



YEARS *Strong*

BUILDING THE FUTURE TOGETHER

2025 Popular Annual Financial Report
for the year ended December 31, 2025



Ohio Public Employees Retirement System

Popular Annual Financial Report

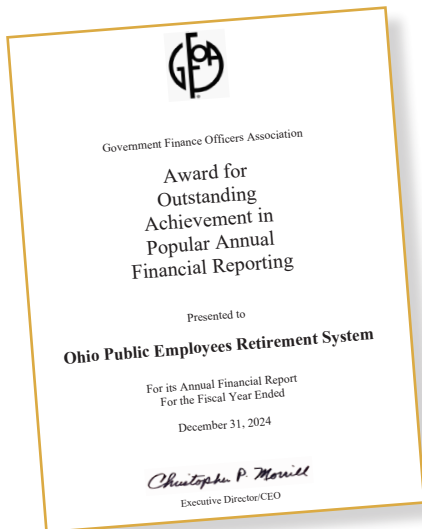
(for the year ended December 31, 2025)

Table of Contents

From OPERS Leadership—Letter to Members	1
OPERS Board of Trustees and Leadership	2
OPERS Members By Plan	3
Assets and Liabilities	4
Income and Expenses	5
Investment Summary	6
Funding Retiree Pension Benefits	7
Average Retiree Pension Benefits	9
Funding Retiree Health Care	10
Health Care Costs	11
Good for Members and Good for Ohio	12

Responsible Financial Reporting

This *Popular Annual Financial Report* is derived from information contained in the *OPERS 2025 Annual Comprehensive Financial Report* (annual report), but does not contain detailed financial information by plan, nor is it presented in a manner to conform to Generally Accepted Accounting Principles (GAAP). For a complete set of financial definitions included in this summary report, please refer to the OPERS annual report, which is prepared in conformity with GAAP and may be obtained by visiting OPERS website, opers.org, or by contacting OPERS to request a copy.



2024 Award for Outstanding Achievement in Popular Annual Financial Reporting—

For the 15th consecutive year, OPERS has received the Government Finance Officers Association Award for Outstanding Achievement in Popular Annual Financial Reporting for its popular annual financial report for the fiscal year ended December 31, 2024. This award is a prestigious national award recognizing conformance with the highest standards of creativity, presentation, understandability, and reader appeal for preparation of governmental popular reports. OPERS has received this award for each year we have produced a popular annual financial report.

To our fellow members and stakeholders:

On behalf of all management and staff, it's our pleasure to present you with the 2025 *Popular Annual Financial Report* (PAFR) of the Ohio Public Employees Retirement System (OPERS). Our theme—*90 Years Strong—Building the Future Together*—conveys both our longevity and our steadfast commitment to evolve and adapt through every economic, demographic, and operational change.

Over the past 90 years, OPERS has changed dramatically, yet our purpose has remained constant: delivering secure retirement benefits through prudent stewardship, disciplined governance, and service excellence. We believe our actions and financial results for 2025 exemplify this enduring commitment to our members—past, present, and future.

Key Activities in 2025

Investment Activity and Pension Funding Status—The 2025 investment environment was marked by significant volatility driven by shifting monetary policy, inflation concerns, global trade tensions, and currency fluctuations. Financial markets experienced rapid changes throughout the year, reflecting both economic uncertainty and evolving geopolitical conditions. Despite this complexity, OPERS remained disciplined in its long term strategy, emphasizing diversification, asset allocation, and risk management to navigate market instability. These efforts resulted in strong investment performance, with a total return of 14.95% in 2025. This performance assisted with maintaining a stable funding position, with a funded ratio of 82% and an amortization period of 17 years in 2025.

Ohio Public Employees Deferred Compensation Program (ODC)—A key strategic development in 2025 was the formal merger of ODC effective September 30. This integration represents a significant step in enhancing the overall retirement framework for Ohio public employees. Previously operating as separate, but closely aligned programs, the merger allows OPERS to streamline governance, reduce administrative duplication, and leverage shared resources to improve efficiency. More importantly, the merger strengthens the value provided to members by better aligning pension and supplemental defined contribution offerings. By bringing these programs under a unified administrative structure, OPERS is better positioned to deliver a more coordinated and comprehensive retirement planning experience.

Investment in Technology—Technology investment remained a key priority throughout the year, supporting both operational efficiency and member service. OPERS continued to modernize critical systems impacted by technical debt, ensuring greater reliability and performance across core functions, including retirement processing and health care administration. Enhancements to the member-facing online portal improved accessibility and usability, providing a more seamless and efficient experience. All the while, cybersecurity remains a top priority, with continued investments aimed at protecting sensitive data and mitigating cyber and fraud risks.

In closing

As we celebrate 90 years of service, OPERS remains committed to prudent financial stewardship, innovation, and service excellence. As we navigate an evolving economic and technological landscape, we will continue to act in the best interests of our members while strengthening the foundation for future generations. Together, we will continue to uphold the principles that have shaped OPERS since its founding—trustworthiness, accountability, and long-term financial strength—while building a secure future for the next 90 years and beyond.



Respectfully Submitted,

Karen E. Carraher

Karen E. Carraher, CPA
Executive Director

Jennifer H. Starr

Jennifer H. Starr, CPA
Chief Financial Officer

2025 OPERS Board of Trustees and Leadership



Board of Trustees as of December 2025

Left to Right: Russell Smith, Representative for Non-teaching College/University Employees; Ken Thomas, Representative for Municipal Employees; Jay Hottinger, General Assembly Appointed Investment Expert; Julie Albers, Representative for County Employees; Stewart Smith, Representative for Miscellaneous Employees and Board Vice Chair; Chris Mabe, Representative for State Employees and Board Chair; Tim Steitz, Representative for Retirees; James Kunk, Governor-Appointed Investment Expert; Scott Richter, Treasurer-Appointed Investment Expert; Kathleen Madden, Director—Department of Administrative Services (Statutory Member); Steve Toth, Representative for Retirees.

OPERS management and staff work closely with the members of the OPERS Board of Trustees—the governing body of OPERS that is ultimately responsible for the administration and management of all OPERS activities. This dedicated Board meets periodically throughout the year and receives no compensation, but is reimbursed for necessary business expenses.



