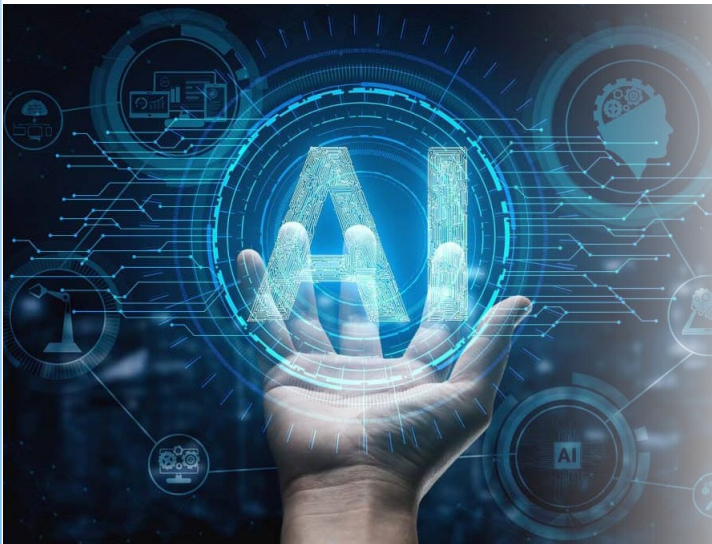


Retired Member Edition Summer 2025

Navigating AI in Retirement: Benefits and Challenges

The rise of AI produces a mix of anticipation and unease. While promises of innovation bring excitement, concerns grow about its impact on jobs, education and privacy. AI has the potential to reshape all aspects of life, including retirement. Understanding AI's benefits and pitfalls will be key to making the most of its possibilities.



AI risks to keep in mind:

- **Privacy considerations.** AI tools collect data. You should be cautious about what information you share. The way data is stored, protected and used isn't always clear.
- **Scams and fraud.** With AI comes a rise in scamming vulnerable populations. A scammer can use AI to mimic the voice of a loved one, demanding payment for a bondsman or abductor.
- **AI can be wrong.** It's tempting to view AI as an all-knowing technology, but that isn't the case. AI can pull from outdated data or incorrect information. If it doesn't know the answer, it could generate wildly inaccurate responses. Always double check the answers you receive.

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Oklahoma Public Employees Retirement System

DIRECTOR'S CORNER

Joseph A. Fox, Executive Director

Let's talk COLAs, one of the most frequently asked questions I get from our retirees.

COLA stands for Cost of Living Adjustment. COLAs are a necessary and expected part of most defined benefit retirement plans because they provide an increase in retirement benefits as the cost of living rises. But many state public retirement systems handle them differently. Under Oklahoma law, COLAs can only be granted through legislative action. Our Board of Trustees has no authority to grant any COLAs.

If we travel back in time to the 1990s and early 2000s, the Legislature granted COLAs almost every two years. Most of the COLAs granted during this time frame averaged around 4% (or 2%) per year. As you can imagine, this practice got very expensive and contributed to the OPERS funded ratio dropping from over 90% to below 70%.

To exercise some control, in 2006 the Legislature adopted the Oklahoma Pension Legislation Actuarial Analysis Act (OPLAAA). This law required any future COLA-related legislation to be introduced in the first legislative session, studied over the legislative interim for its actuarial impact on the retirement fund, and then considered for passage in the second legislative session. OPLAAA also requires COLAs to be funded by the Legislature.

In the last 17 years, two COLAs have been authorized. A 4% COLA in 2008, and a 2% or 4% (depending on number of years retired) COLA in 2020. A one-time stipend (or 13th benefit check based on a statutory formula) was granted in 2018. None of these COLAs were funded by the Legislature, rather the cost was absorbed by the Trust fund.

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Understanding How OPERS Changes Happen

OPERS plays an important role in helping its members achieve a secure and lasting retirement. To protect this benefit, changes to plan provisions and how we administer benefits follow structured processes. This provides transparency and accountability for our members. Here is a simplified version of the process.

BIG CHANGES ARE ENACTED BY THE LEGISLATURE

Major updates to state law for items like benefit amounts, contributions, eligibility requirements, and Cost of Living Adjustments (COLAs) must go through the Oklahoma Legislature.

