Oklahoma Law Enforcement Retirement Plan

Administered by

Oklahoma Law Enforcement Retirement System

Financial Statements

June 30, 2026 and 2025
(With Independent Auditors' Report Thereon)

F&C CPAs

OKLAHOMA LAW ENFORCEMENT RETIREMENT PLAN
Administered by
OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM

FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT

Board of Trustees of the
Oklahoma Law Enforcement Retirement System

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Oklahoma Law Enforcement Retirement Plan (the "Plan"), administered by the Oklahoma Law Enforcement Retirement System, which is a part of the State of Oklahoma financial reporting entity, which comprise the statements of fiduciary net position (pensions and other postemployment benefits other than pensions (OPEB)) as of June 30, 2026 and 2025, and the related statements of changes in fiduciary net position (pensions and OPEB) for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the fiduciary net position (pensions and OPEB) of the Plan as of June 30, 2026 and 2025, and the changes in fiduciary net position (pensions and OPEB) for the years then ended in accordance with accounting principles generally accepted in the United States.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

(Continued)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

(Continued)

Required Supplementary Information

Accounting principles generally accepted in the United States require that the management's discussion and analysis on pages I-1 through I-4 and the schedule of changes in employer agencies' net pension liability, the schedule of employer agencies' net pension liability, the schedule of pension contributions from employer agencies and other contributing entities, the schedule of pension investment returns, the related notes to required pension supplementary information, the schedule of changes in employer agencies' net OPEB liability, the schedule of employer agencies' net OPEB liability, the schedule of OPEB contributions from employer agencies and other contributing entities, the schedule of OPEB investment returns, and the related notes to required OPEB supplementary information on pages 61 through 72 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 13, 2026, on our consideration of the Plan's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Plan's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plan's internal control over financial reporting and compliance.

Finley & Cook, PLLC

Shawnee, Oklahoma
October 13, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) is presented to provide users of these financial statements and notes with a general understanding of the financial health of the Oklahoma Law Enforcement Retirement Plan administered by the Oklahoma Law Enforcement Retirement System (collectively, the "System"). It presents information regarding the System's financial soundness and why it changed from the previous year. This MD&A draws reference from the entire report. The System's financial staff, having an informed understanding of the System's finances, have included explanations regarding these changes.

Overview of the Financial Statements

The System's basic financial statements are comprised of 2 core elements; 1) The Statements of Fiduciary Net Position, and 2) Statements of Changes in Fiduciary Net Position. The Statements of Fiduciary Net Position present the fair value of the System's investment assets at each respective fiscal year end and generally show the total resources available to pay future benefits at that specific point in time. The Statements of Changes in Fiduciary Net Position detail the financial activities that occurred throughout the respective fiscal years and outline the operational flows that affected the net position between the beginning and ending of the fiscal year. They present the inflows, such as contributions and investment returns, and the outflows, such as benefit payments, investment and administrative costs. These statements are prepared using the economic resources measurement focus and the accrual basis of accounting. In addition to the core financial statement elements, the notes to financial statements are presented which provide detailed disclosures for a deeper understanding of the System's financial statements. The notes to financial statements are considered an integral part of the System's basic financial statements.

Financial Summary

Year Ended June 30,	*2026*	*2025*	*26/25 Change*	*26/25 % Change*	*2024*	*25/24 Change*	*25/24 % Change*
ASSETS:							
Cash and equivalents	$ 17,962,229	$ 24,223,052	$ (6,260,823)	(25.8)%	$ 32,837,742	$ (8,614,690)	(26.2)%
Receivables	8,434,862	7,988,584	446,278	5.6%	7,693,724	294,860	3.8%
Investments, at fair value	1,343,163,919	1,217,556,657	125,607,262	10.3%	1,149,897,800	67,658,857	5.9%
Securities lending short-term collateral	67,768,890	66,444,874	1,324,016	2.0%	56,858,531	9,586,343	16.9%
Capital assets, net	2,702,018	611,368	2,090,650	342.0%	662,320	(50,952)	(7.7)%
Total assets	1,440,031,918	1,316,824,535	123,207,383	9.4%	1,247,950,117	68,874,418	5.5%
LIABILITIES:	99,506,509	87,837,938	11,668,571	13.3%	94,661,525	(6,823,587)	(7.2)%
Fiduciary net position restricted for pensions and OPEB	$ 1,340,525,409	$ 1,228,986,597	$ 111,538,812	9.1%	$ 1,153,288,592	$ 75,698,005	6.6%

(Continued)

Financial Summary, Continued

Year Ended June 30,	*2026*	*2025*	*26/25 Change*	*26/25 % Change*	*2024*	*25/24 Change*	*25/24 % Change*
ADDITIONS:							
Contributions— State agencies	14,255,976	13,038,473	1,217,503	9.3%	13,332,795	(294,322)	(2.2)%
Contributions— Plan members	9,492,812	8,851,152	641,660	7.2%	8,834,948	16,204	0.2%
Contributions— Ins. premium tax	18,705,307	19,822,829	(1,117,522)	(5.6)%	19,523,962	298,867	1.5%
Contributions— Other state sources	11,266,012	11,210,077	55,935	0.5%	11,493,032	(282,955)	(2.5)%
Net investment income	152,782,324	116,924,501	35,857,823	30.7%	88,772,839	28,151,662	31.7%
Total additions	206,502,431	169,847,032	36,655,399	21.6%	141,957,576	27,889,456	19.6%
DEDUCTIONS:							
Benefits paid, including refunds	80,181,696	78,429,371	1,752,325	2.2%	77,480,374	948,997	1.2%
Deferred option benefits	11,895,120	12,989,424	(1,094,304)	(8.4)%	10,373,214	2,616,210	25.2%
Health insurance premiums paid	874,996	886,041	(11,045)	(1.2)%	884,027	2,014	0.2%
Administrative expenses	2,011,807	1,844,191	167,616	9.1%	1,884,413	(40,222)	(2.1)%
Total deductions	94,963,619	94,149,027	814,592	0.9%	90,622,028	3,526,999	3.9%
Net increase in fiduciary net position	111,538,812	75,698,005	35,840,807	47.3%	51,335,548	24,362,457	47.5%
Fiduciary net position restricted for pensions; and OPEB							
Beginning of year	1,228,986,597	1,153,288,592	75,698,005	6.6%	1,101,953,044	51,335,548	4.7%
End of year	$ 1,340,525,409	$ 1,228,986,597	$ 111,538,812	9.1%	$ 1,153,288,592	$ 75,698,005	6.6%

Detailed Analyses

The System's assets are comprised of cash, receivables (mainly from contributions, broker security transactions and fund redemptions), and substantial investments held for the payment of future benefits. Cash and equivalents decreased 25.8%, or $6.3 million in FY2026 over 2025 as the System needed less cash readily available to pay benefit payments for the first quarter of the fiscal year as less DROP retirements were expected. Cash and equivalents decreased 26.2%, or $8.6 million in 2025 from 2024 as the System's investment managers carried more cash in 2024 as their obligations became due. Receivables increased 5.6%, or $446,000 in fiscal 2026 from 2025 as there were large sick leave balances for May and June retirees. Receivables increased 3.8% in fiscal 2025 over fiscal 2024 due to more motor license fees and insurance premium tax owed to the System at fiscal year-end. Capital assets increased 342.0%, or $2.1 million due to a new software subscription-based technology arrangement that will be placed in service in FY2027.

Detailed Analyses, Continued

The System's net change in the fair value of its investments was 10.3%, or $125.6 million for fiscal 2026 as strong returns across almost every strategy, except for fixed income, in which returns lagged compared to the rest of the portfolio. Small and mid-cap strategies produced a robust year, returning 38.6% for the year. Fiscal 2026 performance was well in excess of the Plan's expected rate of 7.5%. The fair value of investments increased 5.9%, or $67.7 million for the fiscal year ended June 30, 2025, due primarily to strong fiscal year returns from domestic equities, international equities, and private equity markets. The System accounts for its investments at fair value and investment volatility can significantly impact net position and operating results in a short period of time. Due to the timing of cash flows and expenses paid, the change in total investment balances and the actual net investment return earned by the System will differ. The System's net investment return on its average assets for the years ended June 30, its investment policy benchmark, and the performance of the S&P 500 (an unmanaged basket of stocks used as an index to represent general stock market performance) during the same period were as follows:

FYE June 30,	*2026*	*2025*	*2024*
System (net of fees)	13.03%	10.76%	8.71%
S&P 500	22.33%	15.16%	24.56%
Fund Policy*	17.80%	11.19%	10.58%

**As of March 2024, the fund policy benchmark index was 32.50% S&P 500, 25.00% Bloomberg US Aggregate, 20.00% MSCI ACWI ex US NetDiv, 12.50% NFI ODCE Net, and 10.00% Russell 2000.*

The System is funded by contributions from participating agencies and their law enforcement officers, funds received from motor license agents for the System's share of fees, taxes, and penalties, a dedicated percentage of the State of Oklahoma's insurance premium tax, and returns generated by investing the System's assets. Fiscal 2026 contributions from employers and plan members increased 9.3%, or $1.2 million, and 7.2%, or $642,000, respectively. The System added two new agencies towards the end of fiscal 2025 and they were fully integrated in fiscal 2026. Agencies also continue to improve member salaries. Contributions from employers and plan members decreased 2.2%, or $294,000, and increased 0.2%, or $16,000, respectively, in fiscal 2025 compared to fiscal 2024, due to more retirements in fiscal 2025 than 2024. FY2026 insurance premium taxes decreased 5.6 %, or $1.1 million, due to less consumer spending and the stabilization of insurance rates from prior years. FY2025 insurance premium taxes were flat versus FY2024, rising by 1.5%, indicating stability in the rates and insurance markets generally. The System received 5.25% of the insurance premium taxes collected for each of the years ended June 30, 2026, 2025, and 2024. Contributions from other state sources increased marginally by 0.5% or $56,000 due to collecting more in motor license fees from the state. FY2025 contributions from other state sources decreased slightly from FY 2024 by 2.5%, indicating less consumer spending.

Detailed Analyses, Continued

In FY2026 total benefits, including refunds, increased by 2.2%, or $1.7 million. Deferred option benefits decreased by 8.4%, or $1.1 million. These increases/decreases were expected as members left the system early and many of the members had refunds of contributions over their DROP period. Benefit payments have increased as members are earning higher salaries upon retirement and half-pay increases. DROP payments declined as many retired members had lower drop balances due to their years of service. In fiscal 2025, total benefit payments, including refunds, were relatively unchanged, increasing only 1.2%, or $949,000, over the prior year, primarily due to members leaving the system early. Deferred option benefits increased 25%, or $2.6 million for the year, due to many members retiring who had over 30 years of service and wanted to take advantage of market conditions in their DROP accounts.

The System's administrative expenses are composed primarily of payroll and related expenses for the employees of the System, legal and professional fees, data processing fees, medical and travel costs, and equipment. Total administrative expenses in FY2026 were $2.0 million, a 9.1% increase over fiscal 2025, due primarily to increased salaries and legal fees. Total administrative expenses for FY2025 decreased approximately 2.1%, or $40,000, over FY2024, due primarily to a $100,000 decrease in legal and accounting fees.

The System's FY2026 fiduciary net position increased by 9.1%, or $111.6 million, as the System had a great year in the financial markets and decreased DROP payments. The System's overall fiduciary net position increased by 6.6%, or $75.7 million, in fiscal 2025 on the strength of strong investment performance.

Currently Known Facts, Decisions, and Conditions

There were several bills during the 2026 session that will have an impact on the System, HB 4050 and HB 1739. HB 4050 temporarily lowers the employer contribution rate to OPERS from 16.5% down to 9.5% for five years beginning on July 1, 2026, then restores to the original rate beginning on July 1, 2031. For the System specifically, HB 1739 reestablished half-pay for certain retired members in the System. Prior to passage of HB 1739, members hired after November 1, 2012, were not eligible for half-pay benefits unless they met certain criteria at retirement. The passage of this bill is extremely beneficial to the System as it allows the System to keep membership numbers strong and many employees will work well past the standard 20-year retirement timeframe. The System's unfunded actuarial liability is expected to increase by $25.8 million due to HB 1739. However, also included in the bill is an increase in employee and employer contribution rates and over the next 5 years the bill is expected to be fully funded over time. Beginning on July 1, 2026, employee contribution rates increased 1% from 8% to 9% and employer rates increased from 11.0% to 12.5% with an automatic 1% increase per year over a 4-year period where it will reach 16.5%.

The System made some moderate changes to its investment portfolio during the year, replacing its active large cap growth manager, Polen, with passive large cap Russell 1000 Growth index at Northern Trust. The System attempts to stay fully invested and is directly impacted by financial market changes both locally and globally, and its investments are continually assessed and selected based on expected long-term performance. With just over $1.3 billion in assets allocated across highly diversified investments, the System has the financial resources to maintain its current investment strategy while continuing to add suitable investment options that are the appropriate balance of risk and reward.

This financial report is designed to provide a general overview of the System's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Executive Director of the System, Oklahoma Police Pension and Retirement System, 421 N.W. 13th Street, Suite 100, Oklahoma City, OK 73103, or by visiting www.olers.ok.gov.