OPERS Leadership Team in 2025

Front Row (left to right): Tonya Brown, Deputy Executive Director; Caroline Stinziano, Director—Internal Audit; Jennifer Starr, Chief Financial Officer; Karen Carraher, Executive Director; Allen Foster, Deputy Executive Director; Ciji Wilhelm, Director—Human Resources

Back Row (left to right): Gordon Gatien, Director—External Relations; Chuck Quinlan, Director—Information Technology Strategy; Paul Greff, Chief Investment Officer; Eric Harrell, General Counsel; Lauren Gresh, Deputy Executive Director

Not Pictured: Stephen Kell, Director—Information Technology

Plan Overviews and Enrollment Figures

During 2025, OPERS offered members two pension plans—each providing different features designed to accommodate individual member’s knowledge base and risk tolerance. See plan details below:

Traditional Pension Plan: Retirement benefit is based on a defined benefit formula determined by years of contributing service, final average salary, and a multiplier. OPERS invests funds and absorbs all risk for these defined benefits. Ideal for those who want security in retirement, have a low risk tolerance and low desire to handle financial transactions.

The Traditional Pension Plan also includes members of the closed Combined Plan, a hybrid plan where member contributions are deposited into a self-selected account (similar to Member-Directed Plan) and employer contributions are deposited into the guaranteed defined benefit option.

Member-Directed Plan: Retirement benefit is based on member contributions, vested employer contributions and the gains and losses on those contributions. Members choose from a variety of funds—including fixed income and equity funds, target date funds and a self-directed brokerage account. Provides control but significant market risk for members.

Below is a table which displays the number of active, inactive and retired members in each plan as of December 31, 2025. Inactive members are no longer contributing to OPERS, but have not refunded their accounts and may be eligible to receive a retirement benefit.

	Traditional Pension Plan (Excluding Combined Plan Division)	Combined Plan Division of the Traditional Pension Plan	Member-Directed Plan	Total
Active Members	298,648	5,444	11,718	315,810
Average Age	43.4	50.1	45.4	
Average Service Credit (Years)	9.7	14.8	7.5	
Average Final Average Salary	\$50,879	\$75,251	\$70,986	
Inactive Members¹	799,408	2,572	7,071	809,051
Average Age	40.6	46.0	40.5	
Average Service Credit (Years)	1.2	5.8	3.2	
Average Final Average Salary	\$7,377	\$39,106	\$34,968	
Retired Members	222,140	913	570	223,623
Average Age	71.9	70.9	71.4	
Average Service Credit (Years)	23.5	14.2	N/A	
Average Annual Benefit	\$34,316	\$11,928	\$7,285	
Total Members	1,320,196	8,929	19,359	1,348,484

¹ Inactive members no longer contribute, but still have an account that may be activated upon return to public service and may be eligible to receive a retirement benefit.

Ohio Public Employees Deferred Compensation Program (ODC)

ODC is a voluntary defined contribution other employee benefit plan intended to supplement retirement income for eligible public employees in the State of Ohio. As of December 31, 2025, there were 2,102 contributing employers. Of the 688,917 eligible employees in the State of Ohio, there are 285,494 total participant accounts and 138,735 of those participants are currently contributing. This is a participation rate of 20.1%. Approximately 75% of ODC participants are OPERS members.

2025 Assets and Liabilities

Summary Comparative Statements of Fiduciary Net Position

Presented below are the assets and liabilities for the years ended December 31, 2025 and 2024. The net position represents the funds accumulated by end of year to pay pension benefits for retirees, participants, active and inactive members, as well as health care costs for current and future retirees. The increase in net position reflects the results of strong investment returns during the year through a large increase in Net Income from Investing Activity recognized in 2025, found on the next page.

Despite strong investment returns, OPERS saw a slight decrease in the pension funded ratio from 83% in 2024 to 82% in 2025, while the amortization period increased slightly to 17 years. The decrease in funded ratio results from actuarial smoothing, in which market gains and losses are recognized over a four-year period to reduce the impact of market volatility. Market losses from 2022 continue to be recognized and offset some of the 2025 market gains. At the end of 2025, \$7.2 billion in unrealized gains remain to be recognized in future years.

During 2025, Amended Substitute House Bill Number 96 was passed by the Ohio legislature. The bill contained provisions to dissolve the ODC Board and transfer responsibility for all records, assets, liabilities, and future obligations of ODC to the OPERS Board effective September 30, 2025. ODC, included in the 2024 annual report as a fiduciary component unit, is included in the OPERS financial statements as a separate legal trust under the accountability and control of OPERS as of the beginning of the 2025 reporting period.

	2025	2024	Amount Increase/ (Decrease) from 2024 to 2025
Assets and Deferred Outflows			
Cash and Cash Equivalents	\$9,806,369,615	\$6,170,199,657	\$3,636,169,958
Receivables	1,024,353,600	1,725,732,605	(701,379,005)
Investments	147,901,372,240	135,062,584,221	12,838,788,019
Collateral on Loaned Securities	13,258,160,500	12,444,499,849	813,660,651
Net Capital Assets	158,418,877	156,019,397	2,399,480
Prepaid Expenses and Other Assets	4,259,592	3,011,727	1,247,865
Due from Other Funds	228,069	1,327,833	(1,099,764)
Total Assets	172,153,162,493	155,563,375,289	16,589,787,204
Deferred Outflows—Other	—	1,032,441	(1,032,441)
Total Assets and Deferred Outflows	172,153,162,493	155,564,407,730	16,588,754,763
Liabilities and Deferred Inflows			
Benefits Payable	237,693,043	175,724,204	61,968,839
Investment Commitments Payable	249,174,446	267,578,984	(18,404,538)
Obligations Under Securities Lending	13,250,974,793	12,428,427,081	822,547,712
Accounts Payable and Other Liabilities	36,968,580	52,222,134	(15,253,554)
Due to Other Funds	228,069	1,327,833	(1,099,764)
Total Liabilities	13,775,038,931	12,925,280,236	849,758,695
Deferred Inflows—Lessor Obligations and Other	663,318	2,278,916	(1,615,598)
Total Liabilities and Deferred Inflows	13,775,702,249	12,927,559,152	848,143,097
Net Positions Restricted for Pensions and OPEB*	\$158,377,460,244	\$142,636,848,578	\$15,740,611,666

* Other post-employment benefits such as health care and deferred compensation.

