



OKLAHOMA

Police Pension and Retirement System

Interim Study IS25-009

October 29, 2025

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WWW.OPPRS.OK.GOV



OPPRS at a Glance - June 30, 2025

Assets

- \$3.45 billion (actual)
- \$3.54 billion (actuarial)

Liabilities

- \$3.63 billion

Funded Ratio

- Funded Ratio 97.6%
- UAAL- \$86.5 million

Membership

- Total – 10,969
- Active – 5,099
- Retired, vested & beneficiaries – 4,720
- Terminated, not vested – 1,150

Investment Return

- 9.5% - Net of fees



OPPRS Formation

Created in 1981

OPPRS was created January 1, 1981, by Title 11 § 50-101, et. al.

Original Purpose

Legislation consolidated all joining predecessor municipal retirement plans into a single retirement system with standardized benefits and a consistent funding process.



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OPPRS Board

7 Officers

- Six members are active officers (3 – year terms)
- Represent 4 quadrants of state; elected by members from each quadrant
- One member each for Oklahoma City and Tulsa
- One retired (officer) member represents entire state (3-year term)

4 Appointees

- One appointed by the Speaker of the House (4-yr. term)
- One appointed by the President Pro Tempore of the Senate (4-yr. term)
- One appointed by the Governor (4-yr. term, coterminous with governor)
- One appointed by the President of the OK Municipal League (4-yr. term)

2 State Officials

- The State Insurance Commissioner or designee
- The Director of OMES or designee



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Board Appointee Qualifications



Have demonstrated professional experience in investment or funds management, public funds management, public or private pension fund management or retirement system management



Have demonstrated experience in the banking profession and have demonstrated experience in investment or funds management



Be licensed to practice law in this state and have demonstrated professional experience in commercial matters; or