1. A legislator introduces a bill in the House of Representatives or Senate with proposed changes.
2. For a bill starting in the House, it first goes to a House committee for discussion, possible amendments and a vote. If the bill is approved by the committee, then the bill is presented to the full House for amendments, questions, debate, and a vote.
3. If the bill is approved by the House it next moves to the Senate and follows the same process.
4. Any changes made between the House and Senate must be approved by another vote.
5. Once a bill has passed through both the House and Senate it goes to the Governor's desk for approval or veto.

Even this oversimplification shows how complicated the process is. The legislative process gives the opportunity for ideas to be looked at from different points of view before becoming law. Most bills introduced at the beginning of the legislative session don't make it through the entire process, and those that do often change many times along the way.

BILLS WITH A FISCAL IMPACT TAKE A PAUSE

Some bills impact the retirement system fiscally, such as COLAs. Under the Oklahoma Pension Legislation Actuarial Analysis Act (OPLAAA), any bill that might affect the system's financial standing must go through an actuarial investigation. This determines how much the proposed change would cost the system now and in the future. This actuarial

investigation takes place in the interim between legislative sessions, and the bill will be presented with the findings of the investigation when the legislative process resumes the following year.



NOT ALL CHANGES REQUIRE NEW LAWS

Changes to the way OPERS implements and interprets laws can be made through administrative rules. For example, rules can change the methods OPERS uses to accept retirement applications or how to calculate service credit. Here's a simplified overview of how rule changes happen:

1. OPERS staff draft proposed administrative rule changes and hold public comment periods, allowing the public to provide feedback.
2. The OPERS Board of Trustees reviews the administrative rules, and any comments received and then votes on whether to approve them.
3. The rule changes then go to the Legislature and Governor for final approval.

Stay in the know! You can follow along and track proposed and approved rules and bills on the following websites.

- oklegislature.gov
- rules.ok.gov
- opers.ok.gov/statutes-administrative-rules

The following is a description of the 2025 legislation affecting members of the Oklahoma Public Employees Retirement System (OPERS).

House Bill 1458

(Rep. Kane; Sen. Daniels)

Effective Nov 1, 2025

Assignment of retired member death benefit to funeral home

This bill modifies the process a beneficiary uses to have the \$5,000 death benefit paid to a funeral home instead of themselves. Currently, a beneficiary can only assign the \$5,000 death benefit to a funeral

home, which means the beneficiary may still be liable for the taxes. This measure clarifies that this transfer is a qualified disclaimer of benefits rather than an assignment of benefits which removes the tax liability from the beneficiary.

As a retired OPERS member your options for naming a beneficiary remain the same. You can name one or more people, a trust, an organization or funeral home.

Direct Deposit Dates

Retired members receive their monthly payments via direct deposit on the last working day of each month. You may change your direct deposit information at any time by completing a Direct Deposit Authorization form, which can be obtained by logging in to the Member Portal at opers.ok.gov.

The completed Direct Deposit Authorization form is due by the 5th of the month for your payment to be direct deposited into your account for that month. We recommend not closing the old account until your monthly benefit has cleared the new account.

Once a new direct deposit form is received, any returned checks will be reissued along with the current monthly benefit at the end of the month.

DIRECT DEPOSIT DATES

2025	2026
July 31	January 31
August 30	February 28
September 30	March 31
October 31	April 30
November 29	May 30
December 31	June 30

Navigating AI in Retirement *(continued from page 1)*

- **Increased social isolation.** AI can remove routine human interactions - like chatting with shopkeepers and customer service agents. Without those casual social outlets, finding alternatives will be essential. generate wildly inaccurate responses.

- **Challenges in accessibility.** Not everyone is comfortable with new technologies. Some may struggle to adapt, leaving them frustrated and without support.

How AI can enhance your retirement:

- **Life changes.** Downsizing? AI can help create a comprehensive shopping list – even if you have dietary restrictions. Looking for ways to fill your days? AI can suggest activities based on your interests and hobbies.
- **Travel planning.** If a new trip is on the horizon, ask AI to develop a three-day itinerary for the place you're

visiting. Oftentimes, it can tweak its suggestions based on your preferences.