OKLAHOMA LAW ENFORCEMENT RETIREMENT PLAN
Administered by
OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM

STATEMENTS OF FIDUCIARY NET POSITION

June 30, 2026	*Pensions*	*OPEB*	*Total*
Assets			
Cash	$ 424,894	1,692	426,586
Short-term investments	17,466,096	69,547	17,535,643
Total cash and cash equivalents	17,890,990	71,239	17,962,229
Receivables:			
Interest and dividends receivable	763,940	3,042	766,982
Contributions receivable:			
State agencies	1,064,488	4,238	1,068,726
Plan members	769,492	-	769,492
Other state sources	1,351,609	-	1,351,609
Insurance premium tax	4,266,663	-	4,266,663
Other	211,390	-	211,390
Total receivables	8,427,582	7,280	8,434,862
Investments, at fair value:			
U.S. government securities	100,885,702	401,708	101,287,410
Domestic corporate bonds	124,138,301	494,295	124,632,596
International corporate bonds	101,206,456	402,985	101,609,441
Domestic common and preferred stock	416,641,495	1,658,987	418,300,482
International common and preferred stock	270,047,290	1,075,277	271,122,567
Real estate funds	155,735,334	620,109	156,355,443
Alternative investments	164,635,433	655,547	165,290,980
Real estate—building	4,546,895	18,105	4,565,000
Total investments, at fair value	1,337,836,906	5,327,013	1,343,163,919
Securities lending short-term collateral	67,500,117	268,773	67,768,890
Capital assets, net of accumulated depreciation and amortization	2,702,018	-	2,702,018
Total assets	1,434,357,613	5,674,305	1,440,031,918
Liabilities			
Accounts payable	1,373,911	-	1,373,911
Subscription liability	895,999	-	895,999
Net payable to brokers	28,150,987	112,092	28,263,079
Deferred option benefits due and currently payable	1,204,630	-	1,204,630
Securities lending collateral payable	67,500,117	268,773	67,768,890
Total liabilities	99,125,644	380,865	99,506,509
Fiduciary net position restricted for:			
Pensions	1,335,231,969	-	1,335,231,969
OPEB	-	5,293,440	5,293,440
	$ 1,335,231,969	5,293,440	1,340,525,409

See Independent Auditors' Report.
See accompanying notes to financial statements.

OKLAHOMA LAW ENFORCEMENT RETIREMENT PLAN
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STATEMENTS OF FIDUCIARY NET POSITION, CONTINUED

June 30, 2025	*Pensions*	*OPEB*	*Total*
Assets			
Cash	$ 446,920	1,584	448,504
Short-term investments	23,690,612	83,936	23,774,548
Total cash and cash equivalents	24,137,532	85,520	24,223,052
Receivables:			
Interest and dividends receivable	785,088	2,781	787,869
Contributions receivable:			
State agencies	1,036,708	3,673	1,040,381
Plan members	744,015	-	744,015
Other state sources	1,060,060	-	1,060,060
Insurance premium tax	4,198,897	-	4,198,897
Other	157,362	-	157,362
Total receivables	7,982,130	6,454	7,988,584
Investments, at fair value:			
U.S. government securities	81,934,633	290,297	82,224,930
Domestic corporate bonds	119,154,536	422,168	119,576,704
International corporate bonds	96,269,498	341,085	96,610,583
Domestic common and preferred stock	354,471,858	1,255,903	355,727,761
International common and preferred stock	260,953,590	924,566	261,878,156
Real estate funds	141,177,860	500,197	141,678,057
Alternative investments	155,085,992	549,474	155,635,466
Real estate—building	4,210,084	14,916	4,225,000
Total investments, at fair value	1,213,258,051	4,298,606	1,217,556,657
Securities lending short-term collateral	66,210,289	234,585	66,444,874
Capital assets, net of accumulated depreciation and amortization	611,368	-	611,368
Total assets	1,312,199,370	4,625,165	1,316,824,535
Liabilities			
Accounts payable	769,718	-	769,718
Net payable to brokers	16,535,129	58,584	16,593,713
Deferred option benefits due and currently payable	4,029,633	-	4,029,633
Securities lending collateral payable	66,210,289	234,585	66,444,874
Total liabilities	87,544,769	293,169	87,837,938
Fiduciary net position restricted for:			
Pensions	1,224,654,601	-	1,224,654,601
OPEB	-	4,331,996	4,331,996
	$ 1,224,654,601	4,331,996	1,228,986,597

See Independent Auditors' Report.
See accompanying notes to financial statements.

OKLAHOMA LAW ENFORCEMENT RETIREMENT PLAN
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STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION

Year Ended June 30, 2026	*Pensions*	*OPEB*	*Total*
Additions:			
Contributions:			
State agencies	$ 12,950,980	1,304,996	14,255,976
Plan members	9,492,812	-	9,492,812
Insurance premium tax	18,705,307	-	18,705,307
Other state sources	11,266,012	-	11,266,012
Total contributions	52,415,111	1,304,996	53,720,107
Investment income:			
From investing activities:			
Net appreciation in fair value of investments	139,129,702	492,146	139,621,848
Interest	9,570,453	33,854	9,604,307
Dividends	9,023,062	31,917	9,054,979
Net rental income	21,074	75	21,149
Total investment income	157,744,291	557,992	158,302,283
Less investment expense	(5,693,773)	(20,141)	(5,713,914)
Income from investing activities	152,050,518	537,851	152,588,369
From securities lending activities:			
Securities lending income	2,996,903	10,601	3,007,504
Securities lending expense:			
Management fees	(82,681)	(292)	(82,973)
Borrower rebates	(2,720,951)	(9,625)	(2,730,576)
Income from securities lending activities	193,271	684	193,955
Net investment income	152,243,789	538,535	152,782,324
Total additions	204,658,900	1,843,531	206,502,431
Deductions:			
Benefit payments	78,521,316	-	78,521,316
Deferred option benefits	11,895,120	-	11,895,120
Health insurance premiums paid	-	874,996	874,996
Refunds of contributions	1,660,380	-	1,660,380
Administrative expenses	2,004,716	7,091	2,011,807
Total deductions	94,081,532	882,087	94,963,619
Increase in fiduciary net position	110,577,368	961,444	111,538,812
Net position restricted for pensions and OPEB:			
Beginning of year	1,224,654,601	4,331,996	1,228,986,597
End of year	$ 1,335,231,969	5,293,440	1,340,525,409

See Independent Auditors' Report.
See accompanying notes to financial statements.

OKLAHOMA LAW ENFORCEMENT RETIREMENT PLAN
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OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION, CONTINUED

Year Ended June 30, 2025	*Pensions*	*OPEB*	*Total*
Additions:			
Contributions:			
State agencies	$ 11,722,432	1,316,041	13,038,473
Plan members	8,851,152	-	8,851,152
Insurance premium tax	19,822,829	-	19,822,829
Other state sources	11,210,077	-	11,210,077
Total contributions	51,606,490	1,316,041	52,922,531
Investment income:			
From investing activities:			
Net appreciation in fair value of investments	100,685,650	310,704	100,996,354
Interest	9,300,089	28,699	9,328,788
Dividends	12,504,137	38,586	12,542,723
Net rental income	127,173	392	127,565
Total investment income	122,617,049	378,381	122,995,430
Less investment expense	(6,225,823)	(19,212)	(6,245,035)
Income from investing activities	116,391,226	359,169	116,750,395
From securities lending activities:			
Securities lending income	3,262,766	10,069	3,272,835
Securities lending expense:			
Management fees	(74,287)	(229)	(74,516)
Borrower rebates	(3,014,909)	(9,304)	(3,024,213)
Income from securities lending activities	173,570	536	174,106
Net investment income	116,564,796	359,705	116,924,501
Total additions	168,171,286	1,675,746	169,847,032
Deductions:			
Benefit payments	77,524,271	-	77,524,271
Deferred option benefits	12,989,424	-	12,989,424
Health insurance premiums paid	-	886,041	886,041
Refunds of contributions	905,100	-	905,100
Administrative expenses	1,838,518	5,673	1,844,191
Total deductions	93,257,313	891,714	94,149,027
Increase in fiduciary net position	74,913,973	784,032	75,698,005
Net position restricted for pensions and OPEB:			
Beginning of year	1,149,740,628	3,547,964	1,153,288,592
End of year	$ 1,224,654,601	4,331,996	1,228,986,597

See Independent Auditors' Report.
See accompanying notes to financial statements.

(1) NATURE OF OPERATIONS

The Oklahoma Law Enforcement Retirement System (the "System") was established July 1, 1947, for the purpose of providing retirement allowances and other benefits for qualified law enforcement officers as defined by Oklahoma statutes. The System is the administrator of a multiple-employer, cost-sharing defined benefit pension plan that provides participants with retirement, death, and disability benefits, a Deferred Option Plan (the "Deferred Option"), and supplemental health benefits, all established by the State of Oklahoma. The supplemental health benefits are considered other postemployment benefits other than pensions (OPEB). As such, the System is also the administrator of a multiple-employer, cost-sharing defined benefit OPEB plan. For financial reporting purposes, the pension and the OPEB components of the Plan are reported separately. The System is part of the State of Oklahoma financial reporting entity and is included in the State of Oklahoma's financial reports as a pension and OPEB trust fund. Currently, agencies and/or departments who are members of the System are the Oklahoma Highway Patrol and Capitol Patrol of the Department of Public Safety (DPS), the Oklahoma State Bureau of Investigation, the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, the Alcoholic Beverage Law Enforcement Commission, certain members of the Grand River Dam Authority, certain members of the DPS Communications Division, DPS Waterways Lake Patrol Division, park rangers, park managers, and park supervisors of the Oklahoma Tourism and Recreation Department, inspectors of the Oklahoma State Board of Pharmacy, Oklahoma University Health Sciences Center police officers, Oklahoma University and Oklahoma State University campus police officers, the office of the Attorney General commissioned or CLEET certified agents, and Military Department of the State of Oklahoma commissioned or CLEET certified agents.

While all members participate in the pension plan, presently only six are participating in the OPEB plan:

- Oklahoma Department of Public Safety
- Oklahoma State Bureau of Investigation
- Alcoholic Beverage Law Enforcement Commission
- Oklahoma State Bureau of Narcotics and Dangerous Drugs Control
- Oklahoma State Board of Pharmacy
- Oklahoma Tourism and Recreation Department

The System, considered a multiple-employer pension and OPEB plan, is a part of the State of Oklahoma financial reporting entity, which is combined with other similar funds to comprise the fiduciary pension and OPEB trust funds of the State of Oklahoma.

(1) NATURE OF OPERATIONS, CONTINUED

The Oklahoma Law Enforcement Retirement System Board of Trustees (the "Board") is responsible for the operation, administration, and management of the System. The Board also determines the general investment policy of the System's assets. The Board is composed of 13 members consisting of: the Commissioner of Public Safety or designee; the Director of the Office of Management and Enterprise Services or designee; three (3) members to be appointed by the Governor, one of whom shall be a retired member of the System; one (1) member to be appointed by the Speaker of the House of Representatives; one (1) member to be appointed by the President Pro Tempore of the Senate; two (2) members of the Highway Patrol Division and one (1) member of the Communications Section of the Oklahoma Highway Patrol; one (1) member from the Oklahoma State Bureau of Investigation; one (1) member of the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control; and one (1) member of the Oklahoma Alcoholic Beverage Law Enforcement Commission, elected by and from the membership of the System. The appointees and office holders or designees all serve a 4-year term, with the governor appointee's term being coterminous with that office.

The System's participants at June 30 consisted of the following:

Pension

	2026	2025
Retirees and beneficiaries currently receiving benefits	1,624	1,609
Inactive participants	63	60
Deferred option participants	12	15
Active participants	1,387	1,356
Total members	3,086	3,040

OPEB

	2026	2025
Retirees and beneficiaries currently receiving benefits	558	580
Terminated vested participants	38	42
Active participants	1,387	1,356
Total members	1,983	1,978

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies followed by the Oklahoma Law Enforcement Retirement Plan (the "Plan").

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting under which expenses are recorded when the liability is incurred, revenues are recorded in the accounting period in which they are earned and become measurable, and investment purchases and sales are recorded as of their trade dates. Member and employer contributions are established by statute as a percentage of salaries and are recognized in the period in which employees' salaries are earned. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. The financial statements of the pension portion of the Plan are in conformity with provisions of Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans—an amendment of GASB Statement No. 25* (GASB 67).

The financial statements for the OPEB portion of the Plan are in conformity with provisions of GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* (GASB 74).

The Plan is administered by the System, a part of the State of Oklahoma financial reporting entity, which together with other similar pension, OPEB, and retirement funds comprise the fiduciary pension trust funds of the State of Oklahoma. Administrative expenses are paid with the funds provided by operations of the Plan.

Recent Accounting Pronouncements

In April, 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements* (GASB 103). This statement improves key components of the governmental financial reporting model to enhance effectiveness and to address certain application issues. GASB 103 prescribes changes to the MD&A, describes unusual or infrequent items, and addresses presentation issues for proprietary funds, major component units, and budgetary comparison presentations. The Plan adopted GASB 103 on July 1, 2025, for the June 30, 2026, reporting year. GASB 103 did not have a significant impact on the Plan's financial statements.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Recent Accounting Pronouncements, Continued

In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets* (GASB 104). This statement requires certain types of capital assets to be separately disclosed in the capital asset note disclosures. Specifically, leases, public-private partnership assets, and Subscription-Based Information Technology Arrangements should all be separately disclosed. GASB 104 also prescribes specific disclosures for intangible assets and capital assets held for sale. The Plan adopted GASB 104 on July 1, 2025, for the June 30, 2026, reporting year. GASB 104 did not have a significant impact on the Plan's financial statements.

In December 2025, GASB issued Statement No. 105, *Subsequent Events* (GASB 105). This statement defines subsequent events as either recognized or nonrecognized and outlines specific note disclosures for nonrecognized events. GASB 105 also defines the dates to consider when determining whether or not a subsequent event has occurred and requires the date through which subsequent events have been evaluated to be disclosed. The Plan will adopt GASB 105 on July 1, 2026, for the June 30, 2027, reporting year. The Plan does not expect GASB 105 to significantly impact the financial statements.