Summary Comparative Statements of Changes in Fiduciary Net Position

The statement below shows OPERS income (additions) and expenses (deductions) for 2025 and 2024. Investment earnings continue to be the main component of income, with a total OPERS portfolio return of 14.95% in 2025. Member and employer contributions increased compared to 2024 due to continued impacts of wage inflation, partially offset by a small decrease in the active member population. Voluntary participant deferrals for the ODC program increased from 2024. Changes in deferrals tend to be driven by wage trends, the number of active participants, and contributions limits established by the Internal Revenue Service, all of which increased during 2025.

OPERS paid \$7.8 billion in pension benefits and \$0.6 billion in health care expenses, net of health care receipts, to more than 223,000 retirees and their beneficiaries, compared to \$7.5 billion and \$0.5 billion in 2024. The increase in pension benefits paid reflects demographic changes in the retiree population, and an annual simple cost-of-living adjustment. ODC distributions and transfers are at the discretion of the participant and vary from year to year, as are member refunds of contributions from OPERS pension plans.

	2025	2024	Amount Increase/ (Decrease) from 2024 to 2025
Additions			
Member Contributions	\$1,987,365,942	\$1,884,022,244	\$103,343,698
Employer Contributions	2,781,449,409	2,636,833,748	144,615,661
Participant Deferrals	700,417,154	653,946,856	46,470,298
Contract and Other Receipts	221,560,537	189,253,324	32,307,213
Net Income from Investing Activity	20,903,483,322	13,238,532,654	7,664,950,668
Other Income, net	451,044	494,822	(43,778)
Interplan Activity	33,692,796	28,959,270	4,733,526
Total Additions	26,628,420,204	18,632,042,918	7,996,377,286
Deductions			
Pension Benefits	7,791,505,524	7,476,971,013	314,534,511
Health Care Expenses	685,549,024	620,877,441	64,671,583
Health Care Receipts	(75,476,415)	(74,755,715)	(720,700)
Distributions and Transfers—ODC	1,640,991,124	1,360,467,577	280,523,547
Refunds of Contributions	717,356,188	647,391,778	69,964,410
Administrative Expenses (Non-investment)	95,881,236	91,679,320	4,201,916
Interplan Activity	33,692,796	28,959,270	4,733,526
Total Deductions	10,889,499,477	10,151,590,684	737,908,793
Net Increase	15,738,920,727	8,480,452,234	7,258,468,493
Net Positions Restricted for Pensions and OPEB*			
Balance, Beginning of Year, as Previously Stated	142,636,848,578		
Changes Within the Financial Reporting Entity ¹	1,690,939		
Balance, Beginning of Year, as Adjusted	142,638,539,517	134,156,396,344	8,482,143,173
Balance, End of Year	\$158,377,460,244	\$142,636,848,578	\$15,740,611,666

¹ Beginning balance has been adjusted as a result of ODC being administered by OPERS thus no longer having a requirement to report a proportionate share of OPERS' Pension and OPEB activity.

* Other post-employment benefits such as health care and deferred compensation.

2025 Investment Summary

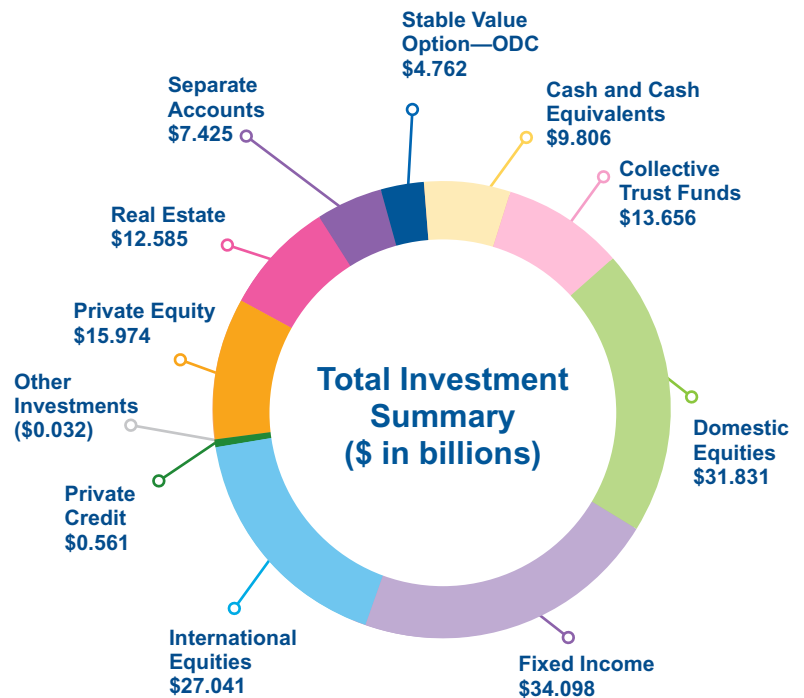
2025 Investment Overview

Throughout their careers, Ohio public employees entrust OPERS with contributions to be invested for future retirement income. As careful stewards of these contributions, we recognize that trust. Over the past 90 years, we have delivered on that trust.

Investment returns will always be an important focus for OPERS, as they provide approximately two-thirds of the funding for each retiree's pension. OPERS works to attain returns over the long term that will provide adequate funding for benefits.

In 2025, although global financial markets showed some volatility throughout the year, OPERS' diversified approach to investments helped to contribute to positive investment returns. OPERS' broad mix of investments helped to steady the portfolio during periods of volatility. This balanced approach assisted us with achieving strong results for 2025.

In 2025, the OPERS defined benefit portfolio returned 14.74%, which was above the assumed rate of return of 6.9%. The health care portfolio returned 16.40%, also above the assumed rate of return of 6.0%. The OPERS total return reflects the combined returns of the underlying portfolios that fund the pension benefits and the health care program. The total return for the OPERS portfolio, excluding ODC, for 2025 was 14.95%. ODC does not report a composite return of the individual investment options in its portfolio.



Historical Investment Returns (net of fees)

The historical investment returns listed below do not include ODC returns.

Year	Total Portfolio Return	Total Defined Benefit Return	Total Health Care Return	Total Defined Contribution Return
2025	14.95%	14.74%	16.40%	15.57%
2024	9.08	8.82	10.00	13.74
2023	11.72	11.26	13.97	18.08
2022	(12.49)	(12.03)	(15.51)	(16.00)
2021	15.20	15.34	14.34	13.99

It is important to put the annual returns of 2025 in context with the long-term focus of the System. Yearly returns will vary with the market volatility; we expect years with positive returns above our expectations and years with returns below our expectations, or even losses. The goal is to structure an investment portfolio that will provide desired long-term returns. This long-term approach must be balanced by keeping in mind our short-term liquidity needs and liability due dates—meaning meeting our obligations to members. The upcoming year presents its own unique set of challenges, but the OPERS Investment Staff will remain vigilant in protecting OPERS capital.