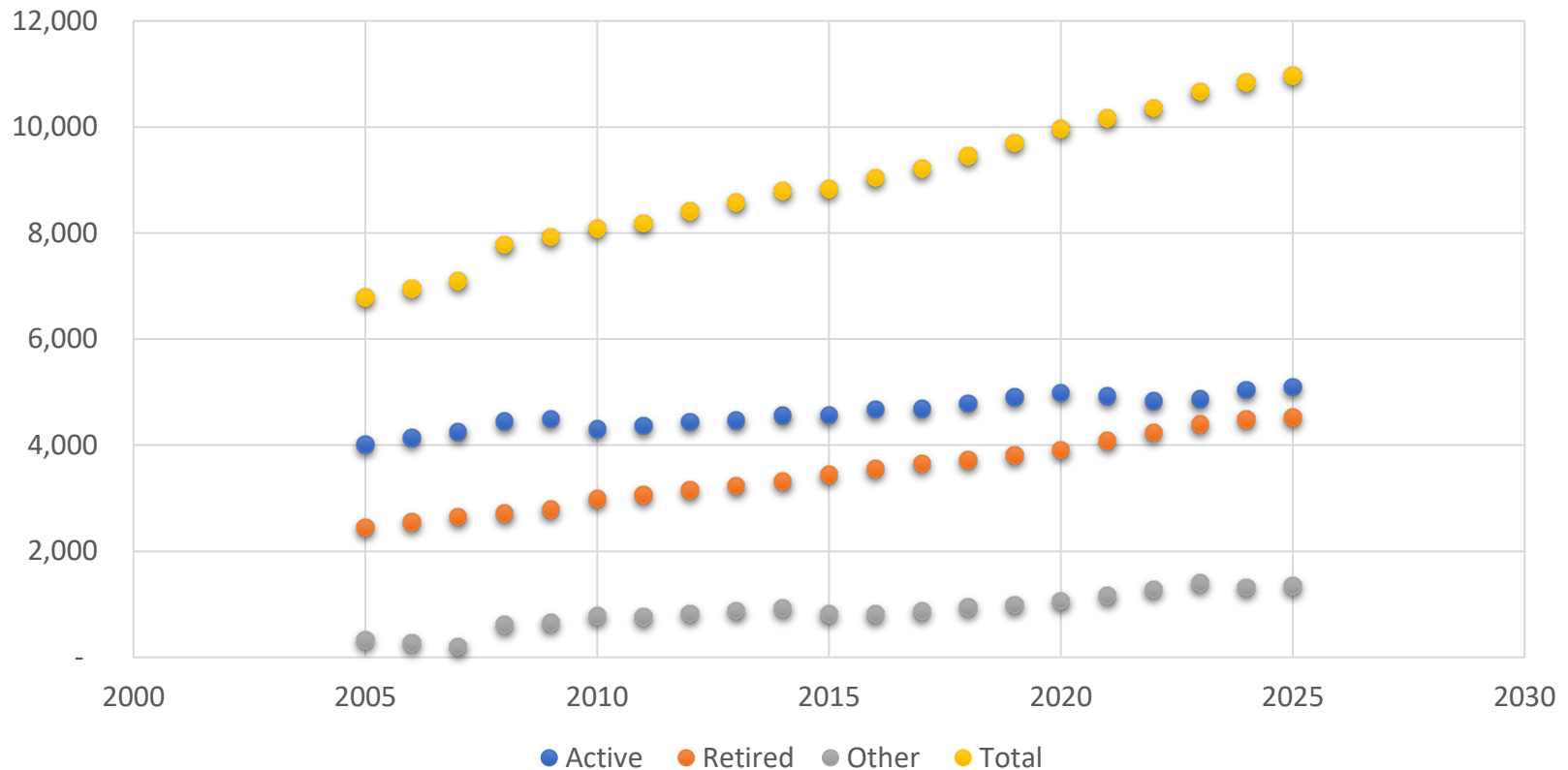


Be licensed by the Oklahoma Accountancy Board to practice in this state as a public accountant or certified public accountant



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OPPRS Membership 2005-2025



Retired - Retirees and beneficiaries
Other - Vested, DOP participants and refunds due

OPPRS Benefits

Service

- Members vest in a benefit after 10 years of service
- 20 years for standard retirement

Paid base salary

- Highest 30 consecutive months of the last 60 months of credited service

Multiplier

- 2.5% in FY 2027 (3.0% for members with 25 years of service or greater)
- 3.0% in FY 2028 (for members with 20 years of service or greater)

Deferred Option (DOP)

- Forward DOP - Elect to retire in 5-years (non-revocable)
- Back DOP – Retire and take a lump sum for the last 5 years of service (cannot go below 20 years)
- Payout Provision – Members can leave funds in the plan until the required RMD age



Funding Sources

Members

- Members contribute 9% of their salary (new rate effective July 1, 2025, up from 8%) Contributions were \$35.1 million in fiscal 2025, up 7.7% from 2024.

Employers

- Municipal employers contribute 14% (new rate effective July 1, 2025, up from 13%) Contributions were \$56.1 million in fiscal 2025, up 6.7% from 2024.