- **Budget and finances.** Perhaps you'd like to budget your way to a fabulous Caribbean cruise or save more for retirement. AI can assist in creating a budget aligned with your goals.

- **Smart technologies.** AI-powered assistants, transportation services, tutors and companions have the potential to enhance quality of life, independence, and security. Life in retirement could look entirely different from the past.

Understanding AI's benefits and limitations allows you to make informed choices as you plan or enjoy retirement. When used wisely, AI can simplify tasks, provide useful insights, and enhance your lifestyle. By staying aware of potential risks, you can confidently navigate this evolving technology while making the most of its advantages.

Beyond Retirement Planning

Planning for beyond retirement is crucial. Even though it may be an uncomfortable topic, it's important to think about what will happen to you, your finances, and your property once you pass away. According to a 2024 AARP survey, 93% of people agree that having a plan for beyond retirement is important, but only about half (51%) of people over 50 years old have a plan in place. Here are a few simple steps you can take to move in the right direction.



Elect a Beneficiary

Your OPERS benefit is there for you as you enjoy your retirement. It may also provide a benefit for loved ones after you are gone. Take a moment to ensure your beneficiary's information is up to date. Major life events like a marriage, divorce, change of address or death are key times to check in or update your beneficiary information. You can fill out a new beneficiary form at opers.ok.gov/forms.

Gather Information

Gathering important documents and account numbers can be invaluable to your loved ones as they navigate the days after you pass away. Create or use a resource to record and communicate the location of vital documents (like birth certificates, titles, and deeds). Even something as simple as listing important phone numbers, or ID numbers can reduce the stress on loved ones as they navigate a world without you.

Secure Your Digital Presence

Have you thought about what may happen to your digital presence once you pass away? Many social media platforms have methods to ensure your accounts get passed to a person you designate. You may want to consider managing your online accounts with a password manager tool or even writing down login information – just be sure to store this information in a secure location like a safety deposit box or safe!

Use OPERS Resources

OPERS has a resource to help guide you – the “Where to Find My Important Papers” checklist located at opers.ok.gov/death-benefits. This document serves as a good starting point in your plan beyond retirement.

By performing these tasks, you'll make excellent headway in the planning process. While these items are helpful, they are only the beginning. The ultimate goal: develop a complete estate plan with the guidance of an estate or financial planner. Be a part of the 51% that have a plan in place for themselves beyond retirement.

The benefit your beneficiaries receive from OPERS depends on your membership status at the time of your death.

Active Members:

OPERS will offer your surviving spouse Option B survivor benefits if you were eligible to retire or receive a future retirement benefit. Otherwise, your beneficiaries will receive a lump-sum payment of your accumulated contributions.

Retired Members:

When you pass away, your monthly retirement benefit may continue, change or end, depending on the type of benefit you chose at retirement. In addition, your beneficiaries will receive one or more of a \$5,000 death benefit, excess accumulated contributions and your final monthly benefit payment.

MEMBER SPOTLIGHT

Name: Robbin (Active member)

When are you planning on retiring?

While I don't have an exact retirement date set in stone yet, I'm looking forward to it.

What is one piece of advice you would give another member considering retirement?

LIKE what you do! I still enjoy my job. Being an Investigator for the Medical Board for 15 years has taught me that no two situations are the same and there are at least three sides to every story. Even after all these years, my job is never boring, so I plan to stay busy in retirement.

What are you looking forward to in retirement?

I considered a lot of factors before deciding to retire but the main factor was the imbalance between my work life and my leisure time, which was almost non-existent. For me, it was time to focus on another chapter of life to enjoy grandkids, lake life and so many other things that have been put on hold for that ever elusive day when I have time. I am ready to give back and plan to do some volunteer work with Prison Ministries. My background in criminal justice will come in handy as I move into this new chapter of life.

What is on your retirement bucket list?

I hope to focus on my relationships and new experiences during retirement.



A Gift That Never Goes Out of Style — Blood Donation and You

As a retired OPERS member, you've spent your career serving others — and that spirit of service can continue in new and meaningful ways. One powerful option: Blood donation.

Why Blood Donation Matters:

Every day, hospitals in Oklahoma rely on volunteer donors to meet patient needs. From cancer treatments to emergency surgeries, donated blood is a vital lifeline. And while not every retiree may be eligible to give (certain medications and conditions may affect eligibility), many still can — and those who can't donate can help spread the word.