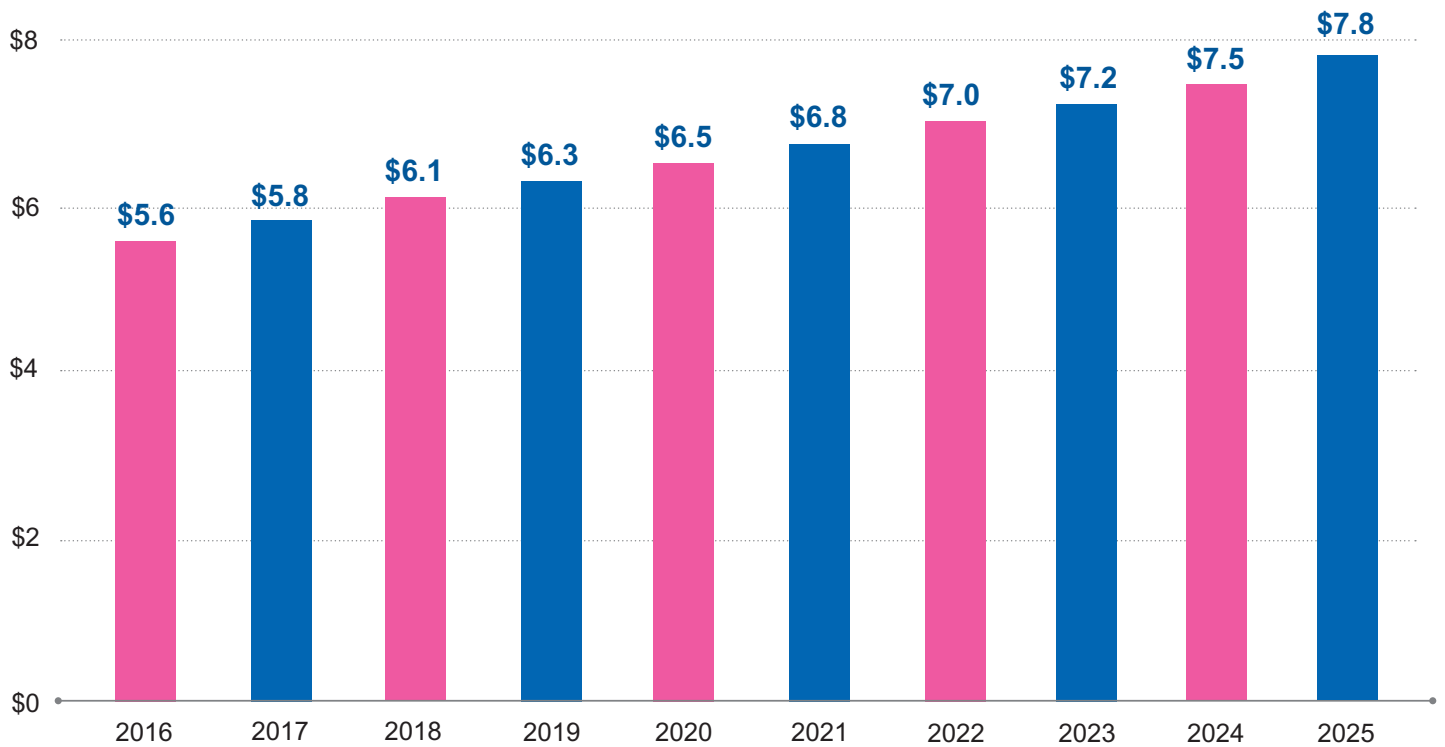
OPERS Provides Secure Retirement

Over the past 90 years, OPERS has provided a secure financial retirement to Ohio public employees through pension benefits to retirees and beneficiaries. Trustworthy means worthy of confidence; dependable. OPERS has earned this label through the decades.

How does OPERS continue to deliver on its commitment to members year after year? Through responsible actions, strict adherence to stringent financial practices, and the diligence to anticipate and plan for change. This has allowed the System to face challenges such as members working longer with a higher final average salary, retirees living longer in retirement than ever before, volatile global markets, and an ever-decreasing member-to-retiree ratio.

Demonstrating these challenges, pension payments have grown 39% over the past 10 years, from \$5.6 billion in 2016 to \$7.8 billion in 2025.

Pension Benefits Paid (\$ in billions)



2025 Facts

Age of oldest OPERS member

110



82



Number of members older than 100



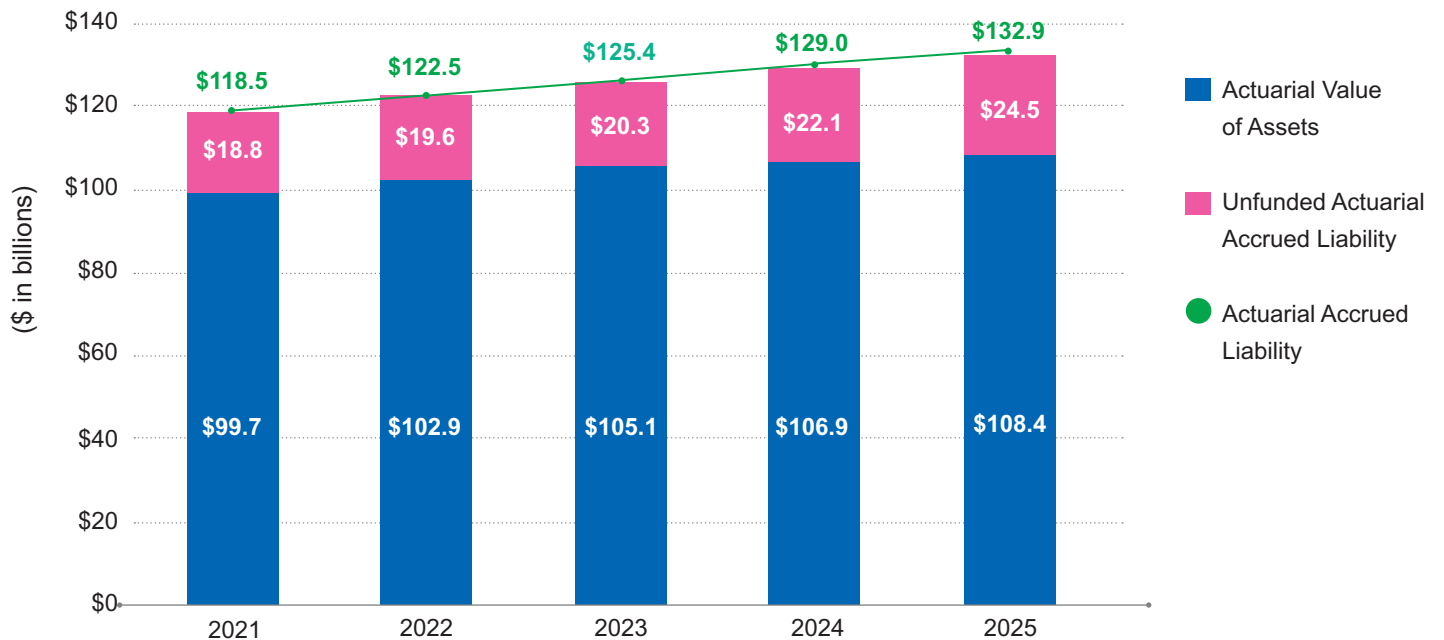
2025 Funding Retiree Pension Benefits *(continued)*