Insurance Premium Tax

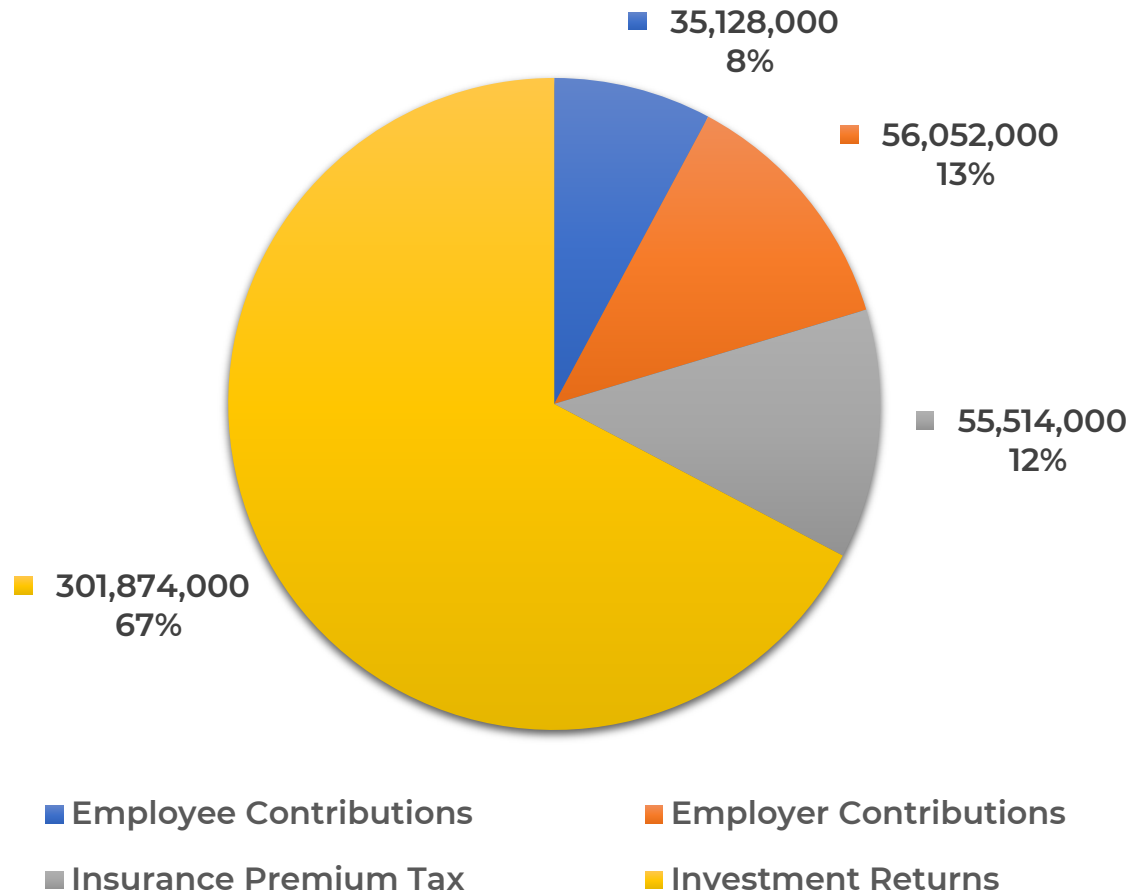
- OPPRS receives 14.7% of the insurance premium tax (statutorily set at this rate through FY2027, then reverts back to 14%) Contributions were \$55.5 million in fiscal 2025, up 1.5% from 2024.

