

Retired Member Edition Winter 2026

Oklahoma Public Employees Retirement System

DIRECTOR'S CORNER

Joseph A. Fox, Executive Director

I am pleased to report that the state of your retirement system is good, and the financial condition continues to set high marks.

The Actuarial Valuation Report as of July 1, 2025, shows our actuarial funded ratio at 107.8%, the highest in the history of the fund and one of the highest in the country. The investment returns for the fund have been among the highest of all public pension plans of similar size in the country for the last three fiscal years.

Our Board of Trustees have been great stewards of the fund and have consistently applied the fund's long-term investment philosophy of maintaining a diversified portfolio at the lowest cost possible. By adhering to this philosophy, OPERS has saved about \$30 million per year on average in investment manager fees over the past 14 fiscal years compared to the average fee reported by peers from the National Conference of Public Employee Retirement Systems. Instead of giving these fees to Wall Street, we put these savings back into the Plan where it remains invested for the future. Because that fee savings remains invested, it continues to grow. We estimate the fund has benefited from this compounded impact of fee savings to the tune of nearly \$600 million over the last 14 fiscal years compared to our peers. This impressive result has not disadvantaged the Fund from a performance perspective, as our performance has been better than most peers but at a fraction of the cost.

The OPERS staff have also been on the award stand in 2025. The Plan received the GFOA Award for Outstanding Achievement in Financial Reporting for both the Annual Comprehensive Financial Report, prepared by our

Making Your Retirement Dollars Count

OPERS members often have a long list of things they want to achieve and enjoy during retirement. Between traveling, home renovation, celebrating family milestones and more, budgets can get tight! The following tips can help you make the most of your retirement savings and accomplish those goals.

Free up your budget

The first step to maximizing your savings is to take a close look at your current budget. Which categories have increased the most? Are there ways to trim those costs?

- A few low-cost subscriptions can quickly reach \$100 a month. Trimming those down may free up hundreds of dollars a year.

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INSIDE:

Oklahoma Public Employees Retirement System
POPULAR ANNUAL FINANCIAL REPORT
for the Fiscal Year Ended June 30, 2025

Making Your Retirement Dollars Count *(continued)*

- Audit your household energy usage. Simple fixes like sealing drafty windows or swapping out energy inefficient lightbulbs can help you keep more of your hard-earned money.
- Look for spending patterns and limit shopping trips or eating out. Even small purchases can really add up when they become habit.

By monitoring your spending and sticking to a budget, you can rest assured you aren't wasting surplus dollars on trivial purchases.

Develop a few homesteading skills

Practical hobbies can be fun and boost your mental health while freeing up a bit of your budget!

- Seek out your local 'Library of Things' for tools and gadgets you can check out to use in DIY projects at home.
- Try growing a few plants each season. For smaller spaces, tomatoes can be grown in a pot, and herbs can thrive on a windowsill.
- Learning to can and preserve food extends the shelf life of produce to enjoy beyond harvest season.
- Basic sewing skills allow you to repair your favorite shirts and jeans. Sewing not only extends the longevity of clothing, but it provides the skillset to tailor thrifted items.

Find free or low-cost entertainment

It isn't hard to find fun for free if you know where to look!

- Check out your city's social media and look for ways to enjoy your community. Depending on the season, there are often outdoor events for free movies or live music.
- For those frosty winter months, local libraries have a rich resource of indoor activities offering books, videos, workshops, book clubs, and classes you can enjoy at no cost. Many have ways you can "check out" a free pass to local museums and art galleries.
- Travel and tourism web pages can point you to local trails and scenic nature to enjoy. You might be able to find hidden treasures just around the corner.

2026 DIRECT DEPOSIT DATES

Benefits are direct deposited on the last working day of the month. If you need to change the financial institution your benefits are deposited, log into the Member Portal at opers.ok.gov or call the OPERS office to request a Direct Deposit Authorization form. We must receive and approve the form no later than the 5th day of the month your benefits are to deposit.