Pension Funding Status

Retiree pension benefits are funded by contributions from members and employers and income earned from responsibly investing these funds throughout a member’s career. At OPERS, we take responsibility of serving as the trusted stewards for these funds seriously.

OPERS is required by law to remain within a 30-year funding window—meaning the System is in the position to fund all pension liabilities within 30 years. Funded status measures the progress of accumulation of the funds necessary to meet future obligations. The December 31, 2025 valuation funded status was 81.6%. The unfunded liability was expected to be funded within 17 years on a funding basis. We are dedicated to maintaining and enhancing the stability of this System.

Components of Unfunded Actuarial Accrued Liability for Pension¹ (All Plans)



Funded Ratio	84.1%	84.0%	83.8%	82.8%	81.6%
Funding Years	16	16	15	15	17

¹ This table includes the funded ratio and funding years based on actuarial assumptions and includes the smoothing of investment gains and losses over a closed four-year period. Information shown on this funding basis is used to monitor the funding status of OPERS.

Pension benefit payments by type

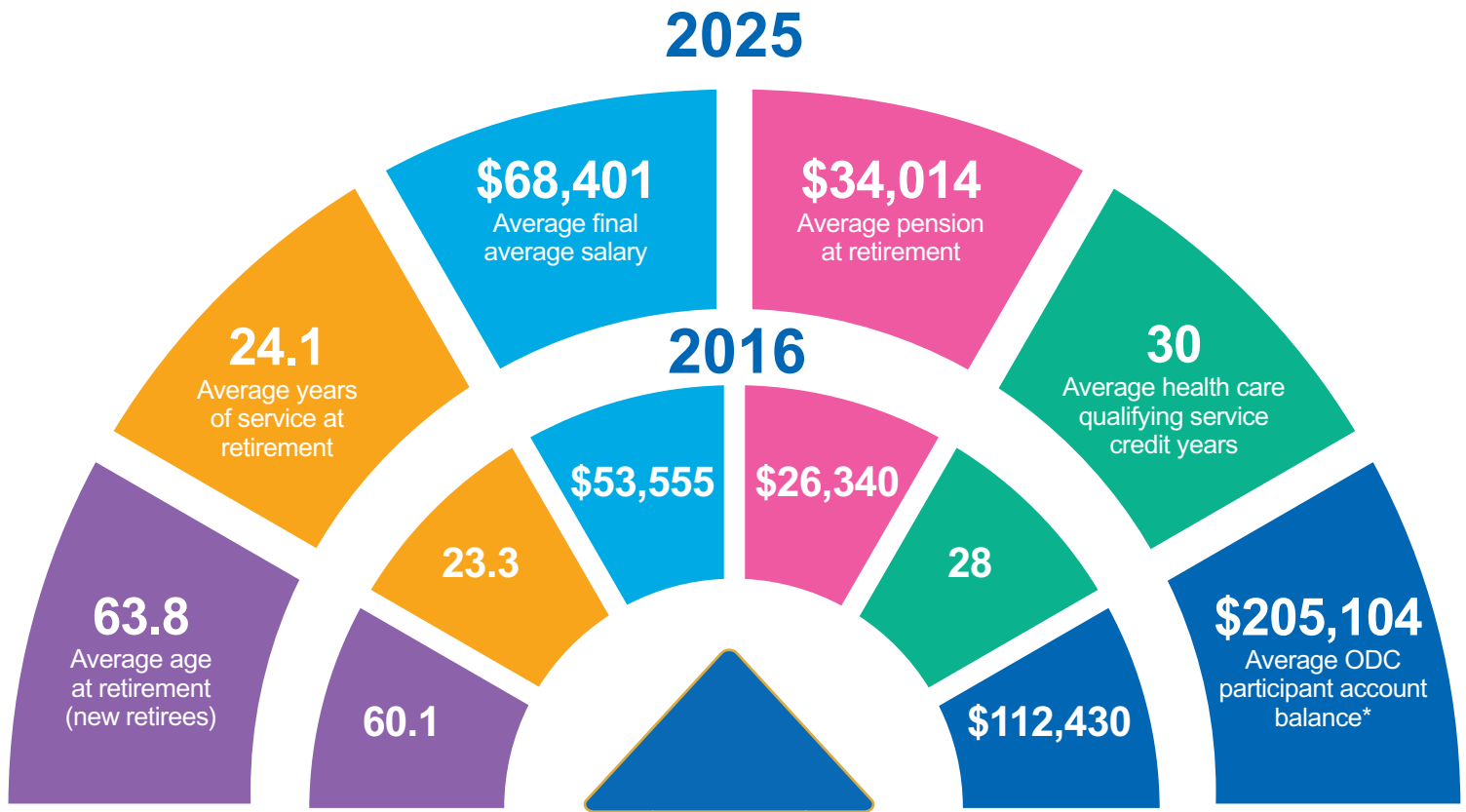


Average Retiree Pension Benefits | 2025

2025 Averages At-a-Glance

The average benefits paid to retirees receiving a defined benefit are included below with several other statistics. The cost of retirement will continue to increase as new retirees with higher final average salaries replace long-time retirees with lower final average salaries and as members continue to work longer.