Investment Returns

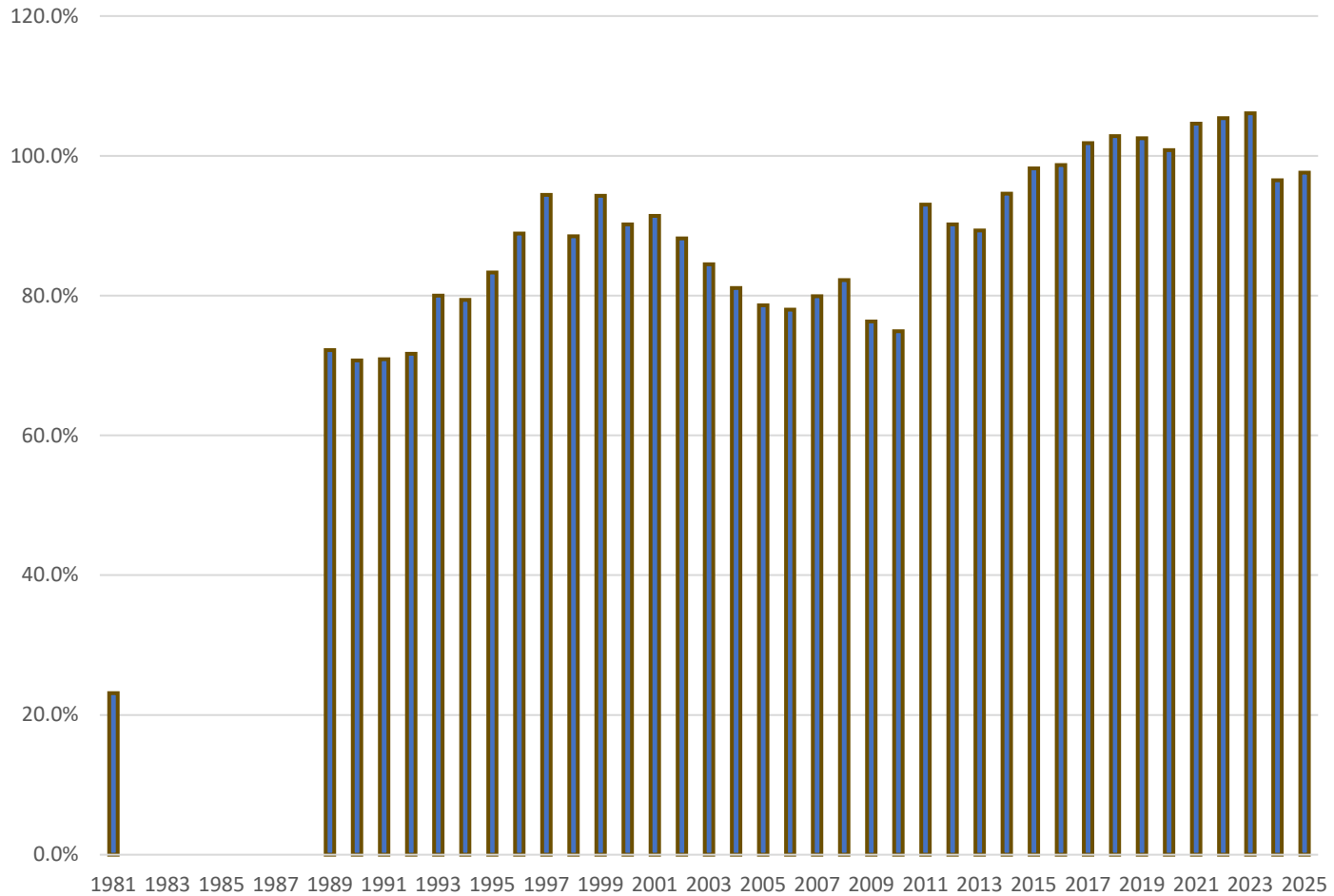
- Investment returns on investible assets. OPPRS had net investment income of \$301.9 million in fiscal 2025, up 43.7% over investment income of \$210.1 million in fiscal 2024.



OPPRS Funding -FY 2025



OPPRS Funded Ratio



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Key Reforms

HB 2132

- The 2011 Legislative Session created the Oklahoma Pension Legislative Actuary Act, or “OPLAA”. This required an actuary analysis of any proposed legislation that would impact the financial status of the Oklahoma public pension systems.

SB 102

- The 2024 Legislative Session created an increased benefit multiplier for OPPRS. The multiplier will increase from 2.5% to 3% for those with 25 years or more of service starting July 1, 2026. It will increase for those with 20 years or more of service starting July 1, 2027.



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FY 2025 Retirement Benefits

2025 Average
Monthly Retiree
Benefit
\$3,186

2025 Average
Monthly Beneficiary
Benefit
\$2,475

2025 Median
Monthly Retiree
Benefit
\$3,026

2025 Median
Monthly Beneficiary
Benefit
\$2,347

2025 Average
Monthly Disability
Benefit
\$2,233



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Administration and Oversight

Audit

- Annual Statutory Reporting to State
- Annual Fiscal Audit
- Annual Internal Review (Audit)