January 30	July 31
February 27	August 31
March 31	September 30
April 30	October 30
May 29	November 30
June 30	December 31



Read More in the Online Edition

This issue highlights our **Popular Annual Financial Report**, leaving less room for our usual features in print. Visit opers.ok.gov/newsletter to read the full 'online' edition with additional stories and bonus content.

The Great Gene Gaffe of 2025

OPERS mixed up their Genes! In our Summer 2025 Newsletter, we highlighted the town Gene Autry, Oklahoma and got our famous singin' actors confused! Gene Autry is our beloved Singing Cowboy and the town namesake, and it's Gene Kelly who was Singin' in the Rain. We are sorry for the confusion, and thankful to have heard from many of you about our error. Even if it's due to a blunder, we love hearing from our members! Provide feedback for our newsletters at any time at newsletter@opers.ok.gov.



Oklahoma Public Employees Retirement System **Popular Annual Financial Report** For the fiscal year ended June 30, 2025.

Dear 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, 2025. This report is a reader-friendly summary of financial information provided in the 2025 Annual Comprehensive Financial Report.

OPERS continued to meet our responsibilities during fiscal year 2025 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 2025 Popular Annual Financial Report for the Oklahoma Public Employees Retirement System (OPERS) contains summary financial information from the 2025 Annual Comprehensive Financial Report. The full report may be viewed, in its entirety online, at opers.ok.gov/publications.

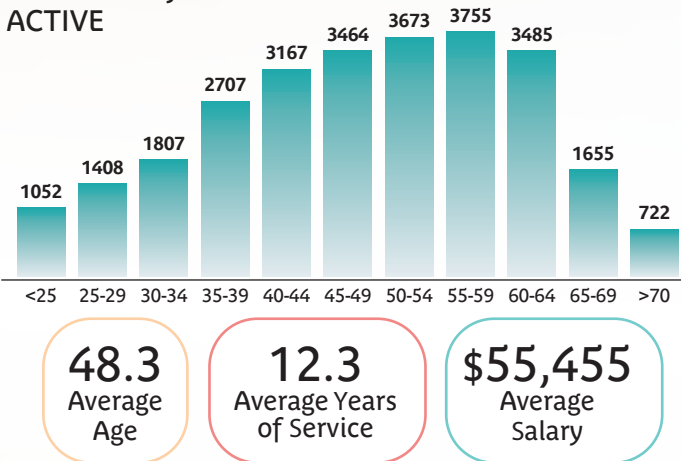
About OPERS

The Oklahoma Legislature established OPERS in 1964. As of June 30, 2025, the Plan consisted of 292 participating employers comprised of state, county, and local agencies. The membership includes 26,895 active members, 7,066 inactive/vested members, and 37,159 retired members and beneficiaries. Active membership has steadily decreased since the creation of the mandatory Pathfinder Defined Contribution plan for new state employees after November 1, 2015.

The Active OPERS Member

1,911 new and 639 rehired members in FY2025.