Total OPERS — New Retirees December 31



*In ODC, we don't identify retired status for participants, rather this is account balances for new participants required to take a minimum distribution during the year.

Active members by employer type employers (top number)



234 State	225 County	244 Municipalities	522 Miscellaneous	253 Libraries	1,307 Townships	653 Villages	244 Law Enforcement/ Public Safety
116,049 employees	87,084 employees	51,037 employees	21,238 employees	11,911 employees	9,851 employees	10,358 employees	8,282 employees

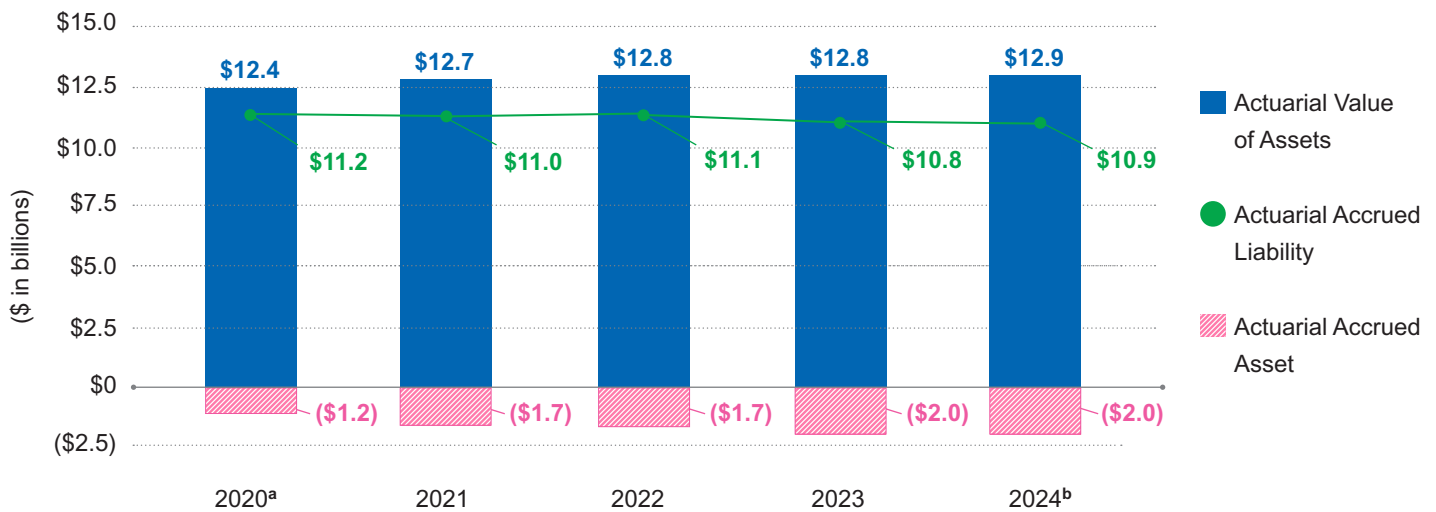
This table does not include data for ODC.

2025 Funding Retiree Health Care

Health Care Funding Status

Although health care is neither mandated nor guaranteed, OPERS understands access to meaningful health care plays a significant role in a secure retirement. OPERS continues the tradition of working to preserve the health care fund through incremental changes designed to increase the solvency of that fund. OPERS has remained open and transparent regarding the challenges we've faced in this endeavor. As of the December 31, 2024 health care actuarial funding valuation (the most recent), OPERS was 118.5% funded.

Components of Unfunded Actuarial Accrued Liability/(Asset) for Health Care¹



Funded Ratio	110.4%	115.2%	115.5%	118.6%	118.5%
Funding Years	25	29	21	25	27

^a Revised actuarial assumptions based on experience study.

^b The health care information is a year in arrears. Thus, 2024 reflects the most recent actuarial valuation and does not reflect the 2025 investment market gains.

¹ This table includes the funded ratio and funding years based on actuarial assumptions and includes the smoothing of investment gains and losses over a closed four-year period. Information shown on this funding basis is used to monitor the funding status of OPERS.