Fiduciary Duties and Transparency

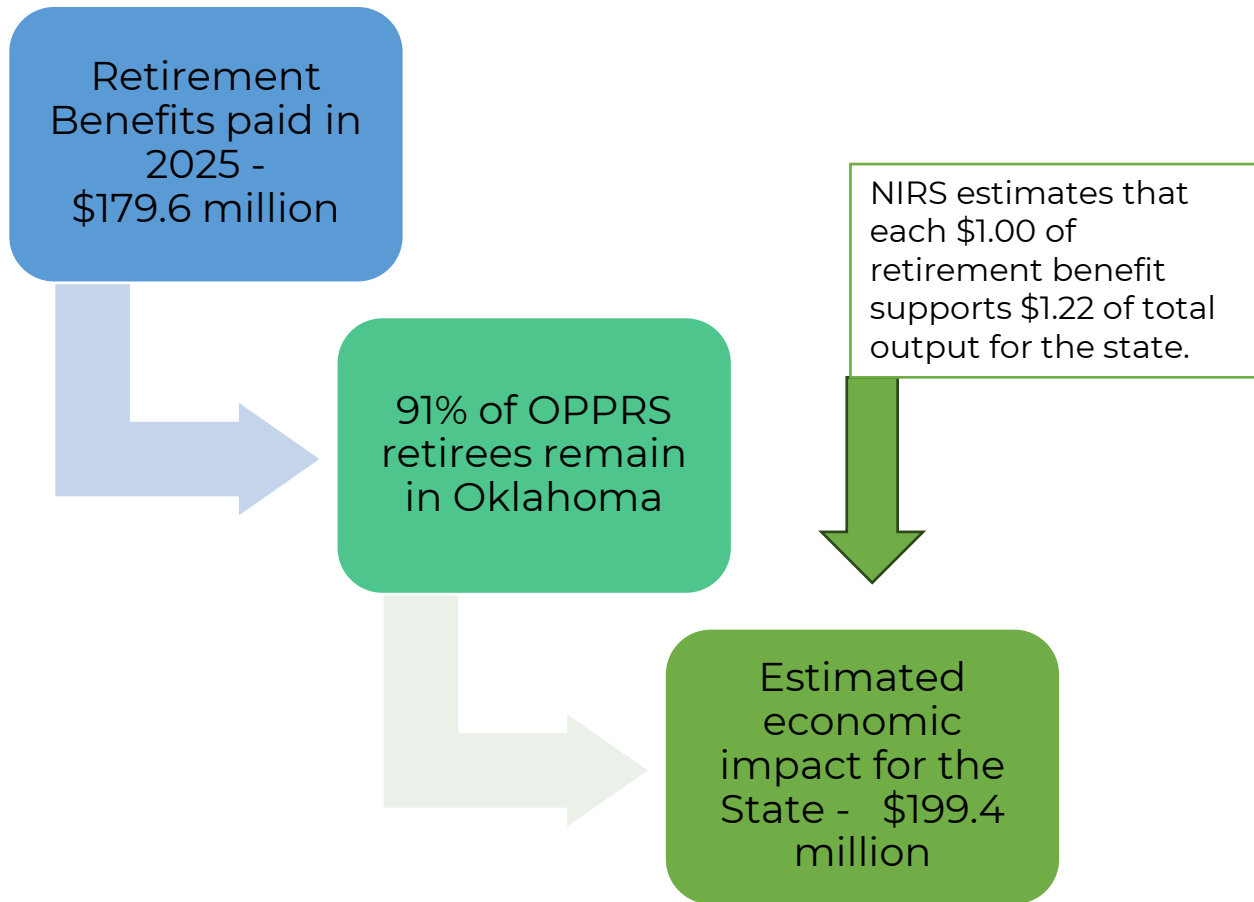
- Independent Board Oversight
- Actuarial Valuation and Studies
- Website Publication of Financial Reports
- Annual Comprehensive Financial Report (ACFR)

