

**Tom Spencer,
Executive Director**

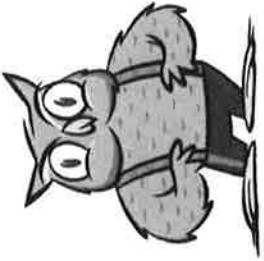
**Oklahoma Public Employees
Retirement System**

**(405) 858-6737
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www.opers.ok.gov

OPERS Awards & Recognition

1. The Government Finance Officers Association (GFOA) has awarded its Certificate of Achievement in Financial Reporting to OPERS for 16 straight years. The GFOA has also given OPERS its award for Outstanding Achievement in Popular Annual Financial Reporting for the last 6 years.
2. The Public Pension Coordinating Council (PPCC) has given OPERS its Public Pension Standards Award for Administration and Funding for 2 years in a row.
3. OPERS received a “Governor’s Commendation” for the new Financial Planning Seminars at the 2012 Quality Oklahoma Team Day.
4. The National Association of Government Defined Contribution Administrators (NAGDCA) gave OPERS a Special Award of Distinction in 2009 for its partnership with the Employee Benefits Council and Great West Retirement Services which integrated enrollment in SoonerSave with the open enrollment for state employees. In the first year, 1,200 new employees enrolled which increased contributions by \$780,000.



SoonerSave

Deferred Compensation Plan

Active members	24,544
Inactive/Retired	<u>12,013</u>
Total membership	36,557

Avg. Account Bal. \$16,912

Savings Incentive Plan

Active members	24,544
Inactive/Retired	<u>12,226</u>
Total membership	36,770

Avg. Account Bal. \$4,479

SoonerSave Plan Assets on June
30, 2013 - \$782,923,039

Data as of 6/30/13

URSJJ Investment Performance

- Compound annualized rate of return:
20 yr. 7.9% 15 yr. 5.8% 10 yr. 6.8%
5 yr. 5.8% 3 yr. 11.3% 1 yr. 11.5%

Market Value of Investment Portfolio as of
August 31, 2013 - **\$265,771,517**

URSJJ Fiscal & Actuarial Condition

- The combined contribution rate for FY 2013 is 21.0%. The employer rate (13.0%) goes up 1.5% each year to top out at 22% in FY 2019.
- The Actuarial Required Contribution (“ARC”) is 30.15%. This is the rate required to pay for benefits accruing and paying the unfunded liability by 2027.
- The contribution shortage for FY 2013 is projected as 9.15% or an estimated \$3.0 million.

URSJJ Actuarial Statistics (FY 2012)

July 1, 2012 Financial Status

- Assets (smoothed) \$238,553,638
- (Market Value) \$243,819,421
- Liabilities \$249,378,900
- Unfunded Liability (funded ratio)
\$10,825,262 (95.7%) - Actuarial
\$5,559,479 (97.8%) - Market

URSJJ Membership (July 2012)

• Active Members:	266
• Ret'd Members/Jt. Ann/Disab:	233
• Vested terminated	13

Average Benefit of All Current Retirees - \$62,260

*Recent averages are much higher - \$98,084.57 in FY 2012

** July 2013: Actives - 275; Retired – 236

OPERS Investment Performance

- Compound annualized rate of return (end of fiscal years):

20 yr.	7.7%	15 yr.	5.7%	10 yr.	7.3%
5 yr.	6.0%	3 yr.	11.6%	2 yr.	7.1%
- Asset Allocation: The asset allocation for OPERS is as follows:
 - 40% Domestic Equities
 - 24% International Equities
 - 36% Fixed Income

OPERS Investment Performance

Annual Market Rate of Return (Fiscal Year)

2013	12.0%	
2012	2.4%	2003 5.7%
2011	21.2%	2002 -5.1%
2010	13.8%	2001 -5.9%
2009	-15.5%	2000 10.0%
2008	-4.2%	1999 9.5%
2007	16.4 %	1998 18.4%
2006	8.0%	1997 18.8%
2005	10.5%	1996 15.6%
2004	14.0%	1995 16.1%

Market Value of Investment Portfolio as of

August 30, 2013 - \$7,507,384,693

OPERS Fiscal & Actuarial Condition

- The combined contribution rate in FY 2013 was 20% for state & local employers.
- The Actuarial Required Contribution (“ARC”) is 19.81%. This is the rate required to pay for benefits accruing and paying the unfunded liability by 2027.
- The contribution “surplus” for FY 2013 was projected at 0.80% or an estimated \$13 million.

OPERS Actuarial Statistics (FY 2012)

July 1, 2012 Financial Status

• Assets (smoothed)	\$6,682,200,296
(market value)	\$6,821,303,541
• Liabilities	\$8,334,637,900

• Unfunded Liability (funded ratio)

\$1,652,437,604 (80.2%) - Actuarial

\$1,513,334,359 (81.8%) - Market

OPERS Membership (July 2012)

• Active Members:	42,569
• Average Age:	46.5
• Average Service:	10.5
• Average Compensation	\$36,659
• Ret'd Members/Jt. Ann/Disab:	30,263
• Average Retiree Benefit Amount:	\$15,422
• Average Age:	70.5

* July 2013: Actives - 41,552; Retired – 31,217

OPERS Overview

OPERS oversees **four (4)** retirement plans.

1. OPERS - State, county & municipal employees. It has 3 sub-groups in one plan:

- a. **“Hazardous Duty”** plan for DOC guards. Twenty (20) years and out. (Like Fire & Police)
- b. **“Elected officials”** for state and county officers. Pre-2011 had 6 options. New officials are similar to other public employees.
- c. **“Regular”** public employees can retire under the Rule of 80, Rule 90 and age 62 or 65 depending on start date.

2. URSJJ - All members of the judiciary

3. Deferred Comp. - A “457” voluntary deferred compensation plan for state employees

4. SIP - The “Savings Incentive Plan” is a 401(a) plan for the State’s \$25 per month match.



OKLAHOMA

OKLAHOMA PUBLIC EMPLOYEES RETIREMENT SYSTEM

House Interim Study 13-012 & 13-019 Briefing
September 19, 2013

Tom Spencer, Executive Director