Use of Estimates

The preparation of the Plan's financial statements in conformity with accounting principles generally accepted in the United States requires management of the Plan to make significant estimates and assumptions that affect the reported amounts of net position restricted for pensions and OPEB at the date of the financial statements and the actuarial information in Exhibits I through X included in the required supplementary information as of the benefit information date, the changes in the Plan's net position during the reporting period, and when applicable, disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Risks and Uncertainties

Contributions to the Plan and the actuarial information in Exhibits I through X included in the required supplementary information are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee compensation and demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions may occur in the near-term and, due to the uncertainties inherent in setting assumptions, that the effect of such changes could be material to the financial statements.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Plan Contributions

Contributions to the Plan are recognized when due pursuant to formal commitments, as well as statutory or contractual requirements.

Plan Benefit Payments and Refunds

Benefit payments and refunds of the Plan are recognized when due and payable in accordance with the terms of the Plan.

Receivables

At June 30, 2026 and 2025, the Plan had no long-term receivables. All the receivables reflected in the statements of fiduciary net position are expected to be received and available for use by the Plan in its operations. Also, no allowance for any uncollectible portions is considered necessary.

Investments

Management of the Plan is authorized to invest in eligible investments as approved by the Board as set forth in its investment policy. The Board reviews and updates the plan investment policy at least annually, making changes as deemed necessary to achieve policy goals. An investment policy change can be made any time the need should arise, at the discretion of the Board. As of June 30, 2026 and 2025, approximately $5,327,000 and $4,299,000, respectively, of investments were allocated to the OPEB portion of the Plan.

Investment Allocation Policy—The Board's investment asset allocation policy will currently maintain approximately 62.50% of assets in equity instruments, including public large and small cap equity, international developed equity, global long-short hedge, emerging markets, and private equity strategies; approximately 25% of assets in fixed income, to include core bonds, global, and multisector/core plus bonds; and 12.50% of assets in real assets, to include core real estate and commodities.

Significant Investment Policy Changes— During the years ended June 30, 2026 and 2025, there were no changes to the investment policy.

Rate of Return—For the years ended June 30, 2026 and 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 12.68% and 10.35%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Investments, Continued

Method Used to Value Investments—The Plan holds investments that are measured and reported at fair value on a recurring basis. Accounting principles generally accepted in the United States establish a fair value hierarchy for the determination and measurement of fair value. This hierarchy is based on the type of valuation inputs needed to measure the fair value of an asset. The hierarchy generally is as follows:

Level 1—Unadjusted quoted prices in active markets for identical assets.

Level 2—Quoted prices for similar assets, or inputs that are observable or other forms of market corroborated inputs.

Level 3—Pricing based on best available information, including primarily unobservable inputs and assumptions market participants would use in pricing the asset.

In addition to the above three levels, if an investment does not have a readily determined fair value, the investment can be measured using net asset value (NAV) per share (or its equivalent). Investments valued at NAV are categorized as NAV and not listed as Level 1, 2, or 3. Fair values of investments measured by fair value level are presented in Note 4.

Short-term investments include an investment fund composed of an investment in units of a commingled trust fund of the Plan's custodial agent (which is valued at amortized cost, which approximates fair value), commercial paper, treasury bills, and U.S. government agency securities. Active manager accounts holding debt and equity securities are reported at fair value, as determined by the Plan's custodial agent, using pricing services or prices quoted by independent brokers based on the latest reported sales prices in active markets, and at current exchange rates for securities traded on national or international exchanges. The fair value of the pro rata share of units owned by the Plan in equity index and commingled trust funds is determined by the respective fund trustee or manager based on quoted sales prices of the underlying securities. The fair values of hedge fund and private equity investments are priced by each respective manager using a combination of observable and unobservable inputs. The fair value of the real estate is determined from independent appraisals and discounted income approaches. Investments which do not have an established market are reported at estimated fair value based on primarily unobservable inputs.

Net investment income includes net appreciation in the fair value of investments, interest income, dividend income, investment income from real estate, securities lending income and expenses, and investment expenses, which include investment management and custodial fees and all other significant investment-related costs. Foreign currency translation gains and losses are reflected in the net appreciation (depreciation) in the fair value of investments. Investment income from real estate includes the Plan's share of income from operations, net appreciation in the fair value of the underlying real estate properties, and the Plan's real estate investment management fees. The fair values of the limited partnerships are determined by managers of the partnerships based on the values of the underlying assets.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Investments, Continued

The Plan's international investment managers enter into forward foreign exchange contracts to protect against fluctuation in exchange rates between the trade date and the settlement date of foreign investment transactions. The gains and losses on these contracts are included in income in the period in which the exchange rates change.

The Plan may invest in various traditional financial instruments that fall under the broad definition of derivatives. The Plan's derivatives may include collateralized mortgage obligations, convertible stocks and bonds, and variable rate instruments. These investments do not increase investment risk beyond allowable limits specified in the Plan's investment policy.

The Plan's investment policy provides for investments in any combination of stocks, bonds, fixed-income securities, and other investment securities, along with investments in commingled, mutual, and index funds. Investment securities and investment securities underlying commingled or mutual fund investments are exposed to various risks, such as interest rate and market and credit risks. Due to the risks associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities may occur in the near term, and such changes could materially affect the amounts reported in the statements of fiduciary net position.

The investment policy limits the concentration of each portfolio manager. Except as noted below, no investment with a single firm exceeds 5% of the Plan's net fiduciary position.

The Plan invests in domestic equity index funds, domestic equity commingled trust funds, and international equity funds. The Plan shares the risk of loss in these funds with other participants in proportion to its respective investment. Because the Plan does not own any specific identifiable investment securities of these funds, the market risk associated with any derivative investments held in these funds is not apparent. The degree of market risk depends on the underlying portfolios of the funds, which were selected by the Plan in accordance with its investment policy guidelines, including risk assessment. The international funds invest primarily in equity securities of entities outside the United States and may enter into forward contracts to purchase or sell securities at specified dates in the future at a guaranteed price in a foreign currency to protect against fluctuations in exchange rates of foreign currency.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Investments, Continued

The following table presents the individual investments exceeding the 5%* threshold at June 30:

Classification of Investment	Name of Investment		Cost	Fair Value
2026				
Real estate funds	JPMorgan Bank Strategic Property Fund	$	76,343,512	89,602,700
Domestic common and preferred stock	NTGI S&P 500 Equity Index Fund		79,000,043	167,767,358
International common and preferred stock	Mondrian Partners International Equity Fund		88,009,508	96,590,892
International common and preferred stock	Chautauqua International Growth Equity Fund		77,000,000	82,800,908
International corporate bonds	Loomis Sayles Multisector Full Discretion Fund		90,000,000	101,609,441
Domestic corporate bonds	MFB NT Collective Aggregate Bond Index		48,395,494	79,213,112
2025				
Real estate funds	JPMorgan Bank Strategic Property Fund	$	75,843,022	88,260,667
Domestic common and preferred stock	NTGI S&P 500 Equity Index Fund		26,986,419	105,238,224
International common and preferred stock	Mondrian Partners International Equity Fund		98,181,417	109,286,711
International common and preferred stock	Chautauqua International Growth Equity Fund		77,000,000	81,619,206
International corporate bonds	Loomis Sayles Multisector Full Discretion Fund		90,000,000	96,610,583
Domestic corporate bonds	MFB NT Collective Aggregate Bond Index		48,405,075	76,322,226

*While the individual investment may exceed 5% of the Plan's net position, each investment is comprised of numerous individual securities. As such, no individual security exceeds the 5% threshold.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Repurchase/Reverse Repurchase Agreement

The Plan has a master repurchase/reverse repurchase agreement. Under the agreement, the Plan may enter into a purchase/sale of a security with a simultaneous agreement to resell/repurchase the security at a specified future date and price. The Plan did not enter into any transactions under this agreement during fiscal year 2026 or 2025.

Capital Assets

Capital assets, which consist of furniture and computer equipment, are stated at cost less accumulated depreciation. The System does not have a formal asset capitalization policy; however, the System capitalizes information technology equipment of $500 or more and all other tangible long-lived assets of $2,500 or more. Depreciation is calculated using the straight-line method over the estimated useful life of the related asset, primarily 3–15 years. Certain software purchases carry an estimated useful life of 20 years.

Subscription-Based Information Technology Arrangements

The System recognized an intangible right-to-use subscription asset and a corresponding subscription liability for its long-term subscription-based information technology arrangement (SBITA) in accordance with GASB Statement No. 96. Recognition begins when the subscription asset is placed into service. The subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term. Payments are discounted using the interest rate charged by the subscription vendor, which may be implicit in the arrangement. If that rate cannot be readily determined, the System uses its estimated incremental borrowing rate.

The subscription asset is initially measured as the subscription liability, plus payments made to the vendor at or before commencement of the subscription term and qualifying implementation costs, less applicable vendor incentives. The asset is amortized using the straight-line method over the shorter of the subscription term or the useful life of the underlying information technology assets, beginning when placed into service. Preliminary project and training costs are expensed as incurred.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Income Taxes

The Plan is exempt from federal and state income taxes.

Plan Termination

Plan termination would take an act of the Oklahoma State Legislature. The order of distribution of the Plan's fiduciary net position is discussed in Note 14.

Administrative Items

Leases

The Plan has no lease commitments that have noncancelable terms greater than 12 months. The Plan has a short-term lease which ends annually as of June 30. The present lease has been renewed for the period July 1, 2026, through June 30, 2027. Total lease expense was approximately $52,000 for fiscal year 2026 and $51,000 for fiscal year 2025.

Retirement Expense

Employees of the System are eligible to participate in the Oklahoma Public Employees Retirement Plan, which is administered by the Oklahoma Public Employees Retirement System (OPERS). OPERS is a multiple-employer, cost-sharing public retirement defined benefit pension plan. OPERS provides retirement, disability, and death benefits to its plan members and beneficiaries. OPERS issues a publicly available financial report which includes financial statements and required supplementary information for OPERS. That report may be obtained by writing to the Oklahoma Public Employees Retirement System, 5400 N. Grand Blvd., Suite 400, Oklahoma City, OK 73112-5625.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Administrative Items, Continued

Defined Benefit Plan

Employees of the System are required to contribute 3.5% of their annual covered salary. The System is required to contribute at an actuarially determined rate, which was 16.5% of annual covered payroll for each of the years ended June 30, 2026, 2025, and 2024, respectively. During the years ended June 30, 2026, 2025, and 2024, a total of $115,524, $100,601, and $95,459, respectively, was paid to OPERS. The System's and the employees' portions of those amounts were as follows:

	2026	2025	2024
System portion	$ 91,635	79,745	77,211
Employee portion	23,889	20,856	18,248
	$ 115,524	100,601	95,459

The Plan adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27* (GASB 68), as of July 1, 2014, as it applies to its participation in OPERS. The effects upon the financial statements of the Plan as a result of the adoption of GASB 68 are considered immaterial.

The Plan adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* (GASB 75), as of July 1, 2017, as it applies to its participation in OPERS, OPEB, and Implicit Rate Subsidy. The effects on the financial statements of the Plan as a result of the adoption of GASB 75 are considered immaterial.

Effective November 1, 2015, OPERS established the Pathfinder Defined Contribution Plan ("Pathfinder"), a mandatory defined contribution plan for eligible State employees who first become employed by a participating employer on or after November 1, 2015, and have no prior participation in OPERS. Under Pathfinder, members will choose a contribution rate which will be matched by their employer up to 7%. All State employers with Pathfinder participants contribute 16.50% of salary, with contributions in excess of the matched amount going into the Defined Benefit Plan, as required by Statute. During the years ended June 30, 2026 and 2025, a total of $39,023 and $31,441, respectively, was paid to OPERS, representing 100% of the required contributions. The System's and the employees' contributions to Pathfinder were as follows:

	2026	2025
System portion	$ 17,190	14,796
Employee portion	21,833	16,645
	$ 39,023	31,441

See Independent Auditors' Report.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Administrative Items, Continued

Risk Management

The Risk Management Division of the Department of Central Services (the "Division") is empowered by the authority of Title 74 O.S. Supp. 1993, Section 85.34 et seq. The Division is responsible for the acquisition and administration of all insurance purchased by the State of Oklahoma or administration of any self-insurance plans and programs adopted for use by the State of Oklahoma for certain organizations and bodies outside of state government, at the sole expense of such organizations and bodies.

The Division is authorized to settle claims of the State of Oklahoma and shall govern the dispensation and/or settlement of claims against a political subdivision. In no event shall self-insurance coverage provided by the State of Oklahoma, an agency, or other covered entity exceed the limitations on the maximum dollar amount of liability specified by the Oklahoma Government Tort Claims Act, as provided by Title 51 O.S. Supp. 1988, Section 154. The Division oversees the collection of liability claims owed to the State of Oklahoma incurred as the result of a loss through the wrongful or negligent act of a private person or other entity.

The Division is also charged with the responsibility to immediately notify the attorney general of any claims against the State of Oklahoma presented to the Division. The Division purchases insurance policies through third-party insurance carriers that ultimately inherit the risk of loss. The Division annually assesses each state agency, including the System, their pro rata share of the premiums purchased. The System has no obligations to any claims submitted against the System.

Date of Review of Subsequent Events

The Plan has evaluated subsequent events through October 13, 2026, the date which the financial statements were available to be issued, and determined that no significant subsequent events have occurred which require adjustment to or disclosure in the financial statements.

(3) DESCRIPTION OF THE PLAN

The following brief description of the Plan is provided for general information purposes only. Participants should refer to the Oklahoma Statutes for more complete information.