Ways You Can Participate:

- Donate if you're eligible: Healthy adults over 60 often still qualify. (opers.ok.gov/OBI)

- Bring a friend: Encourage family and friends to donate with you. It's a great way to socialize and serve.
- Volunteer at blood drives: If you prefer not to donate, many blood centers welcome volunteers to help with registration, snacks, and donor support.
- Share your story: Inspire others by telling your family, neighbors, and community about the importance of donation.

Blood donation remains one of the simplest and most generous acts of community service — and your participation can continue the legacy of helping others that defines OPERS members.

This article was written in partnership with our friends at the Oklahoma Blood Institute.



DONATE TODAY

Quick
Blood Facts
to Get You **STARTED:**

Only **10%**
of eligible individuals
actually donate.

One
donation
can save
up to **3**
Lives

Every **2** seconds,
someone in the
U.S. needs blood.

More than
1.2K
donations are needed
EVERY DAY
for local hospitals.

Save a life. Give blood. Spread the word.

Longevity Tied to Selflessness and Volunteering

Our members often list volunteering as a top priority when they retire. Giving back to your community is a great way to stay busy when work no longer fills your days. But, did you know it also has the power to leave you physically healthier and even lengthen your life?

In the book "Enough About Me: the Unexpected Power of Selflessness," author Richard Liu shows how longevity and selflessness are tied to the physical benefits of volunteering. Stony Brook University professor Stephen Post found "the giving of oneself increases health benefits in people – even those with chronic illness."

A Journal of Health Psychology study compiled data from more than 7,000 Americans age 70 and older. In that study, those who volunteered tended to live longer than those who did not.

Another study conducted at the University of California found that people age 55 and older who volunteered for two or more organizations were 44% more likely to live over a five-year period than non-volunteers. In addition, these volunteers had fewer strokes and better lung function.

Being more involved with your community also has psychological benefits. Volunteering activates the reward center in your brain and releases serotonin,



dopamine, and endorphins. Giving your time to help others reduces the risk of depression, improves cognitive function, and decreases feelings of isolation.

Think about the excitement of getting your first car or celebrating a big moment—that same feeling is what many people get from volunteering. Even if retirement is far away, consider starting the habit of giving back. Helping others may lead you to a happier, healthier, and possibly longer life.

Where do I start?

- RSVP (rsvpokc.org)
- Churches
- Food banks
- Nonprofits
- Schools
- Animal shelters

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Digital Forms Available on Website



OPERS has made it easy for members to locate and submit information electronically through our digital forms. Digital forms currently available on our website (opers.ok.gov/forms) include:

- Change of Address
- Change of Name
- Personal Email Submission or Change
- Member Information or Document Request
- Tax Withholding Preference Certificate

Getting to Know Oklahoma

Fun with People, Places, and Things

Oklahoma has its share of towns with unique and quirky names. While they may not be major tourist destinations, a quick stop by a couple of these towns can make for a memorable road trip with fun photo opportunities. While you may no longer find a sweet treat in Cookietown, OK, you might see a part of the state you haven't explored before.

Big Cabin, Oklahoma – A local resident claimed that the town had shipped out more hay between 1893 and 1910 than any other town in the U.S. He claimed that Big Cabin was “the Hay Capital of the World.”



▲ **Jet, Oklahoma** – The town gets its name from six unmarried brothers: Joseph, Trigg, Newt, Warner, John and Richard Jet. They settled in the area and developed homesteads in the former Cherokee outlet.

Gene Autry, Oklahoma – A town that's gone through several name changes! Originally named 'Lou,' it then became 'Dresden,' then 'Berwyn' to its final and current name, honoring the Singin' in the Rain movie star.

Pink, Oklahoma – According to the Encyclopedia of Oklahoma History and Culture, the town of Pink may have been named to complement a nearby town, Brown, which no longer exists. No matter the source, the town remains the only one in the US to bear the name of this favorite color.



▲ **Freedom, Oklahoma** – The community of Freedom is known as the smallest certified city (as opposed to a town) in the state of Oklahoma. Freedom is host to the annual Freedom Open Rodeo and Old Cowhand Reunion, known as the “Biggest Open Rodeo in The West.”