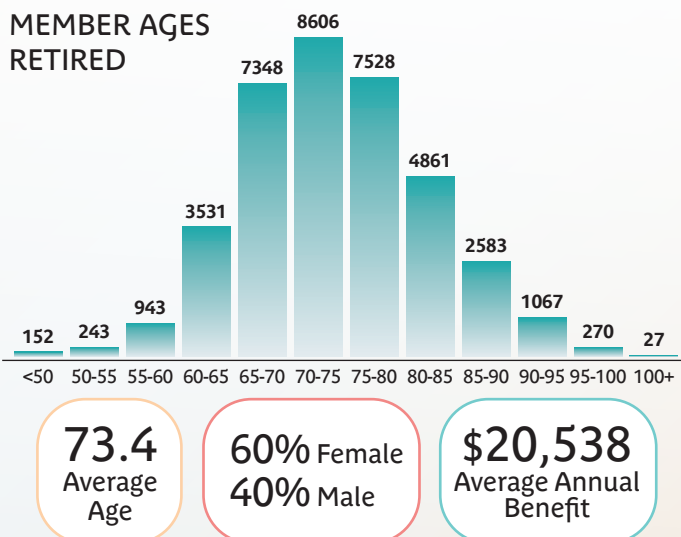
MEMBER AGES ACTIVE



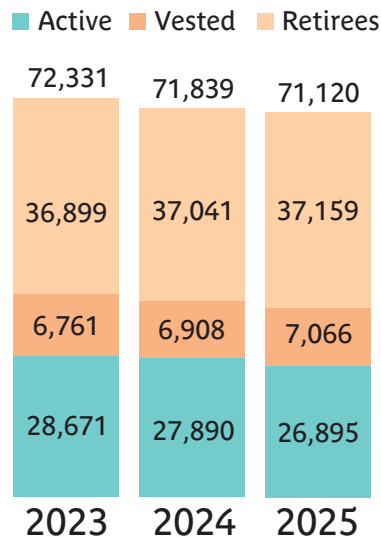
The Retired OPERS Member

1,268 members retired in FY2025.

MEMBER AGES RETIRED



DEMOGRAPHICS as of June 30



KNOW THE TERMS:

Active Members – Members who actively contributed through employment during the fiscal year.

Inactive/Vested Members – Members with contributions in the system but did not participate through employment during the fiscal year.

Retired Members – Members and surviving beneficiaries who received a benefit during the fiscal year.

Net Position

The net position restricted for pension and health insurance subsidy plan (HISP) totaled slightly under \$13.4 billion at June 30, 2025 comparable to the position at June 30, 2024 of \$12.2 billion and \$11.2 billion at June 30, 2023. The increase of \$1.2 billion from the prior year was due to a stronger market. The net position is available for payment of monthly retirement benefits and other qualified distributions to the System's participants. US Equity and Active Equity saw a significant gain in fiscal year (FY) 2025, resulting in an increase in net investment income which led to a gain in net position restricted for pension/HISP benefits from June 30, 2024, to June 30, 2025, similar to the prior year where there was a gain in net investment income of 12.8% in FY2024.

CONDENSED SCHEDULES OF FIDUCIARY NET POSITION*

(\$ millions)

	2025	2024	2023
Assets:			
Cash and cash equivalents	\$194.6	\$456.7	\$120.8
Receivables	126.5	191.8	347.6
Investments	13,501.7	12,376.9	11,246.3
Securities lending collateral	295.3	326.3	348.1
Other assets	1.0	0.9	0.7
Total assets	14,119.1	13,352.6	12,063.5
Liabilities:			
Other liabilities	472.3	830.0	563.3
Securities lending collateral	295.3	326.3	348.1
Total liabilities	767.6	1,156.3	911.4
Ending fiduciary net position	\$13,351.5	\$12,196.3	\$11,152.1

Changes in Fiduciary Net Position

OPERS is funded through a combination of member contributions, employer contributions and investment earnings. For the year ending June 30, 2025, fiduciary net position increased by \$1,155.2 million, or 9.5%, from June 30, 2024. Total assets increased by \$766.5 million, or 5.7%, driven by a 9.1% rise in the fair value of investments. The System achieved a rate of return of 12.5% comparable to the previous year's rate of return of 12.7%. Total liabilities decreased \$388.7 million, or 33.6%, primarily due to a 43.1% 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, 2025, total deductions increased by \$9.8 million, or 1.3%, compared to the prior year. Retirement, death, and survivor benefits rose by \$9.5 million, or 1.3%, due to a 0.3% increase in the number of retirees at year end and a 1.5% increase in the average benefit. Refunds and withdrawals grew \$0.3 million, or 2.1%, in contrast to administrative costs, which decreased by 1.3%.

CONDENSED SCHEDULES OF CHANGES IN FIDUCIARY NET POSITION*

(\$ millions)

	2025	2024	2023
Member contributions	\$72.9	\$71.5	\$68.7
State and local agency contributions	340.2	330.8	313.0
Net investment income (loss)	1,492.1	1,382.1	1,102.7
Total additions	1,905.2	1,784.4	1,484.4
Retirement, death and survivor benefits	728.2	718.7	705.4
Refunds and withdrawals	14.4	14.1	13.1
Administrative expenses	7.4	7.4	6.7
Total deductions	750.0	740.2	725.2
Net increase in fiduciary net position	1,155.2	1,044.2	759.2
Beginning of year	12,196.3	11,152.1	10,392.9
End of year	\$13,351.5	\$12,196.3	\$11,152.1

*Values in this chart reflect the combined total of the pension and health insurance subsidy plan (HISP). A breakdown of each can be viewed in the 2025 Annual Comprehensive Financial Report at opers.ok.gov/publications.