General

The Plan is a multiple-employer, cost-sharing defined benefit pension plan covering members who have actively participated in being a qualified law enforcement officer as defined by the Oklahoma Statutes or participated in a related agency.

The Plan also provides OPEB, as it provides certain retirees with health insurance premiums of up to $105 per month for members receiving retirement benefits. As such, the Plan is also considered a multiple-employer, cost-sharing defined benefit OPEB plan.

Contributions

Contributions to the Plan are generated from established employer and employee contribution rates, and certain revenues are dedicated by the Oklahoma State Legislature and are not based on an actuarially calculated contribution amount. A suggested minimum required contribution from the State of Oklahoma is computed annually by an actuary hired by the State of Oklahoma. However, funding by the State of Oklahoma to the Plan is based on statutorily determined amounts rather than the actuarial calculations of the amount required to fund the Plan.

Presently, the Plan receives contributions from state agencies and members of 11% and 8%, respectively, of the actual paid base salary of each member. Prior to November 1, 2012, the state agencies' contribution rate was 10%. The Plan also receives 1.2% of all fees, taxes, and penalties collected by motor license agents after approximately the first 5%. Additional funds are also provided to the Plan by the State of Oklahoma through an allocation of 5.25% of the tax on premiums collected by insurance companies operating in Oklahoma and by the net investment income generated on assets held by the Plan. The Plan is responsible for paying administrative costs. Administrative costs of the Plan are paid by using the earnings from the invested assets of the Plan.

Contributions for the OPEB portion of the Plan are from employer contributions. For each of the years ended June 30, 2026 and 2025, an additional $430,000 of contributions were allocated to fund the OPEB portion of the Plan.

(3) DESCRIPTION OF THE PLAN, CONTINUED

Benefits—Pensions

In general, the Plan provides defined retirement benefits based on members' final average compensation, age, and term of service. In addition, the retirement program provides for benefits upon disability and to survivors upon death of eligible members. Retirement provisions are as follows:

- The normal retirement date when a member is eligible to receive retirement benefits is when the member completes 20 years of service or reaches age 62 with at least 10 years of service. Members become vested upon completing 10 years of credited service as a contributing member of the Plan. No vesting occurs prior to completing 10 years of credited service. Members' contributions are refundable, without interest, upon termination prior to normal retirement. Members who have completed 10 years of credited service may elect a vested benefit in lieu of having their accumulated contributions refunded. If the vested benefit is elected, the member is entitled to a monthly retirement benefit commencing on the member's normal retirement date as if the member's employment continued uninterrupted, based on the actual completed years and months of service.

- Monthly retirement benefits are calculated at 2.5% of the highest 30 consecutive months of actual paid base salary multiplied by the years and complete months of credited service. Only salaries on which required contributions have been made are used in computing the final average salary. House Bill 2212, which was effective as of July 1, 2002, redefined final average earnings to be the greater of (i) the highest consecutive 30 months of actual earnings and (ii) the top base pay paid to active members. In accordance with House Bill 1383, for participants, other than DPS and Oklahoma State Bureau of Investigation participants, hired on or after May 22, 2013, the top base pay paid to active members will no longer be used in determining the member's final retirement benefit. This applies to DPS and Oklahoma State Bureau of Investigation participants hired on or after November 1, 2012.

- Members who became disabled prior to July 1, 2000, prior to the member's normal retirement date and by direct reason of the performance of the member's duties as an officer, receive a monthly benefit equal to the greater of 50% of the average of the highest 30 consecutive complete months of actual paid base salary or 2.5% of the average of the highest 30 consecutive complete months of actual paid base salary multiplied by the number of years and complete months of the member's credited service. Effective July 1, 2000, Senate Bill 994 provides that the monthly benefit will be equal to 2.5% multiplied by the greater of 20 years of service or the actual number of years of service performed by the member if the member had performed 20 or more years of service, multiplied by final average salary. Senate Bill 994 provides that the final average salary for a member who performed less than 20 years of service prior to disability shall be computed assuming that the member was paid the highest salary allowable pursuant to the law in effect at the time of the member's disability based on 20 years of service and with an assumption that the member was eligible for any and all increases in pay based upon rank during the entire period. The final average salary for a member who had performed 20 or more years of service prior to disability shall be equal to the member's actual final average salary.

(Continued)

(3) DESCRIPTION OF THE PLAN, CONTINUED

Benefits—Pensions, Continued

- Members who became disabled prior to the member's normal retirement date, but after completing 3 years of vesting service and not by reason of the performance of the member's duties as an officer or as a result of the member's willful negligence, receive a monthly benefit equal to 2.5% of the average of the highest 30 consecutive complete months of actual paid base salary multiplied by the number of years and complete months of the member's credited service.

- Survivor's benefits are payable in full to the participant's beneficiary upon the death of a retired participant. The beneficiary of any active participant killed in the line of duty is also entitled to a pension benefit and, if applicable, each child is entitled to receive $400 per month until reaching age 18 or 22, providing the child is a full-time student. A $5,000 death benefit is also paid, in addition to any survivor's pension benefits from the Plan, to the participant's beneficiary or estate for those active or retired members who died after July 1, 1999.

- The Deferred Option allows members who have 20 or more years of service to defer terminating employment and drawing retirement benefits for a period not to exceed 5 years. Under the Deferred Option, retirement benefits are calculated based on compensation and service at the time of election and a separate account is set-up for each member. During the participation period, the member's retirement benefit is credited to the member's account along with a portion of the employer's contribution and interest. Interest is credited at a rate of 2% below the rate of return on the investment portfolio of the Plan, with a guaranteed minimum interest equal to the assumed actuarial interest of 7.5%. Member contributions cease once participation in the Deferred Option begins. At the conclusion of participation in the Deferred Option, the member will receive the balance in the member's separate account under payment terms allowed by the Deferred Option and will then begin receiving retirement benefit payments as calculated at the time of election.

- In the 2003 Legislative Session, Senate Bill 688 and House Bill 1464 created a "Back" DROP for members of the Plan. The "Back" DROP is a modified deferred option retirement plan. The "Back" DROP allows the member flexibility by not having to commit to terminate employment within 5 years. Once a member has met their normal retirement period of 20 years, the member can choose, upon retirement, to be treated as if the member had entered into the Deferred Option. A member, however, cannot receive credit to the Deferred Option account based upon any years prior to when the member reached their normal retirement date. Once a member is ready to retire, the member can make the election to participate in the "Back" DROP and can receive a Deferred Option benefit based upon up to 5 years of participation. The member's regular retirement benefit will not take into account any years of service credited to the "Back" DROP.

  A member may elect to participate in the "Back" DROP even if the member has elected to participate in the Deferred Option. The member may select a "Back" DROP date which is up to 5 years prior to the termination date. Participation in the "Back" DROP cannot exceed 5 years when combined with the member's prior period of participation in the Deferred Option plan.

(3) DESCRIPTION OF THE PLAN, CONTINUED

Benefits—OPEB

The Plan contributes $105 per month or the Medicare supplement premium, if less, toward the cost of health insurance for members receiving retirement benefits and who receive their insurance from the State of Oklahoma's insurance plan. These benefits commence upon retirement. As of June 30, 2026 and 2025, 555 members and 567 members, respectively, had elected this benefit. House Bill 2311 allows spouses and children to elect health insurance and provides up to $105 per month to those who do elect the insurance. The monies for the health insurance coverage are remitted monthly to the Oklahoma State and Education Employees Group Insurance Board, which administers various group health benefit plans for the State of Oklahoma. The Plan is required by statute to remit the payment, but has no administrative functions related to the payment, and no portion of the contribution amounts of either active members or state agencies is specifically identified by statute as relating to such payment. As of July 1, 2016, due to the implementation of GASB 74, the insurance premiums are considered OPEB, and a separate OPEB liability for employers will be required to be disclosed. As of June 30, 2026 and 2025, approximately $5,674,000 and $4,625,000, respectively, of assets have been allocated to the OPEB portion of the Plan.

House Bill 2442, which took effect July 1, 2004, allows members who are retired from the System by means of a personal and traumatic injury of a catastrophic nature and in the line of duty and any surviving spouse of a member who was killed in the line of duty to have 100% of the retired member's or surviving spouse's healthcare premium cost paid by the Plan.

The total amount remitted for health insurance premiums for the years ended June 30, 2026 and 2025, was $874,996 and $886,041, respectively.

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash and Cash Equivalents

At June 30, cash and cash equivalents were composed of the following:

	2026	2025
Cash on deposit with the State of Oklahoma	$ 27,902	76,178
Cash on deposit with local financial institution	398,684	372,326
Cash on deposit with custodial agent:		
Short-term investments	17,535,643	23,774,548
	$ 17,962,229	24,223,052

At June 30, 2026 and 2025, as a result of outstanding checks, the carrying amount of the Plan's cash deposits with the State of Oklahoma and a financial institution totaled $426,586 and $448,504, respectively, and the bank balances totaled $919,919 and $1,076,517, respectively. The carrying amounts of the short-term investment and cash on deposit with Northern Trust were the same as the bank balances at June 30, 2026 and 2025.

The Plan's short-term investment fund consists of collective trust funds of Northern Trust which are allocated on the basis of $1.00 for each unit. This fund is composed of high-grade money market instruments with short maturities, generally less than 90 days, including banker's acceptances, certificates of deposit, commercial paper notes, Euro time deposits, floating rate instruments, and money market demand accounts. Each participant in the fund shares the risk of loss in the fund in proportion to their respective investment in the fund.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of the failure of a counterparty, the Plan will not be able to recover the value of its investments. Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. Investment securities are exposed to custodial credit risk if they are uninsured, are not registered in the name of the Plan, or are held by a counterparty or the counterparty's trust department but not in the name of the Plan. While the investment policy does not specifically address custodial credit risk of deposits, it does limit the amount of cash and short-term investments to no more than 5% of each manager's portfolio. The Plan had no bank balances that were uninsured or uncollateralized as of June 30, 2026 or 2025. The policy also provides that investment collateral be held by a third-party custodian with whom the Plan has a current custodial agreement in the Plan's name.

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The investment policy limits global long/short equities to 10%, international developed equities to 20%, and emerging markets to 10% of total assets through its asset allocation policy. Investments in equity securities and corporate bonds as of June 30 are shown below by monetary unit to indicate possible foreign currency risk.

Currency	2026	2025
Commingled funds:		
International common and preferred stock:		
Grosvenor Global Long/Short Equity Master Fund	$ 251,691	287,005
K2 Ascent Long/Short Hedge Fund	47,716	67,427
Mondrian Partners International Equity Fund	96,590,892	109,286,711
Wasatch Emerging Markets Small Capitalization Fund	26,122,311	19,905,221
William Blair Emerging Markets Leaders Fund	65,309,049	50,712,586
Chautauqua International Growth Equity Fund	82,800,908	81,619,206
	271,122,567	261,878,156
International corporate bonds:		
Loomis Sayles Multisector Full Discretion Fund	101,609,441	96,610,583
	$ 372,732,008	358,488,739

The Plan was exposed to foreign currency risk through investments in the following commingled funds:

- Grosvenor Global Long/Short Equity Master Fund—The fund seeks to achieve superior returns that are attractive, on both an absolute and risk-adjusted basis, with substantially less volatility than the broad global equity market indices. In addition, the fund operates with the intent of preserving capital in declining market conditions. The fund pursues this strategy by investing, both long and short, predominately in equity securities in developed and emerging markets.

- K2 Ascent Long/Short Hedge Fund—The fund is structured as a hedge fund of funds and utilizes sub-managers that have been approved to join the K2 Mauna Kea platform. The K2 Mauna Kea allocation is designed to have a long-bias intended to capture more upside movements in the market.

(Continued)

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Foreign Currency Risk, Continued

- Mondrian Partners International Equity Fund—The fund's investment objective is long-term total return through a value-driven approach of equity selection. The fund pursues this strategy by investing primarily in non-U.S. and emerging market equity securities.

- Wasatch Emerging Markets Small Capitalization Fund—The fund seeks long-term capital growth by investing primarily in equity securities of small companies located in emerging markets. Companies will generally have a market capitalization of less than $3 billion when purchased, and holdings will generally span broadly across countries and sectors.

- William Blair Emerging Markets Leaders Fund—The fund seeks to invest in emerging markets companies with above-average returns on equity, strong balance sheets, and consistent, above-average earnings growth, resulting in a focused portfolio of leading companies. The fund will seek well-managed companies with superior business fundamentals, including global leadership in product quality or cost competitiveness.

- Chautauqua's International Growth Strategy—Identifies companies with competitive advantages. Companies identified are then assessed on quality metrics, which include financial resilience, strength of management, alignment with shareholders, transparency, and ESG factors. As global investors, the team will assess where the companies do business and look at their geographic footprint as well as currency exposures. The strategy then estimates the fair valuation of the companies by forecasting both the profits generated and the cost of doing business. As an ACWI ex-U.S. mandate, this strategy will have emerging market exposure with a maximum allocation of 35%.

- Loomis Sayles Multisector Full Discretion Fund—The fund seeks to find mispriced securities in the market with stable or improving credit profiles utilizing a bottom-up security selection and a top-down macroeconomic analysis to drive its investment process. The fund is oriented toward long-term value investing. Management invests aggressively, searching for under-valued securities they believe provide good opportunity for capital appreciation and current income. Typically, more than a third of the fund's holdings are within high yield bonds and emerging market debt. The fund tends to avoid making interest rate bets but will attempt to take advantage of secular trends in interest rates. The fund will also bulk-up on out-of-favor sectors where they deem value is present. Loomis Sayles' guiding principle is the belief that meticulous fundamental research can add value where the perception of risk overwhelms valuation. The fund allocates a sizable amount of its assets to riskier portions of the fixed-income market—below-investment grade and international—but balances this with high conviction, bottom-up security selection, and low turnover.