Loyal, Oklahoma – Originally a settlement of many natives of Germany, this town was named Kiel. This name was changed to Loyal due to rampant anti-German sentiment following the US's entry into WWI.

Want to add more places to your road trip?

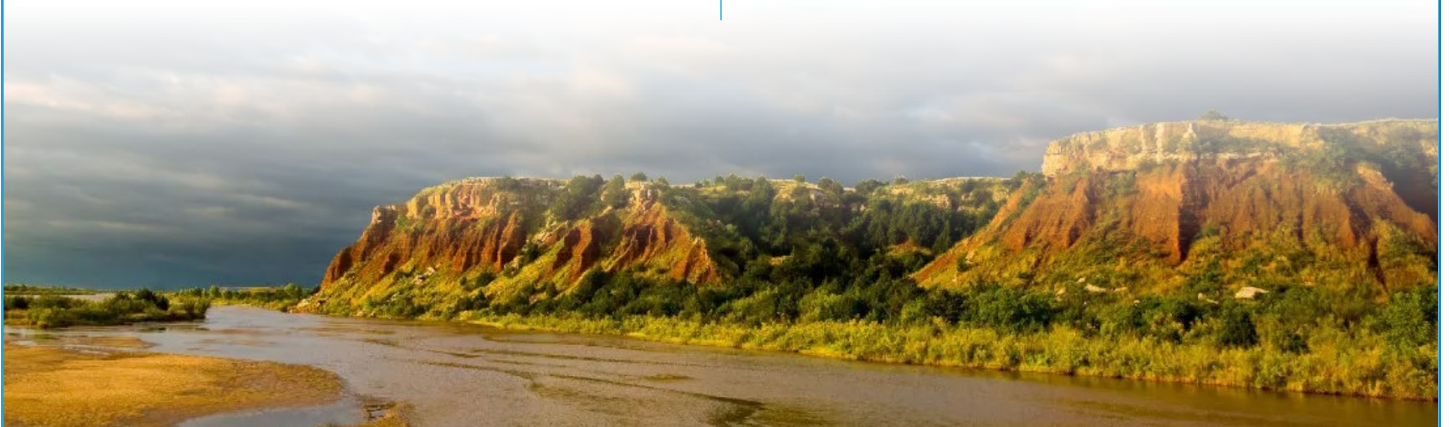
Shared names with other well-known places:

- Miami, OK
- Disney, OK
- Red Rock, OK
- Chattanooga, OK
- Peoria, OK
- Cheyenne, OK



Do you share a name with an Oklahoma town?

Martha • Allen • May • Tyrone • Ryan • Stuart •
Marshall • Alex • Cole • Katie • Calvin • Cameron •
Douglas • Francis





O K L A H O M A

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Article Idea? Comments?

We want to hear from you!
newsletter@opers.ok.gov

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-seven thousand two hundred (37,200) copies have been prepared and distributed at a cost of \$9,969.60. An electronic version of this publication has been deposited with the Publications Clearinghouse of the Oklahoma Department of Libraries.

Mailed July 2025

DIRECTOR'S CORNER *(continued from page 1)*

COLAs may be expensive but are also necessary from time to time to preserve purchasing power during retirement. For example, a one-time 2% COLA based on today's actuarial assumptions would cost the System approximately \$135 million; a one-time 4% COLA would cost approximately \$270 million. Both would drop our funded ratio by 1% - 3%, again based on current assumptions.

Our funded ratio as of July 1, 2024, was 102.7% and has been over 100% since 2022. Based on our current financial condition, we could afford a reasonable COLA without affecting our funded status too dramatically. Recent turmoil in the markets has had an impact on our financial condition, so we will have to keep a close eye on these tumultuous markets through the end of this fiscal year to determine our latest funding status.

During the 2025 Legislative session, three COLA bills were introduced and referred to the legislative actuary for review and study: HB2193 (2% or 4% depending on gross annual retirement benefit); SB90 (2%); and SB172 (allows retirement boards to approve a 2% COLA if the retirement system is over 80% funded). All three of these bills are eligible to be considered during the 2026 Legislative session. We will keep you informed of any action on these bills next session.