It must also have a revenue source sufficient to keep up with future obligations. The funding objective for OPERS is to meet long-term benefit promises through contributions that 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 of OPERS as of July 1, 2022 amounted to \$11.1 billion and \$11.3 billion respectively.

The OPERS funded status increased to 101.5 percent at July 1, 2022. In 2011, the funded ratio significantly increased to 80.7 percent due to the removal of the cost-of-living adjustment (COLA) assumption. The Funded Ratio chart shows the change in funded status over the past six fiscal years.

## OPERS Awarded for Excellence in Financial Reporting

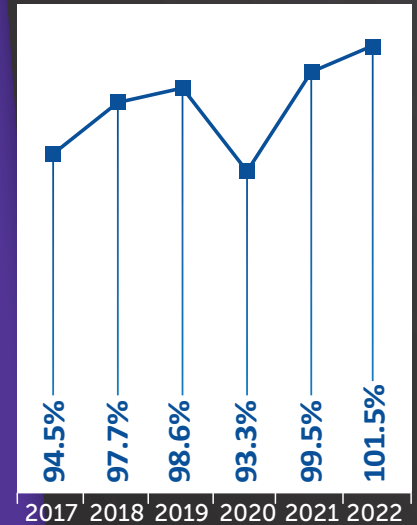
The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the Oklahoma Public Employees Retirement System for its Popular Annual Financial Report for the fiscal year ended June 30, 2021. The Award for Outstanding Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

To receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal. An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. OPERS has received the award for the last 15 consecutive years. We believe our current report continues to conform to the award requirements, and we are submitting it to GFOA.



In addition, OPERS was awarded the Public Pension Standards Award by the Public Pension Coordinating Council, a confederation of the National Association of State Retirement Administrators, the National Conference on Public Employee Retirement Systems, and the National Council on Teacher Retirement. This is the 12th consecutive award OPERS has received in recognition of meeting professional standards for plan funding and administration as set forth in the Public Pension Standards.

## FUNDED RATIO as of July 1



# Five Reasons Walking Is the Most Recommended Exercise

Almost every list of ways to stay active include walking. Whether you aim for 10,000 steps or 30 minutes a day, you will reap the benefits. Here are five reasons you should make walking a lifetime habit.

## 1. Walk Anywhere at Low-Cost

Walking is a low-impact, low-cost exercise anyone can do without the need of gym equipment or fitness memberships. Many people choose to walk outdoors to benefit from sunlight providing Vitamin D and breathing fresh air. Going indoors reduces the risk of injuries walking on uneven terrain. In addition, some fitness programs specialize in walking in place as an alternative to adding daily steps.

## 2. Meet Your Social Needs

There are many ways to make the exercise enjoyable and boost mental health. Bring a buddy (another person or your dog) or join a walking group as a social activity. Walking alone while listening to your favorite music or podcast can be a great way to decompress.

## 3. Slow the Effects of Aging

While walking is recommended for all able-bodied people, it is especially important as we get older and reduce physical activities. Even a 30 minute daily walk helps manage weight, prevent muscle loss, and strengthen bones.

## 4. Increase Brain Health

Harvard Medical School reported multiple studies showing the positive impact walking has on the brain. It releases chemicals that support brain health, grow new blood vessels in the brain, and increase survival of new brain cells. This helps protect memory and cognitive functions and increase mental sharpness as we age.

## 5. Support is Everywhere

Tools to support your walking journey include specialized footwear and clothing, smartphone apps, and drinking containers. If you like gear and gadgets, look to add trekking poles and fitness trackers to your routine. Even cities and towns throughout the United States encourage walking by increasing sidewalks, parks, and trails.

## Getting Started

Before starting any exercise routine, consult your health provider. A fitness trainer or physical therapist can teach proper technique and form. A specialist, such as a sports medicine doctor or podiatrist, can assess your feet's structure and recommend the best shoe, insole, or other accessories. Plus, they can customize a program to help you achieve your exercise goals.

If you're ready to start walking, get moving today!

## MEMBER SPOTLIGHT

We would love to hear about your experience with retirement and planning as an OPERS member. You could be featured in a future Member Spotlight. Go to [opers.ok.gov/member-spotlight](https://opers.ok.gov/member-spotlight).

**Name:** Marvin (retired five years)

**What does retirement mean to you?** Having freedom to plan and achieve new goals and activities. Retirement is exciting but also frightening for fear of the unknown.

**What advice would you give another member considering retirement?**

Get involved. No matter what it is. You will have time on your hands, so, get involved by volunteering, pursuing a hobby, traveling, or whatever you enjoy doing and have fun doing it.

**What is something you did not expect about retirement?** How boring daytime TV is.

**What is something new you have accomplished in retirement?** I've done more woodworking. I make small things like plaques that I sell at a consignment shop or give away. I don't make any money, but I enjoy doing it.

**What is on your retirement bucket list?** I'd like to travel, but right now health issues and the price of gasoline are preventing that.





O K L A H O M A

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**Outside Local Calling Area:**

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**Website:**

[www.opers.ok.gov](http://www.opers.ok.gov)

**Article Idea? Comments?**

We want to hear from you!  
[newsletter@opers.ok.gov](mailto:newsletter@opers.ok.gov)

## DIRECTOR'S CORNER

*continued from page 1*

show the professional dedication our staff exercises in protecting your investment.

Your retirement system remains in a stable financial condition. Despite the volatile equity markets this past year, the OPERS plan reached an all-time high actuarial funded ratio of 101.5% as of July 1, 2022. We can only reach these levels through the continued commitment of our Board of Trustees and staff, with their steadfast focus on our long-term investment philosophy.

I encourage each of you to stay informed about OPERS by visiting our website and keeping up to date on legislative issues involving your retirement. With an informed and involved membership and the support of our truly dedicated trustees and staff, OPERS is well positioned to meet any challenges ahead. Your system is strong, and I am committed to making sure it stays that way.

This publication, printed by the University of Oklahoma Printing Services, is issued by the Oklahoma Public Employees Retirement System (OPERS) as authorized by its Executive Director. Thirty thousand (30,000) copies have been prepared and distributed at a cost of \$7,800.00. An electronic version of this publication has been deposited with the Publications Clearinghouse of the Oklahoma Department of Libraries.