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Credit Risk

Fixed-income securities are subject to credit risk. Credit quality rating is one method of assessing the ability of the issuer to meet its obligation. The investment portfolio requires the portfolio to maintain an average of BBB or higher. Exposure to credit risk as of June 30 was as follows:

Investment Type 2026	S&P (Unless Noted)	Fair Value	Fair Value as a Percentage of Total Fixed Maturity Fair Value
U.S. government securities	Not Rated[(1)]	$ 51,131,929	50.48%
	AAA	28,290	0.03%
	Aa1 (Moody's)	50,127,191	49.49%
Total U.S. government securities		**$ 101,287,410**	**100.00%**

(Continued)

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Credit Risk, Continued

Investment Type 2026	S&P (Unless Noted)	Fair Value	Fair Value as a Percentage of Total Fixed Maturity Fair Value
Domestic corporate bonds	AAA	$ 399,198	0.32%
	AA+	578,229	0.46%
	AA	594,142	0.48%
	AA-	537,260	0.43%
	A+	896,720	0.72%
	A	2,148,556	1.72%
	A-	1,754,132	1.41%
	BBB+	3,396,056	2.73%
	BBB	4,177,356	3.35%
	BBB-	2,207,722	1.77%
	BB	935,728	0.75%
	BB-	43,150	0.03%
	B+	113,014	0.09%
	B-	404,348	0.32%
	Aaa (Moody's)	1,931,350	1.55%
	Aa1 (Moody's)	501,468	0.40%
	Aa2 (Moody's)	161,432	0.13%
	Aa3 (Moody's)	456,897	0.37%
	A1 (Moody's)	275,887	0.22%
	A3 (Moody's)	792,426	0.64%
	Baa1 (Moody's)	230,770	0.19%
	Baa3 (Moody's)	455,563	0.37%
	Ba1 (Moody's)	688,101	0.55%
	B1 (Moody's)	424,255	0.34%
	B2 (Moody's)	298,875	0.24%
	Caa1 (Moody's)	84,107	0.07%
	Caa3 (Moody's)	1,052,504	0.84%
	Ca (Moody's)	640,596	0.51%
	Not Rated[2]	98,452,754	79.00%
Total domestic corporate bonds		**$ 124,632,596**	**100.00%**
International corporate bonds [3]	Not Rated[3]	**$ 101,609,441**	**100.00%**

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Credit Risk, Continued

(1) While the funds are not rated, the securities are backed by the full faith and credit of the U.S. government.

(2) While the funds are commingled and not rated, the majority of the assets are held in an index fund which at June 30, 2026, maintained ratings of: AAA—3%; AA—74%; A—11%; BBB—11%; cash and cash equivalents—1%.

(3) The fund is commingled and not rated. At June 30, 2026, the fund maintained ratings of: C or higher—99%; not rated and cash and cash equivalents—1%.

Investment Type 2025	S&P (Unless Noted)	Fair Value	Fair Value as a Percentage of Total Fixed Maturity Fair Value
U.S. government securities	Not Rated[1]	$ 42,846,846	52.11%
	AAA	77,141	0.09%
	AA+	293,226	0.36%
	AA	113,827	0.14%
	AA-	48,515	0.06%
	Aaa (Moody's)	38,770,736	47.15%
	Aa3 (Moody's)	65,588	0.08%
	BBB	9,051	0.01%
Total U.S. government securities		**$ 82,224,930**	**100.00%**

(Continued)

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Credit Risk, Continued

Investment Type 2025	S&P (Unless Noted)	Fair Value	Fair Value as a Percentage of Total Fixed Maturity Fair Value
Domestic corporate bonds	AAA	$ 534,608	0.45%
	AA+	366,225	0.31%
	AA	1,529,668	1.28%
	AA-	451,233	0.38%
	A+	1,321,226	1.10%
	A	947,405	0.79%
	A-	1,376,083	1.15%
	BBB+	3,384,133	2.83%
	BBB	5,492,306	4.59%
	BBB-	2,297,651	1.92%
	BB+	123,801	0.10%
	BB	1,081,839	0.90%
	B	121,636	0.10%
	B-	410,307	0.34%
	CCC	505,899	0.42%
	D	314,398	0.26%
	Aaa (Moody's)	2,158,626	1.81%
	Aa1 (Moody's)	500,748	0.42%
	Aa2 (Moody's)	315,315	0.26%
	Aa3 (Moody's)	765,209	0.64%
	A1 (Moody's)	300,523	0.25%
	A3 (Moody's)	794,415	0.66%
	Baa1 (Moody's)	255,567	0.21%
	Baa3 (Moody's)	450,067	0.38%
	Ba1 (Moody's)	246,430	0.21%
	Ba2 (Moody's)	281,395	0.24%
	B1 (Moody's)	542,104	0.45%
	B2 (Moody's)	291,913	0.24%
	Caa1 (Moody's)	90,983	0.08%
	Caa3 (Moody's)	785,056	0.66%
	Ca (Moody's)	677,370	0.57%
	Not Rated[2]	90,862,565	76.00%
Total domestic corporate bonds		**$ 119,576,704**	**100.00%**
International corporate bonds [3]	Not Rated[3]	**$ 96,610,583**	**100.00%**

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Credit Risk, Continued

[1] While the funds are not rated, the securities are backed by the full faith and credit of the U.S. government.

[2] While the funds are commingled and not rated, the majority of the assets are held in an index fund which at June 30, 2025, maintained ratings of: AAA—3%; AA—73%; A—11%; BBB—12%; cash and cash equivalents—1%.

[3] The fund is commingled and not rated. At June 30, 2025, the fund maintained ratings of: C or higher—99%; not rated and cash and cash equivalents—1%.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. While all investments are subject to market changes, securities invested in index funds are more sensitive to market risk. Although the investment policy does not specifically address the duration of fixed-income securities, the Plan does monitor interest rate risk by monitoring the performance of each investment manager.

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Interest Rate Risk, Continued

As of June 30, the Plan had the following investments with maturities:

	Investment Maturities at Fair Value (in Years)					
Investment Type	Less Than 1	1 or More, Less Than 5	5 or More, Less Than 10	10 or More	Investments with No Duration	Total Fair Value
2026						
U.S. government securities:						
Mortgage-backed securities and CMOs	$ -	4,745	499,247	23,816,734	26,563,291	50,884,017
U.S. government bonds	247,912	26,738,358	13,545,588	9,843,245	-	50,375,103
Municipal/Provincial bonds	-	-	28,290	-	-	28,290
Total U.S. government securities	247,912	26,743,103	14,073,125	33,659,979	26,563,291	101,287,410
Domestic corporate bonds:						
Asset-backed securities	-	253,077	1,185,058	7,052,345	-	8,490,480
Commercial mortgage-backed securities	-	318,651	-	4,332,736	-	4,651,387
Corporate bonds	520,565	4,504,747	5,709,431	4,090,318	-	14,825,061
Nongovernment-backed CMOs	-	-	242,444	5,545,731	-	5,788,175
U.S. fixed-income funds	-	-	-	-	90,877,493	90,877,493
Total domestic corporate bonds	520,565	5,076,475	7,136,933	21,021,130	90,877,493	124,632,596
International corporate bonds:						
International fixed-income funds	-	-	-	-	101,609,441	101,609,441
Total international corporate bonds	-	-	-	-	101,609,441	101,609,441
	$ 768,477	31,819,578	21,210,058	54,681,109	219,050,225	327,529,447

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Interest Rate Risk, Continued

	Investment Maturities at Fair Value (in Years)					
Investment Type	Less Than 1	1 or More, Less Than 5	5 or More, Less Than 10	10 or More	Investments with No Duration	Total Fair Value
2025						
U.S. government securities:						
Mortgage-backed securities and CMOs	$ -	5,772	277,830	27,452,770	15,110,474	42,846,846
U.S. government bonds	-	21,071,624	5,628,743	10,691,202	-	37,391,569
Index linked U.S. government bonds	-	-	-	1,379,166	-	1,379,166
Municipal/Provincial bonds	-	358,814	152,526	96,009	-	607,349
Total U.S. government securities	-	21,436,210	6,059,099	39,619,147	15,110,474	82,224,930
Domestic corporate bonds:						
Asset-backed securities	-	373,920	1,964,459	4,679,151	-	7,017,530
Commercial mortgage-backed securities	376,334	-	-	4,123,441	-	4,499,775
Corporate bonds	981,906	4,349,621	6,424,731	4,271,067	-	16,027,325
Nongovernment-backed CMOs	-	-	-	5,203,568	-	5,203,568
U.S. fixed-income funds	-	-	-	-	86,828,506	86,828,506
Total domestic corporate bonds	1,358,240	4,723,541	8,389,190	18,277,227	86,828,506	119,576,704
International corporate bonds:						
International fixed-income funds	-	-	-	-	96,610,583	96,610,583
Total international corporate bonds	-	-	-	-	96,610,583	96,610,583
	$ 1,358,240	26,159,751	14,448,289	57,896,374	198,549,563	298,412,217

See Independent Auditors' Report.

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Investments Measured at Fair Value

	Amounts Measured at Fair Value	Fair Value Measurements at Reporting Date Using: Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2026				
Investments by Fair Value Level:				
Debt securities:				
U.S. government agency	$ 101,259,120	-	101,259,120	-
Municipals	28,290	-	28,290	-
Domestic corporate bonds:		-	-	-
Commercial mortgage-backed securities	4,651,387	-	4,651,387	-
Corporate bonds	26,489,442	-	14,825,061	11,664,381
Asset-backed securities	8,490,480	-	8,490,480	-
Non-government-backed CMOs	5,788,175	-	5,788,175	-
NTGI Collective Aggregate Bond Fund	79,213,112	-	79,213,112	-
International corporate bonds:				
Loomis Sayles	101,609,441	-	-	101,609,441
Total debt securities	327,529,447	-	214,255,625	113,273,822
Equity securities—domestic:				
Domestic large cap:				
Hotchkis	66,128,705	66,128,705	-	-
Polen	56,107,690	56,107,690	-	-
Domestic small cap:				
Kennedy	61,343,355	61,343,355	-	-
Wellington	66,953,374	66,953,374	-	-
Domestic large cap—S&P index	167,767,358	-	167,767,358	-
Total domestic equities	418,300,482	250,533,124	167,767,358	-

(Continued)

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Investments Measured at Fair Value, Continued

	Amounts Measured at Fair Value	Fair Value Measurements at Reporting Date Using: Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2026				
Investments by Fair Value Level, Continued:				
Equity securities—international:				
Intl. equities—Value Focus—Mondrian Partners	96,590,892	-	96,590,892	-
Intl. emerging markets—Wasatch EM Small Cap Fund	26,122,311	-	26,122,311	-
Intl. emerging markets—William Blair	65,309,049	-	65,309,049	-
Intl. equities—Chautauqua Intl Growth Equity LP	82,800,908	-	82,800,908	-
Total international equities	270,823,160	-	270,823,160	-
Private equity:				
Non-real estate focused	165,290,980	-	-	165,290,980
Total private equity	165,290,980	-	-	165,290,980
Real estate—direct ownership—income producing:				
Total direct ownership real estate	4,565,000	-	-	4,565,000
Investments measured at net asset value (NAV):				
Long/Short equity—Master Fund—Grosvenor	251,691	-	-	-
Long/Short equity—Funds to Funds—K2 Ascent	47,716	-	-	-
Core real estate—JP Morgan Strategic Property Fund	89,602,700	-	-	-
Core real estate—UBS Trumbull Property Fund	12,980,152	-	-	-
Value added real estate—Starwood Property Fund	25,237,491	-	-	-
Value added real estate—Angelo Gordon	16,641,276	-	-	-
Value added real estate—Blackstone	11,151,100	-	-	-
Opportunistic real estate—Humphreys	742,724	-	-	-
Total investments measured at NAV	156,654,850	-	-	-
Total investments measured at fair value	$1,343,163,919	250,533,124	652,846,143	283,129,802

See Independent Auditors' Report.

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Investments Measured at Fair Value, Continued

2025	Amounts Measured at Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level:				
Debt securities:				
U.S. government agency	$ 81,626,633	-	81,626,633	-
Municipals	598,297	-	598,297	-
Domestic corporate bonds:				
Commercial mortgage-backed securities	4,499,775	-	4,499,775	-
Corporate bonds	26,533,605	-	16,027,325	10,506,280
Asset-backed securities	7,017,530	-	7,017,530	-
Non-government-backed CMOs	5,203,568	-	5,203,568	-
NTGI Collective Aggregate Bond Fund	76,322,226	-	76,322,226	-
International corporate bonds:				
Loomis Sayles	96,610,583	-	-	96,610,583
Total debt securities	298,412,217	-	191,295,354	107,116,863
Equity securities—domestic:				
Domestic large cap:				
Hotchkis	62,287,066	62,287,066	-	-
Polen	61,647,235	61,647,235	-	-
Domestic small cap:				
Kennedy	65,214,333	65,214,333	-	-
Wellington	61,340,903	61,340,903	-	-
Domestic large cap—S&P index	105,238,224	-	105,238,224	-
Total domestic equities	355,727,761	250,489,537	105,238,224	-

(Continued)

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Investments Measured at Fair Value, Continued

	Amounts Measured at Fair Value	Fair Value Measurements at Reporting Date Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2025				
Investments by Fair Value Level, Continued:				
Equity securities—international:				
Intl. equities—Value Focus—Mondrian Partners	109,286,711	-	109,286,711	-
Intl. emerging markets—Wasatch EM Small Cap Fund	19,905,221	-	19,905,221	-
Intl. emerging markets—William Blair	50,712,586	-	50,712,586	-
Intl. equities—Chautauqua Intl Growth Equity LP	81,619,206	-	81,619,206	-
Total international equities	261,523,724	-	261,523,724	-
Private equity:				
Non-real estate focused	155,635,466	-	-	155,635,466
Total private equity	155,635,466	-	-	155,635,466
Real estate—direct ownership—income producing:				
Total direct ownership real estate	4,225,000	-	-	4,225,000
Investments measured at net asset value (NAV):				
Long/Short equity—Master Fund—Grosvenor	287,005	-	-	-
Long/Short equity—Funds to Funds—K2 Ascent	67,427	-	-	-
Core real estate—JP Morgan Strategic Property Fund	88,260,667	-	-	-
Core real estate—UBS Trumbull Property Fund	12,988,865	-	-	-
Value added real estate—Starwood Property Fund	23,353,992	-	-	-
Value added real estate—Angelo Gordon	9,117,161	-	-	-
Value added real estate—Blackstone	7,957,372	-	-	-
Total investments measured at NAV	142,032,489	-	-	-
Total investments measured at fair value	$1,217,556,657	250,489,537	558,057,302	266,977,329

See Independent Auditors' Report.