Preserving Health Care

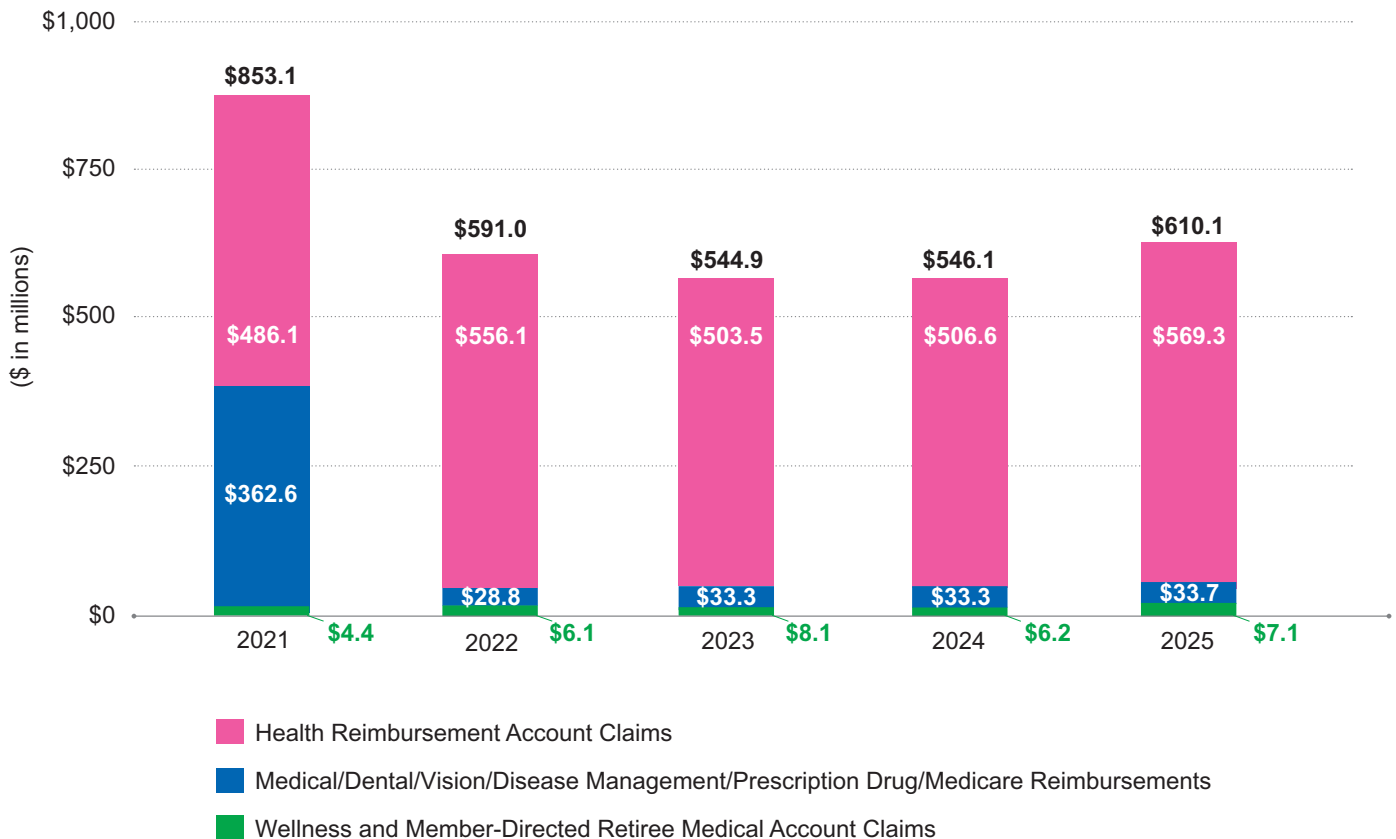
Over the past several years, OPERS has adopted incremental changes to address funding challenges posed by increasing health care costs, including a growing number of retirees, longer life expectancies, and costly advances in medical care. Because of the current pension funding needs, OPERS currently must allocate all employer contributions to fund the pension benefit—meaning no funding other than investment income is available for the health care program.

Despite the lack of funding from employer contributions, the health care program remains strong. The investment earnings have exceeded the target goal with additional earnings that make up for the lack of contributions. We will continue to monitor the health care program and to provide transparent, easily accessible and plain-language communications and education to members so that modifications are understood. We know that modest changes can provide strong results—changes implemented over the past several years continue to positively impact the fund in 2025. Health care assets accumulated to fund the liabilities exceeded the liabilities by \$2.0 billion in 2024 (the latest information available). The health care trust fund is currently expected to last approximately 27 years, an improvement over the prior year’s solvency period of 25 years.

HRA Allowances

The majority of retirees receiving health care benefits are members of the Traditional Pension Plan and have a health reimbursement arrangement (HRA) account. Eligible retirees have an allowance and assistance in choosing a health care plan via the OPERS Connector. The Connector helps retirees determine the best use of health care funding for their particular situation as well as provide assistance in enrollment. Eligible retirees receive a percentage (determined by age and qualified years of service at retirement) of the base allowance; in 2025, the base allowance was \$1,200 per month for non-Medicare retirees and \$400 per month for Medicare retirees.

Health Care Costs by Type

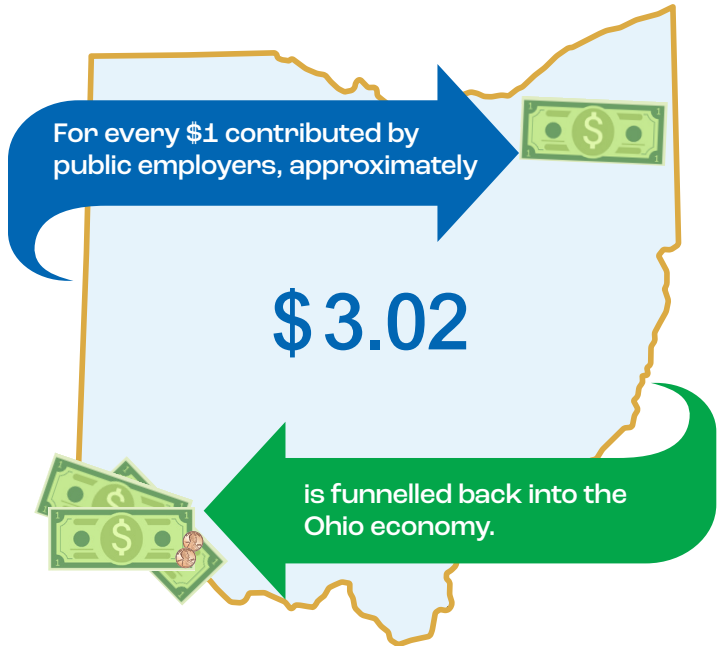


2025 Good for Members and Good for Ohio

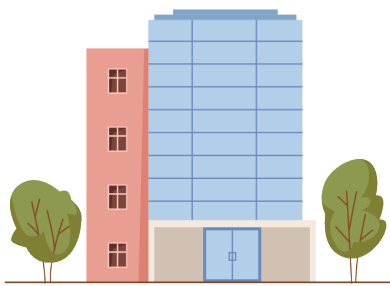
OPERS Is Good for Ohio, Consider This:

As the largest public pension system in Ohio, and the 14th largest in the U.S., OPERS is a significant economic driver for the state. The majority of our 1.3 million members and retirees live and work in Ohio, providing economic stability throughout the state.

For every dollar received by OPERS from public employers in 2025, \$3.02 is returned to the economy through pension and health care payments made to retirees—retirees who spend the majority of retirement proceeds on goods and services within the state.