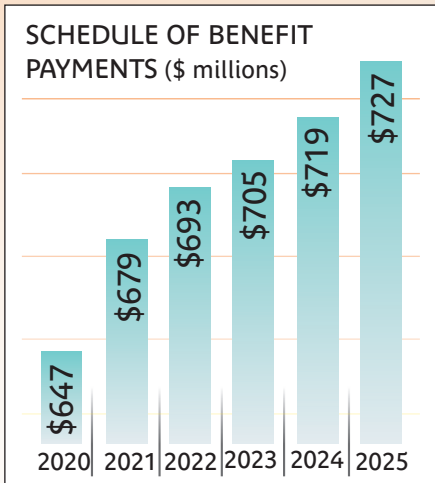
KNOW THE TERMS:

Net Position – The total money and investments the Plan has after subtracting any liabilities. This represents the amount available to pay benefits and other qualified distributions.

Changes in Fiduciary Net Position – This tracks new money coming in like contributions and investment earnings and money going out like benefit payments and expenses.

Fair Value of Investments – This is the current worth of the Plan's investments if they were sold today based on market prices.

Securities Lending Collateral – The cash or other assets from a borrower, like a security deposit, when the Plan lends out investments. Because collateral is returned upon loan repayment, securities lending collateral is recorded as both an asset and a liability.



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.

RATE OF RETURN

Year Ended June 30,	Total %
2025	12.5 %
2024	12.7 %
2023	10.9 %
2022	(14.5) %
2021	28.0 %
2020	4.5 %

Investments

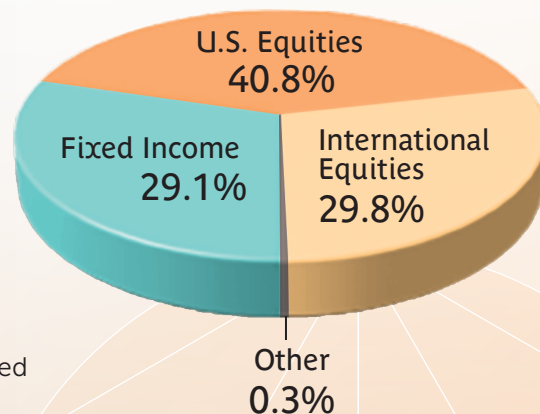
The Board of Trustees adheres to the highest standard in making investment decisions for the Plan – the Prudent Investor Rule. OPERS' funds are invested solely in the best interest of the members and their beneficiaries with a goal of keeping administrative expenses as low as possible. The 2024 increase in the System's managed investments is reflected in the rise of both domestic and international income markets for the year. The Sytem's overall return for the year ended June 30, 2025 was 12.5%. 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 risk. Diversification, both by and within asset classes, is the primary risk control element in the portfolio. Passive funds are considered to be 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 funds and two international equity index funds.

For fiscal year 2025 investments provided a return of 12.5%. The annualized rate of return for OPERS as of June 30, 2025 was 12.1% over the last three years and 9.0% over the last five years. The allocation of the investment portfolio, as of June 30, 2025, is shown in the **Asset Mix** chart.

2025 ASSET MIX



KNOW THE TERMS:

Rate of Return – Expressed as a percentage, this measures how much the Plan earned or lost on its investments over a certain time.

Asset Allocation – This is how the Plan invests in different asset classes like stocks, bonds and real estate to balance risk and reward.

Diversification – This is when the Plan spreads its funds across different investment types.

Passive Funds – These are investments that follow a market index and usually cost less to manage.