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Investments Measured at Fair Value, Continued

Fair Values of Debt Securities—The Plan holds several large diversified debt security funds. The international funds are classified as Level 3, while the domestic funds are classified as Level 2.

Fair Values of Equity Securities—The Plan holds equity securities through a number of managers, both actively and passively managed.

Domestic equity securities are classified in Level 1 and Level 2 of the fair value hierarchy, as the values are calculated daily since all securities are priced at quoted market prices in active markets for identical securities or calculated daily through the aggregation of Level 1 quoted prices for identical or similar securities.

International equity securities are priced as follows:

Mondrian Partners International Equity Fund L.P.—The Plan participates in a fund managed by Mondrian Partners that invests primarily in non-U.S. equity securities, with a focus on the value style of investing. This fund is classified in Level 2 in the fair value hierarchy since the price of the fund is derived from securities that are all priced at quoted market prices in active markets. The fund prices and provides liquidity to its investors on a monthly basis.

Wasatch Emerging Markets Small Capitalization Fund—The Plan invests in a Wasatch fund that is focused on small-capitalization equity securities that are located in non-U.S. emerging markets. The Wasatch fund is a commingled investment trust that is managed for institutional investors. The fund is classified in Level 2 of the fair value hierarchy, as the holdings of the fund are all priced at quoted markets prices in active markets, allowing the fund sponsor to develop daily net asset value pricing and liquidity.

William Blair Emerging Markets Index Fund—The Plan invests in a William Blair fund that is focused on emerging market companies with above-average returns on equity, strong balance sheets, and consistent above-average earnings growth, resulting in a focused portfolio of leading companies. This fund will normally be invested in at least six different countries outside the United States. This fund is classified in Level 2 of the fair value hierarchy since the price of the fund is derived from the holdings in the fund which are all actively quoted in active markets. The fund prices its asset value daily and provides very short-term liquidity.

(Continued)

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Investments Measured at Fair Value, Continued

Fair Values of Equity Securities—Continued

Baird Chautauqua International Growth Fund—The Plan invests in the Baird Chautauqua International Growth Fund. This fund invests primarily in equity securities of the non-U.S. companies with medium to large market capitalizations. Equity securities in which the fund may invest include common stocks, preferred stocks, depository shares and receipts, rights, warrants, and exchange-traded funds (ETFs). Under normal market conditions, the fund will invest at least 65% of its total assets at the time of purchase in non-U.S. companies. The fund will normally be diversified among at least three countries other than the United States. The fund invests primarily in developed markets but may invest in emerging and less developed markets. In evaluating potential investments, the advisor considers companies with growth characteristics that the advisor believes are likely to benefit from current macroeconomic and global trends and sustainable competitive advantages. This fund is classified in Level 2 of the fair value hierarchy, as the price of the fund is derived from securities that are all priced at quoted market prices in active markets. The fund will normally hold a concentrated number (generally 25 to 35) of companies.

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Investments Measured at Fair Value, Continued

Fair Values of Private Equity—The Plan participates in a number of private equity partnerships as a limited partner. Private equity investments are structured to be operated by a general partner, usually highly experienced in the specific focus of the fund, who calls for investments from the limited partners when a suitable investment opportunity arises. As such, investments in private equity can generally never be redeemed, but instead participate in distributions from the fund as liquidation of the underlying assets are realized.

Several of the limited partnerships invest in equity securities outside of the United States and may enter into forward contracts to purchase or sell securities at specified dates in the future at a guaranteed price in a foreign currency to protect against fluctuations in exchange rates of foreign currency. In addition, some of the partnerships may engage in hedging transactions involving derivative instruments as a part of their investment strategy.

The Plan's private equity (PE) investments have a long investment horizon of 5 to 10 years, are not liquid, and the Plan generally holds this type of investment to maturity. Depending on the type of holdings within a given partnership, the investment horizon can be extended if the general partner deems the remaining investments in the fund still hold significant future value and a majority of limited partners concur. The Plan's PE general partners typically make fair value determinations on the investments in each of their respective funds quarterly using a variety of pricing techniques including, but not limited to, observable transaction values for similar investments, third-party bids, appraisals of both properties and businesses, and public market capitalization of similar or like businesses. Each PE fund then calculates the fair value of the Plan's ownership of the partners' capital on a quarterly basis. The Plan classifies all private equity investments in Level 3 of the fair value hierarchy, as most investments of this type require unobservable inputs and other ancillary market metrics to determine fair value. Although most PE interests are marketable in a secondary market, the Plan generally does not sell its interests early at values less than its interest in the partnership. At June 30, 2026 and 2025, the Plan was invested in 33 and 28 different PE investments, respectively, and had remaining commitments of $134,528,350 and $108,053,070, respectively.

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Investments Measured at Fair Value, Continued

Fair Values of Investments Measured at Net Asset Value (NAV)

Long/Short Equity Hedge Fund—Grosvenor—The Plan has an investment with Grosvenor Capital Management. The investments are structured as fund of funds and utilize a number of sub-managers that invest in long and short positions of U.S. and international equity securities. The fund is valued at NAV monthly and is redeemable at the end of each calendar quarter with prior written notice.

Long/Short Hedge Fund—K2 Ascent—The Plan has an investment with K2 Mauna Kea. The investments are structured as a fund of funds and utilize a number of sub-managers that invest in long and short positions of U.S. and international equity securities. The fund is valued at NAV monthly and is redeemable at the end of each calendar quarter with prior written notice.

Core Real Estate—JP Morgan Strategic Property and UBS Trumbull Property—The Plan invests in two core real property funds: the JP Morgan Strategic Property Fund and the UBS Trumbull Property. Both of these funds invest in core real properties seeking to realize capital appreciation on their portfolio while also generating a high level of current income. These funds both make strategic property acquisitions primarily in the U.S. As part of the JP Morgan Strategic Property Fund's and the Trumbull Property Fund's valuation process, independent appraisers value properties on an annual basis (at a minimum). Both funds are valued at NAV monthly.

Value Added Real Estate—Starwood Property—The Plan invests in a value added real estate fund. The fund invests in opportunistic real estate. As part of the fund's valuation process, internal valuations are done quarterly, with audited year-end valuations. The fund is valued at NAV monthly.

Value Added Real Estate—Angelo Gordon—The Plan invests in a value added real estate fund. The fund invests in opportunistic real estate. Angelo Gordon focuses on repositioning, modern development, and re-leasing. The fund is valued at NAV monthly.

Value Added Real Estate—Blackstone RE Partners—The Plan invests in a value added real estate fund. The fund invests in opportunistic real estate and focuses on distressed sellers, emerging seekers, and foreign investment. The fund is valued at NAV monthly.

Opportunistic Real Estate—Humphreys—The Plan invests in an opportunistic real estate fund. The fund primarily acquires properties below replacement cost in opportunistic and value-added investments. The fund is valued at NAV monthly.

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Securities Lending

The Plan's investment policy allows loans of securities through a lending agent to various institutions on a short-term basis (generally less than 30 days). The amount of loans that can be made is presently limited to a maximum of approximately $74.3 million. The collateral held and the fair values of the securities on loan for the Plan at June 30 are as follows:

	Collateral Held	Fair Value of Securities on Loan	% of Collateral Held to Securities on Loan
2026			
U.S. issuers:			
U.S. equities	$ 62,056,693	60,612,891	102%
U.S. corporate fixed	3,240,943	3,156,283	103%
U.S. government fixed	2,471,254	2,408,795	103%
	$ 67,768,890	66,177,969	
2025			
U.S. issuers:			
U.S. equities	$ 57,312,446	56,112,563	102%
U.S. corporate fixed	5,765,190	5,658,605	102%
U.S. government fixed	3,159,752	3,109,325	102%
Global equities	207,486	192,354	108%
	$ 66,444,874	65,072,847	

(4) CASH, CASH EQUIVALENTS, AND INVESTMENTS, CONTINUED

Securities Lending, Continued

As the Plan does not have the ability to pledge or sell noncash collateral without a borrower default, the noncash collateral the Plan had received at June 30, 2026 and 2025, was not included in the accompanying statements of fiduciary net position. According to the securities lending agreement, the borrower is required to deliver additional collateral when necessary so that the total collateral held by the agent for all loans to the borrower will at least equal the fair value plus accrued interest of all the borrowed securities loaned to the borrower. At the maturity of the loans, the Plan receives a loan premium and the securities are returned.

The Plan has no credit risk exposure to borrowers because the amount the Plan owes the borrowers exceeds the amount the borrowers owe the Plan. As of June 30, 2026 and 2025, the Plan had no losses on securities lending transactions resulting from default of a borrower or lending agent. Contracts with lending agents require them to indemnify the Plan if the borrowers fail to return the securities or otherwise fail to pay the Plan for income while the securities are on loan. The securities on loan are included in the respective investment categories in the accompanying statements of plan fiduciary net position. Cash collateral is invested in the lending agent's short-term investment pool and included as an asset in the accompanying statements of plan fiduciary net position, with an offsetting liability for the return of the collateral. The securities lending agreement states those investments of cash collateral must be structured to closely match the maturities of the underlying loans. The agreement also sets forth that a minimum of 20% of the cash collateral fund should be available each business day. The cash collateral investments had an average weighted maturity of 38 days and 29 days at June 30, 2026 and 2025, respectively.

Foreign Currency Transactions

The Plan has certain investment managers that trade on foreign exchanges. Foreign currency gains and losses are calculated at the transaction date using the current exchange rate, and assets are remeasured to U.S. dollars using the exchange rate as of each month-end. During the years ended June 30, 2026 and 2025, there were no foreign currency gains and no remeasurement losses.

(5) DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

Derivative instruments are financial contracts whose values depend on the values of one or more underlying assets, reference rates, or financial indices. They include futures contracts, swap contracts, options contracts, and forward foreign currency exchange. The Plan's investment policy states that derivatives may be used to reduce or eliminate undesirable portfolio risks caused by currency exposure, duration, and yield curve position. Investments in limited partnerships (alternative investments) and commingled funds may include derivatives. The Plan's investments in alternative investments are reflected at fair value, and any exposure is limited to its investment in the partnership and any unfunded commitment. Commingled funds have been reviewed to ensure they are in compliance with the Plan's investment policy. The Plan did not hold any direct derivative investments as of June 30, 2026 or 2025.

The Plan may invest in mortgage-backed securities, which are reported at fair value in the statements of fiduciary net position and are based on the cash flows from interest and principal payments by the underlying mortgages. As a result, they are sensitive to prepayments by mortgagees, which are likely in declining interest rate environments, thereby reducing the values of these securities. The Plan may invest in mortgage-backed securities to diversify the portfolio and increase the return while minimizing the extent of risk. Details regarding interest rate risks for these investments are included under the interest rate risk disclosures.

(6) INVESTMENT IN BUILDING

The Plan owns a building (Colcord Center), originally purchased as an investment property for approximately $3.4 million, and it is held as a long-term investment. The building is accounted for at fair value based on periodic appraisals and rental income and expenses reported currently. The Plan utilizes part of the building for its administrative office and pays itself rent, which is reflected as administrative expense and other investment income. The fair value of the building was estimated at approximately $4.565 million and $4.225 million at June 30, 2026 and 2025, respectively.