Member and employer contributions are carefully invested



\$1.6 billion
in assets were invested with Ohio-based companies

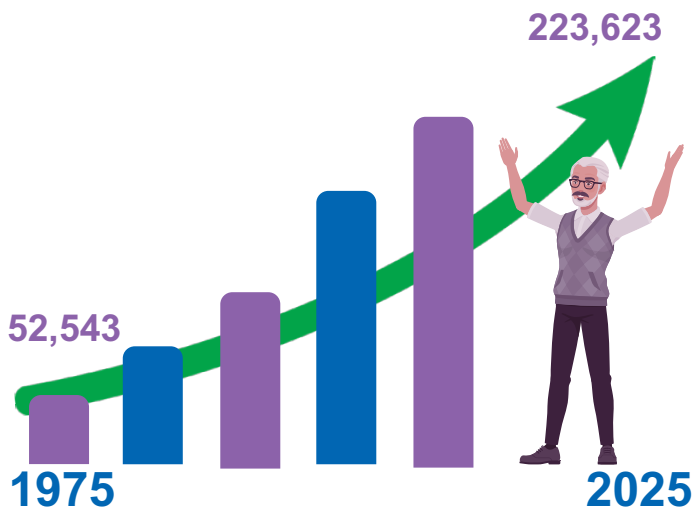


\$129.5 billion
in assets are managed through in-state custodian

Retirement by the Numbers (all plans)

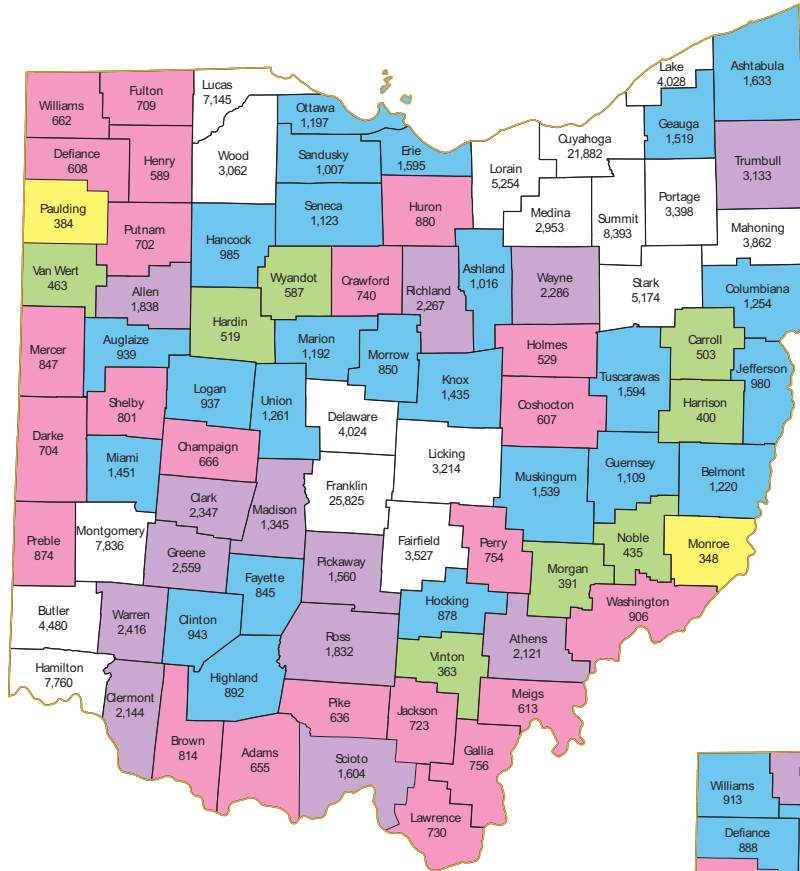
Preparing for financial security in retirement takes planning. All members are encouraged to be active participants in their retirement planning.

Number of OPERS Retirees



Average annual OPERS pension



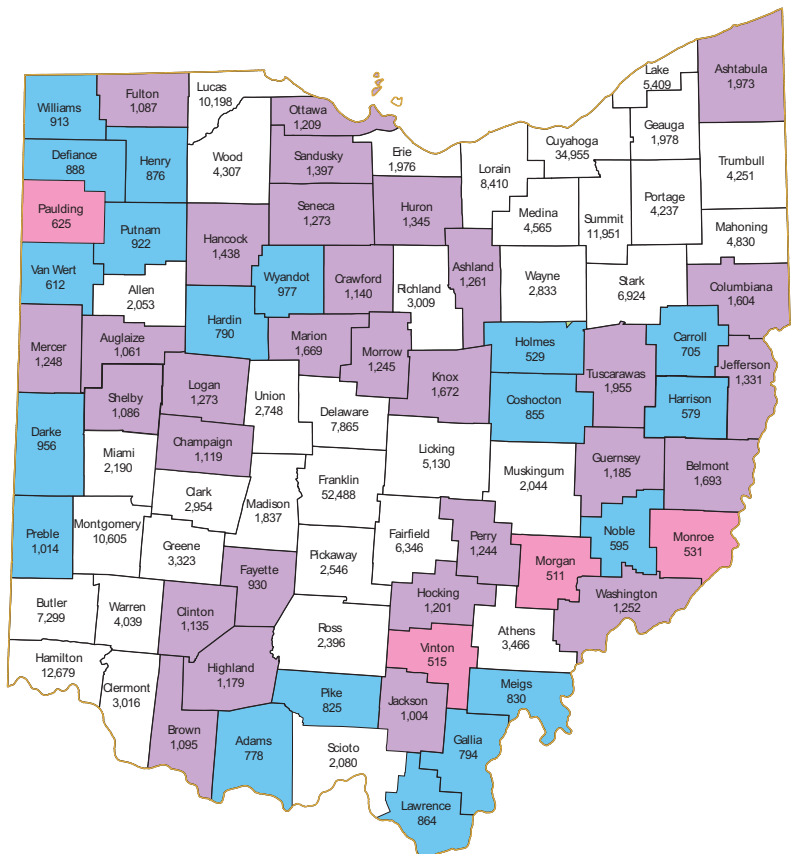


2025 Pension Benefits and Retirees by Ohio County

Retiree Pension Benefits and Active Employees Payroll Color Key

\$0 - \$10 million	Yellow
\$10 - \$15 million	Light Green
\$15 - \$25 million	Pink
\$25 - \$50 million	Light Blue
\$50 - \$100 million	Purple
\$100 million +	White

2025 Active Employees and Payroll by Ohio County



The information included within this section does not contain data for ODC.

89.3%
of all OPERS retirees remain in Ohio—continuing to contribute to Ohio's economy.

- Of the 223,588 OPERS retirees, 199,561, or 89.3%, remained Ohio residents as of December 31, 2025.
- Pension benefit payments of \$7.0 billion were distributed throughout Ohio to retirees and their beneficiaries, representing the OPERS impact on the state's economy.

90 YEAR *Anniversary*

Mission

To provide secure
retirement benefits
for our members.

Vision

To be your trusted retirement
partner delivering responsive
high-quality service.



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