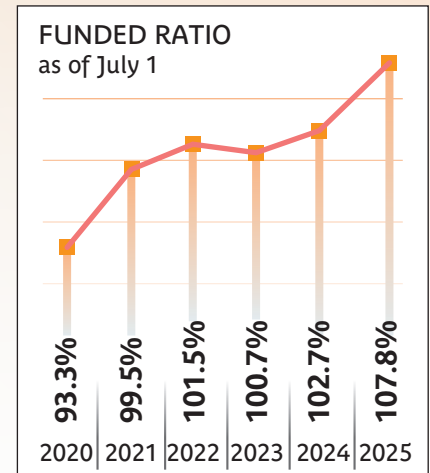
Funded Ratio – This shows the how much money the Plan has compared to how much it will need to pay future benefits and obligations.

Actuarial Accrued Liability – The amount of funds the Plan needs today to pay for promised future benefits.

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, 2025, amounted to \$11.8 billion and \$12.7 billion respectively.

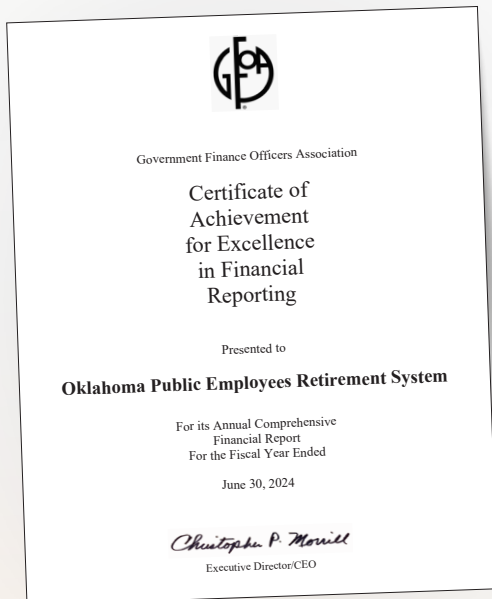
As of July 01, 2025, the OPERS funded status stands at 107.8%. In 2011, the funded ratio significantly increased from 66% to 80.7% primarily due to the removal of the cost-of-living-adjustment (COLA) assumption. The **Funded Ratio** chart shows the change in funded status over the past six fiscal years.



OPERS Awarded for Excellence in Financial Reporting

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, 2024. 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 18 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 15th consecutive award OPERS has received in recognition of meeting professional standards for plan funding and administration as set forth in the Public Pension Standards.

OPERS Pension Supports Local and State Economies

Our retired members provide a strong economic base in Oklahoma. The spending of retirement benefits ripples through local economies. One person's spending turns into another person's income – creating a multiplier effect. A 2022 study by the National Institute on Retirement Security found that each dollar invested by Oklahoma taxpayers in pension plans supported \$4.01 in total economic activity in the state.¹

¹ Pensionomics State Data Fact Sheet: nirsonline.org/resources/pensionomics-state-data

\$716M
Benefits Paid

91%
Benefits Paid to
Oklahoma Residents



OKLAHOMA

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Article Idea? Comments?

We want to hear from you!
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Mailed February 2026.

DIRECTOR'S CORNER *continued from page 1*

Financial/Accounting team, and the Popular Annual Financial Report, prepared by our Communications team. This is the 28th consecutive year for the team to receive the award for the Annual Comprehensive Financial Report, and the 18th consecutive year for the team to receive the award for the Popular Annual Financial Report.

But that's not all. The Plan also received, for the 15th consecutive year, the Public Pension Coordinating Council's Standard Award for Funding and Administration for 2025. This award recognizes outstanding achievement and excellence in meeting professional standards for management, administration, and funding of public plans.

As I reported in our last newsletter (Summer 2025), the legislature will likely be considering COLAs this legislative session. There are three bills to watch: HB 2193 (scaled COLA based on retirement date and capped), SB 90 (2% COLA), and SB 172 (2% COLA based on Plan's funded ratio and allows boards of state pension systems to approve). Each of these bills are in the respective pension committees in the House and Senate. We will continue to keep you informed of any action on these bills through our website as the legislative session progresses.