External Independent Parties

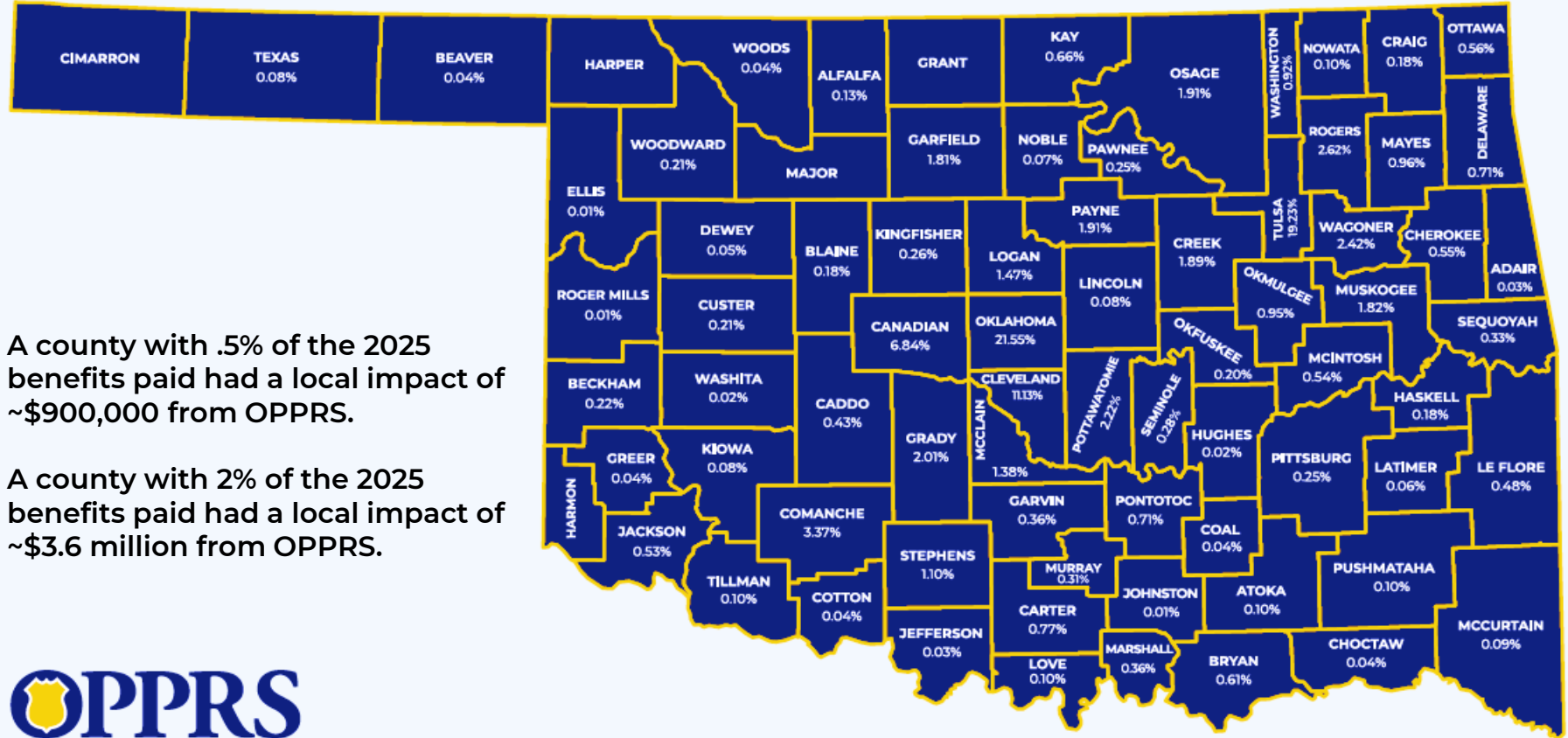
- Investment Consultant
- Actuary
- Software Vendor
- OMES



Local Economic Impact



Local Economic Impact



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Future Challenges

Maintaining Target Return of 7.5%

- The current bull market has persisted longer than average and valuations are at extremes
- Federal debt will eventually create a drag on the economy if it is not addressed (and may even if it is addressed)

Cost of Living Increases

- The last cost of living adjustment (COLA) for members was 2020; many cities do not participate in Social Security
- Loss of purchasing power for retirees of around 25%-30% over the last 20 years.

Implementing New Legislation



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