(7) INVESTMENT IN ALTERNATIVE INVESTMENTS

The Plan also invests in alternative investments, such as limited partnerships. A summary of the alternative investments is as follows:

Investment	Purpose	Fair Value as of June 30, 2026	Fair Value as of June 30, 2025
Knightsbridge Venture Capital VI	Invests in private equity securities.	$ 111,185	1,852,719
Knightsbridge Venture Capital VII	Invests in private equity securities.	151,747	4,880,363
Apollo Investment Fund VIII, L.P.	Invests in private equity securities.	1,193,410	2,570,031
Apollo Investment Fund IX, L.P.	Invests in private equity securities.	6,818,113	7,934,194
Warburg Pincus Private Equity XII	Invests in private equity securities.	6,387,577	6,205,987
Warburg Pincus Global Growth	Invests in private equity securities.	43,827,201	49,038,042
Warburg Pincus Global Growth 14	Invests in private equity securities.	11,101,368	8,244,530
FirstMark Capital Opportunity Fund III	Invests in private equity securities.	3,803,084	3,890,511
FirstMark Capital Fund V	Invests in private equity securities.	7,661,422	6,856,835
FirstMark Capital Fund IV	Invests in private equity securities.	2,486,175	1,242,845
FirstMark Capital Fund VI	Invests in private equity securities.	4,925,958	1,512,053

(Continued)

(7) INVESTMENT IN ALTERNATIVE INVESTMENTS, CONTINUED

Investment	Purpose	Fair Value as of June 30, 2026	2025
Carval Credit Value Fund AV, L.P.	Invests in private equity securities.	11,275,057	11,766,984
Oaktree Opportunities Fund XI, L.P.	Invests in private equity securities.	8,850,887	10,249,479
Francisco Partners Agility II, L.P.	Invests in private equity securities.	4,057,677	4,445,573
Francisco Partners VI, L.P.	Invests in private equity securities.	15,380,107	15,203,636
Francisco Partners VII, L.P.	Invests in private equity securities.	9,247,325	4,999,380
Francisco Partners Agility III, L.P.	Invests in private equity securities.	2,059,210	139,353
TrueBridge Secondaries I	Invests in private equity securities.	8,565,815	4,343,578
TrueBridge Secondaries II	Invests in private equity securities.	471,193	-
TrueBridge Capital Fund VIII	Invests in private equity securities.	3,368,643	611,817
Saw Mill Capital III	Invests in private equity securities.	4,054,257	4,792,047
Clayton, Dubilier & Rice Fund XII, L.P.	Invests in private equity securities.	6,469,691	4,758,624
L Squared Capital Partners Fund V	Invests in private equity securities.	(3,384)	-
Berkshire Fund XI	Invests in private equity securities.	3,027,262	96,885
		$ 165,290,980	155,635,466

See Independent Auditors' Report.

(7) INVESTMENT IN ALTERNATIVE INVESTMENTS, CONTINUED

The Plan had the following total and remaining capital commitments for its alternative investments as of June 30, 2026:

	Capital Committed	Remaining Capital Commitment
American Private Equity Partners, L.P.	$ 8,000,000	-
American Private Equity Partners II, L.P.	10,000,000	-
Knightsbridge Venture Capital VI	10,000,000	493,342
Knightsbridge Venture Capital VII	7,500,000	1,252,495
Apollo Investment Fund VIII, L.P.	10,000,000	796,295
Warburg Pincus Private Equity XII	10,000,000	-
Apollo Investment Fund IX, L.P.	8,500,000	1,564,241
Warburg Pincus Global Growth	40,000,000	2,320,000
FirstMark Capital Opportunity Fund III, L.P.	5,000,000	-
Carval Credit Value Fund AV, L.P.	15,000,000	750,000
FirstMark Capital Fund V	5,000,000	-
Francisco Partners VI	12,135,000	297,307
Francisco Partners Agility II	4,050,000	664,200
Oaktree Opportunity Fund XI	15,000,000	2,250,000
Starwood Distressed Opportunity Fund XII	30,000,000	9,489,013
Warburg Pincus Global Growth 14	10,000,000	975,000
Francisco Partners Agility III	5,000,000	3,122,500
Francisco Partners VII	15,000,000	6,532,500
Blackstone Real Estate Partners X	20,000,000	10,864,691
FirstMark Capital Opportunity Fund IV	5,000,000	2,900,000
FirstMark Capital VI	5,000,000	1,050,000
Angelo Gordon XI	20,000,000	4,695,000
Clayton, Dubilier, Rice Fund XII	10,000,000	5,687,616
Saw Mill Capital Partners III	12,500,000	6,180,814
TrueBridge Capital Partners Fund VIII	5,000,000	2,200,000
TrueBridge Secondaries I	5,000,000	196,477
Humphreys Fund V, L.P.	5,000,000	4,164,333
Berkshire Fund XI	12,500,000	9,739,526
L Squared Capital Partners Fund V	11,400,000	11,343,000
TrueBridge Secondaries II, LP	10,000,000	10,000,000
Warburg Pincus Global Growth 15, LP	15,000,000	15,000,000
Francisco Partners VIII	15,000,000	15,000,000
Francisco Partners Agility IV	5,000,000	5,000,000
	$ 376,585,000	134,528,350

See Independent Auditors' Report.

(7) INVESTMENT IN ALTERNATIVE INVESTMENTS, CONTINUED

Several of the limited partnerships invest in equity securities outside of the United States and may enter into forward contracts to purchase or sell securities at specified dates in the future at a guaranteed price in a foreign currency to protect against fluctuations in exchange rates of foreign currency. In addition, some of the partnerships may engage in hedging transactions involving derivative instruments as a part of their investment strategy.

(8) INVESTMENT IN REAL ESTATE FUNDS

The Plan's investments in real estate funds consist of commingled pension trust funds. The real estate investment funds at June 30 are summarized in the following table:

Investment	Purpose	Fair Value 2026	2025
JP Morgan Bank Strategic Property Fund	The fund owns and seeks improved real estate projects with stabilized occupancies in an effort to produce a relatively high level of current income combined with moderate appreciation potential.	$ 89,602,700	88,260,667
UBS Trumbull Property Fund	The fund is an actively managed core portfolio of equity real estate. Its primary focus is to invest in well- leased, income-producing properties within major U.S. markets. Investments are structured as wholly owned properties, joint ventures, or on occasion, as participating mortgages.	12,980,152	12,988,865
Starwood Distressed Opportunity Fund XII	The fund focuses on distressed real estate opportunities, primarily in the United States and Europe. Its primary investment themes include corporate transactions/privatizations, cash flowing/value added income assets, and platform/portfolio creations. Target property types include multifamily/affordable housing, office, hotel, and industrial.	25,237,491	23,353,992

(Continued)

(8) INVESTMENT IN REAL ESTATE FUNDS, CONTINUED

Investment	Purpose	Fair Value 2026	2025
Blackstone Real Estate Partners X	The fund focuses on opportunistic equity and/or debt investments in real estate related assets and companies primarily located in major North American markets and Western Europe. The fund targets un-stabilized or distressed assets and implements strategies to correct the flaws and sell them to core buyers. The fund focuses on acquiring assets at less than replacement cost and deploys capital in the sectors and geographies that the fund believes provide the best risk-adjusted return potential.	11,151,100	7,957,372
Angelo Gordon Realty Value Fund XI L.P.	The fund focuses on undervalued real estate opportunities across the multifamily, office, industrial, retail, hotel, and other niche sectors, which includes self-storage, single family rentals, and student housing. The fund targets middle market assets that are sold from owners who lack the capital, incentive, and expertise to add significant value. The fund invests in the U.S. alongside Angelo Gordon's European and Asian opportunistic funds. The fund has a 4-year investment period and an 8-year stated life.	16,641,276	9,117,161
Humphreys Capital Fund V, L.P.	The fund focuses on three main types of real estate investments: acquisitions below replacement cost, value-add acquisitions, and opportunistic developments. The investment opportunities are focused on select non-gateway growth markets in the United States. The fund will target 12–18 investments in residential, industrial, and retail properties, but will invest opportunistically across all property types.	742,724	-
		$ 156,355,443	141,678,057

See Independent Auditors' Report.

(8) INVESTMENT IN REAL ESTATE FUNDS, CONTINUED

Each fund accounts for its investments at fair value. Fair values of real estate investments are determined by JP Morgan, UBS, Starwood Capital, Blackstone, Angelo Gordon, and Humphreys Capital, respectively, at each evaluation date. As part of JP Morgan's, Starwood Capital's, and Humphreys Capital's valuation process, independent appraisers value properties on an annual basis (at a minimum). UBS and Blackstone utilize independent appraisers to value the real estate investments, generally every quarter, starting the first full quarter after the investment is made. As part of Angelo Gordon's valuation process, independent appraisers value properties for approximately one-third of the portfolio on an annual basis in order for each property to be independently appraised no less than one time during each 3-year period.

As of June 30, 2026, the Plan had remaining commitments of $29,213,027 to fund in the real estate funds.

(9) CAPITAL ASSETS

The Plan records capital assets at cost when acquired. Maintenance and repairs are charged to expense as incurred. Depreciation on capital assets and amortization on SBITA assets is computed using the straight-line method over the estimated useful lives of the related assets, as follows:

Furniture and equipment	10–15 years
Computer equipment/software	3–20 years
SBITA	7 years

A summary as of June 30 is as follows:

	Balance at June 30, 2025	Additions	Disposals	Balance at June 30, 2026
Cost:				
Furniture and equipment	$ 82,803	-	-	82,803
Computer equipment/software	1,014,392	-	-	1,014,392
SBITA	-	2,145,999	-	2,145,999
	1,097,195	2,145,999	-	3,243,194
Accumulated depreciation and amortization	(485,827)	(55,349)	-	(541,176)
Capital assets, net	$ 611,368	2,090,650	-	2,702,018

See Independent Auditors' Report.

(9) CAPITAL ASSETS, CONTINUED

	Balance at June 30, 2024	Additions	Disposals	Balance at June 30, 2025
Cost:				
Furniture and equipment	$ 82,803	-	-	82,803
Computer equipment/software	1,010,511	3,881	-	1,014,392
	1,093,314	3,881	-	1,097,195
Accumulated depreciation	(430,994)	(54,833)	-	(485,827)
Capital assets, net	$ 662,320	(50,952)	-	611,368

(10) SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT

The System has SBITA for pension administration software, including hosting and maintenance. The software was placed into service on July 1, 2026. The subscription term used for accounting purposes coincides with the estimated useful life of the software and extends through June 30, 2033, with annual payments of $150,000 for hosting and maintenance. Due to it being impractical to allocate the hosting and maintenance costs, the full cost is included in the determination of the subscription right-to-use asset and liability. The subscription liability was initially measured using a discount rate of 4.13%.

The initial subscription right-to-use asset totaled $2,145,999, consisting of an initial subscription liability of $895,999 and capitalized implementation costs of $1,250,000. The asset will be amortized using the straight-line method over 7 years beginning in fiscal year 2027.

Future principal and interest requirements for the subscription liability at June 30, 2026, were as follows:

Year Ending June 30,	Principal	Interest	Total
2027	$ 112,995	37,005	150,000
2028	117,662	32,338	150,000
2029	122,521	27,479	150,000
2030	127,582	22,418	150,000
2031	132,851	17,149	150,000
Thereafter	282,388	17,612	300,000
	$ 895,999	154,001	1,050,000

(11) DEFERRED OPTION BENEFITS

As noted previously, the Plan has Deferred Option and "Back" DROP benefits available to its members. A summary of the changes in the various options as of June 30 is as follows:

	Deferred Option	"Back" DROP	Total
2026			
Beginning balance	$ 2,538,560	4,029,633	6,568,193
Employer contributions	60,252	8,530,548	8,590,800
Deferred benefits	672,203	1,011,325	1,683,528
Payments	-	(14,720,123)	(14,720,123)
Interest	113,965	531,385	645,350
Transfers between "Back" DROP and Deferred Option	(1,821,862)	1,821,862	-
Ending balance	$ 1,563,118	1,204,630	2,767,748
2025			
Beginning balance	$ 5,790,339	1,802,286	7,592,625
Employer contributions	73,940	6,883,974	6,957,914
Deferred benefits	781,004	1,236,094	2,017,098
Payments	-	(10,762,077)	(10,762,077)
Interest	166,339	596,294	762,633
Transfers between "Back" DROP and Deferred Option	(4,273,062)	4,273,062	-
Ending balance	$ 2,538,560	4,029,633	6,568,193

The "Back" DROP is considered due and currently payable and is reflected as a liability in the statements of fiduciary net position.

(12) NET PENSION LIABILITY OF PARTICIPATING EMPLOYER AGENCIES

The components of the net pension liability of the participating employer agencies at June 30 were as follows:

	2026	2025
	(Amounts in Thousands)	
Total pension liability	$ 1,583,702	1,521,118
Plan fiduciary net position	1,335,232	1,224,655
Employer agencies' net pension liability	$ 248,470	296,463
Plan fiduciary net position as a percentage of the total pension liability	84.31%	80.51%

See Independent Auditors' Report.

(12) NET PENSION LIABILITY OF PARTICIPATING EMPLOYER AGENCIES, CONTINUED

Actuarial Assumptions—The total pension liability was determined by an actuarial valuation as of July 1, 2026 and 2025, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation:	2.75%
Salary increases:	3.50% to 10.00%
Investment rate of return:	7.50% compounded annually, net of investment expense and including inflation
Mortality:	Pre-retirement mortality rates were based on the Pub-2010 Public Safety Employees Amount-Weighted Mortality Table with rates set forward 2 years, projected generationally using Scale MP-2021. Post-retirement mortality rates were based on the Pub-2010 Public Safety Retirees Amount-Weighted Mortality Table with rates set forward 2 years, projected generationally using Scale MP-2021. Disabled mortality rates were based on the Pub-2010 Public Safety Disabled Retirees Amount-Weighted Mortality Table with rates set forward 2 years, projected generationally using Scale MP-2021. Survivor mortality rates were based on the Pub-2010 Public Safety Contingent Survivors Amount-Weighted Mortality Table with rates set forward 2 years, projected generationally using Scale MP-2021.

The actuarial assumptions used in the July 1, 2026 and 2025, valuations were based on the results of an actuarial experience study for the periods July 2016 to June 2021.

(12) NET PENSION LIABILITY OF PARTICIPATING EMPLOYER AGENCIES, CONTINUED

Long-Term Expected Real Rate of Return—The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The inflation factor added back was 2.75% for both 2026 and 2025. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30 (see discussion of the Plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return	
	2026	2025
	(Includes Inflation Factor)	
Fixed income:		
Core bonds	5.27%	5.27%
Core plus bonds	5.58%	5.58%
Multisector	6.19%	6.19%
Equities:		
U.S. large cap equity	9.92%	9.95%
U.S. small cap equity	11.34%	11.34%
International developed equity	10.65%	10.72%
Emerging market equity	11.87%	11.99%
Private equity	13.25%	13.26%
Real assets:		
Core real estate	9.16%	9.20%
Value added real estate	10.66%	10.70%

Discount Rate—The discount rate used to measure the total pension liability was 7.50% for both 2026 and 2025. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employer agencies will be made at contractually required rates, determined by the State of Oklahoma statutes. Projected cash flows also assume the State of Oklahoma will continue contributing 5.25% of the insurance premium, as established by statute, and the System will continue to receive its share of fees, taxes, and penalties from motor license agents. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(12) NET PENSION LIABILITY OF PARTICIPATING EMPLOYER AGENCIES, CONTINUED

Sensitivity of the Net Pension Liability to Changes in the Discount Rate—The following presents the net pension liability (asset) of the employer agencies calculated using the discount rate of 7.50%, as well as what the Plan's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
		(Amounts in Thousands)	
2026			
Employer agencies' net pension liability	$ 441,606	248,470	89,825
2025			
Employer agencies' net pension liability	$ 479,730	296,463	145,022

(13) NET OPEB LIABILITY OF PARTICIPATING EMPLOYER AGENCIES

The components of the net OPEB liability of the participating employer agencies at June 30 were as follows:

	2026	2025
	(Amounts in Thousands)	
Total OPEB liability	$ 10,618	10,825
Plan fiduciary net position	5,293	4,332
Employer agencies' net OPEB liability	$ 5,325	6,493
Plan fiduciary net position as a percentage of the total OPEB liability	49.85%	40.02%

(13) NET OPEB LIABILITY OF PARTICIPATING EMPLOYER AGENCIES, CONTINUED

Actuarial Assumptions—The total OPEB liability was determined by an actuarial valuation as of July 1, 2026 and 2025, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation:	2.75%
Salary increases:	3.50% to 10.00%
Investment rate of return:	7.50% compounded annually, net of investment expense and including inflation. As the OPEB assets are combined with the pension portion of the Plan, the same discount rate is used.
Mortality:	Pre-retirement mortality rates were based on the Pub-2010 Public Safety Employees Amount-Weighted Mortality Table with rates set forward 2 years, projected generationally using Scale MP-2021. Post-retirement mortality rates were based on the Pub-2010 Public Safety Retirees Amount-Weighted Mortality Table with rates set forward 2 years, projected generationally using Scale MP-2021. Disabled mortality rates were based on the Pub-2010 Public Safety Disabled Retirees Amount-Weighted Mortality Table with rates set forward 2 years, projected generationally using Scale MP-2021. Survivor mortality rates were based on the Pub-2010 Public Safety Contingent Survivors Amount-Weighted Mortality Table with rates set forward 2 years, projected generationally using Scale MP-2021.

The actuarial assumptions used in the July 1, 2026 and 2025, valuations were based on the results of an actuarial experience study for the periods July 2016 to June 2021.

(13) NET OPEB LIABILITY OF PARTICIPATING EMPLOYER AGENCIES, CONTINUED

Long-Term Expected Real Rate of Return—At June 30, 2026 and 2025, the OPEB portion of the Plan had allocated investments of approximately $5,327,000 and $4,299,000, respectively. As the assets of the OPEB portion of the Plan are maintained with the pension portion and an allocation is performed, all investment information as to rates of return and performance is the same as that presented for the pension portion.

Discount Rate—The discount rate used to measure the total OPEB liability was 7.50%. Because OPEB assets will be in the same trust as pensions, the projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employer agencies will be made at contractually required rates, determined by the State statutes. Projected cash flows also assume the State will continue contributing 5.25% of the insurance premium, as established by statute, and the System will continue to receive its share of fees, taxes, and penalties from motor license agents. Based on these assumptions, the OPEB portion of the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension/OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate—The following presents the net OPEB liability of the employer agencies calculated using the discount rate of 7.50%, as well as what the Plan's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
		(Amounts in Thousands)	
2026			
Employer agencies' net OPEB liability	$ 6,461	5,325	4,364
2025			
Employer agencies' net OPEB liability	$ 7,642	6,493	5,521

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates—As there is no healthcare cost trend rate actuary assumption, this table is not required.

(14) PLAN TERMINATION

In the event the Plan terminates, the Board will distribute the net position of the Plan to provide the following benefits in the order indicated:

a) Accumulated member contributions, defined for purposes of the plan termination section as member contributions and contributions from state agencies for the benefit of a member, will be allocated to each respective member, former member, retired member, joint annuitant, or beneficiary then receiving payments.

b) The balance of such assets, if any, will be allocated to persons in the following groups. The amount allocated to the respective members would be the excess of their retirement income under the Plan less the actuarial equivalent of the amount allocated to them under a) above. The allocation would occur in the following order:

- Those retired members, joint annuitants, or beneficiaries receiving payments,
- Those members eligible to retire,
- Those members eligible for early retirement,
- Former members electing to receive a vested benefit, and
- All other members.

(15) FEDERAL INCOME TAX STATUS

As an instrumentality of the State of Oklahoma, the Plan is tax-exempt. It is not subject to the Employee Retirement Income Security Act of 1974. The Plan has received a favorable determination letter from the Internal Revenue Service regarding its tax-exempt status. The Plan has been amended since receiving the determination letter. However, the Plan's management believes that the Plan is designed and is currently being operated in substantial compliance with the applicable requirements of the Internal Revenue Code.

(16) HISTORICAL INFORMATION

Historical trend information designed to provide information about the Plan's progress made in accumulating sufficient assets to pay benefits when due is presented in Exhibits I through X.

(17) LEGISLATIVE CHANGES

The following is a summary of significant plan provision changes that were enacted by the Oklahoma State Legislature during 2026 and 2025:

2026

- House Bill 4050—Beginning July 1, 2026, all OPERS employer contributions dropped to 9.50% until June 30, 2031, and thereafter raises back up to 16.50%

- House Bill 1739—Reestablishes half-pay for the Plan and provides for increased employee and employer contributions to the Plan. Beginning July 1, 2026, member contributions to the Plan will increase from 8.00% to 9.00%. Employer contributions will increase from 11.00% to 12.50% beginning July 1, 2026, and 1.00% thereafter per year for 4 years until raised to 16.50%.

2025

- House Bill 1027—Technical Corrections Bill.

(18) CONTINGENCIES

Legal

The Plan is involved in legal proceedings in the normal course of operations, none of which, in the opinion of management, will have a material effect on the net position or the changes in net position of the Plan.

REQUIRED SUPPLEMENTARY INFORMATION

OKLAHOMA LAW ENFORCEMENT RETIREMENT PLAN
Administered by
OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM

SCHEDULE OF CHANGES IN
EMPLOYER AGENCIES' NET PENSION LIABILITY

Last 10 Fiscal Years *(Dollar Amounts in Thousands)*

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total pension liability										
Service cost	$ 29,132	27,792	26,540	21,539	21,066	21,975	21,897	22,215	22,654	23,670
Interest	110,693	107,899	103,939	92,078	91,371	88,833	84,761	80,698	78,022	75,080
Changes of benefit terms	32,976	-	-	-	311	-	5,382	-	832	-
Differences between expected and actual experience	(18,140)	(6,692)	11,930	132,905	(7,575)	(12)	10,419	13,873	(5,997)	(2,307)
Changes in assumptions	-	-	-	-	(10,205)	-	-	-	-	1,107
Benefit payments, including health insurance premiums and refunds of member contributions**	(92,077)	(91,419)	(87,854)	(88,894)	(82,301)	(71,815)	(64,641)	(60,647)	(59,048)	(57,612)
Net change in total pension liability	62,584	37,580	54,555	157,628	12,667	38,981	57,818	56,139	36,463	39,938
Total pension liability—beginning*	1,521,118	1,483,538	1,428,983	1,271,355	1,258,688	1,219,707	1,161,889	1,105,750	1,069,287	1,029,349
Total pension liability—ending (a)	$ 1,583,702	1,521,118	1,483,538	1,428,983	1,271,355	1,258,688	1,219,707	1,161,889	1,105,750	1,069,287

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* 2017 beginning of year amounts were restated to exclude OPEB.

**Beginning in 2017, insurance premiums are no longer reflected in pension benefits.

(Continued)

See Independent Auditors' Report.
See accompanying notes to required pension supplementary information.

OKLAHOMA LAW ENFORCEMENT RETIREMENT PLAN
Administered by
OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM

SCHEDULE OF CHANGES IN
EMPLOYER AGENCIES' NET PENSION LIABILITY, CONTINUED

Last 10 Fiscal Years *(Dollar Amounts in Thousands)*

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Plan fiduciary net position (pensions)										
Contributions—state agencies	$ 12,951	11,722	12,019	11,950	9,568	9,878	9,504	8,922	9,083	9,262
Contributions—members	9,493	8,851	8,835	8,814	6,714	6,647	6,770	6,691	6,667	6,832
Contributions—State of Oklahoma insurance premium tax and other state sources	29,971	31,033	31,017	26,934	25,286	20,767	24,382	24,040	23,673	21,843
Net investment income (loss)	152,244	116,565	88,540	67,371	(128,388)	277,534	12,480	40,138	80,005	106,519
Benefit payments, including health insurance premiums and refunds of member contributions**	(92,077)	(91,419)	(87,854)	(88,894)	(82,301)	(71,815)	(64,641)	(60,648)	(59,048)	(57,612)
Administrative expense	(2,005)	(1,838)	(1,879)	(1,727)	(1,505)	(1,432)	(1,479)	(1,130)	(1,092)	(1,083)
Net change in plan fiduciary net position	110,577	74,914	50,678	24,448	(170,626)	241,579	(12,984)	18,013	59,288	85,761
Plan fiduciary net position (pensions)—beginning	1,224,655	1,149,741	1,099,063	1,074,615	1,245,241	1,003,662	1,016,646	998,633	939,345	853,584
Plan fiduciary net position (pensions)—ending (b)	$ 1,335,232	1,224,655	1,149,741	1,099,063	1,074,615	1,245,241	1,003,662	1,016,646	998,633	939,345
Plan's net pension liability (a) – (b)	$ 248,470	296,463	333,797	329,920	196,740	13,447	216,045	145,243	107,117	129,942

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* 2017 beginning of year amounts were restated to exclude OPEB.

**Beginning in 2017, insurance premiums are no longer reflected in pension benefits.

See Independent Auditors' Report.
See accompanying notes to required pension supplementary information.

OKLAHOMA LAW ENFORCEMENT RETIREMENT PLAN
Administered by
OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM

SCHEDULE OF EMPLOYER AGENCIES' NET PENSION LIABILITY

Last 10 Fiscal Years *(Dollar Amounts in Thousands)*

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total pension liability	$ 1,583,702	1,521,118	1,483,538	1,428,983	1,271,355	1,258,688	1,219,707	1,161,889	1,105,750	1,069,287
Plan fiduciary net position (pensions)	1,335,232	1,224,655	1,149,741	1,099,063	1,074,615	1,245,241	1,003,662	1,016,646	998,633	939,345
Plan's net pension liability	$ 248,470	296,463	333,797	329,920	196,740	13,447	216,045	145,243	107,117	129,942
Plan fiduciary net position as a percentage of the total pension liability	84.31%	80.51%	77.50%	76.91%	84.53%	98.93%	82.29%	87.50%	90.31%	87.85%
Covered payroll	$ 127,026	122,223	114,484	113,563	86,748	85,004	87,674	85,407	86,121	86,496
Plan's net pension liability as a percentage of covered payroll	195.61%	242.56%	291.57%	290.52%	226.79%	15.82%	246.42%	170.06%	124.38%	150.23%

See Independent Auditors' Report.
See accompanying notes to required pension supplementary information.

OKLAHOMA LAW ENFORCEMENT RETIREMENT PLAN
Administered by
OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM

SCHEDULE OF PENSION CONTRIBUTIONS FROM EMPLOYER AGENCIES AND OTHER CONTRIBUTING ENTITIES

Last 10 Fiscal Years *(Dollar Amounts in Thousands)*

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	$ 49,256	47,755	42,483	35,938	35,628	37,289	34,527	31,265	32,467	33,110
Contributions in relation to the actuarially determined contribution:										
State agencies	12,951	11,722	12,019	11,950	9,568	9,878	9,504	8,922	9,083	9,262
Contributions—State of Oklahoma insurance premium tax and other state sources	29,971	31,033	31,017	26,934	25,286	20,767	24,382	24,040	23,673	21,843
	42,922	42,755	43,036	38,884	34,854	30,645	33,886	32,962	32,756	31,105
Contribution (excess) deficiency	$ 6,334	5,000	(553)	(2,946)	774	6,644	641	(1,697)	(289)	2,005
Covered payroll	$ 127,026	122,223	114,484	113,563	86,748	85,004	87,674	85,407	86,121	86,496
Contributions as a percentage of covered payroll	33.79%	34.98%	37.59%	34.24%	40.18%	36.05%	38.65%	38.59%	38.03%	35.96%

See Independent Auditors' Report.
See accompanying notes to required pension supplementary information.

Exhibit IV

OKLAHOMA LAW ENFORCEMENT RETIREMENT PLAN
Administered by
OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM

SCHEDULE OF PENSION INVESTMENT RETURNS

Last 10 Fiscal Years

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expense	12.68%	10.35%	8.23%	6.41%	(10.49)%	28.15%	1.25%	4.08%	8.64%	12.68%

See Independent Auditors' Report.
See accompanying notes to required pension supplementary information.

OKLAHOMA LAW ENFORCEMENT RETIREMENT PLAN
Administered by
OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM

NOTES TO REQUIRED PENSION SUPPLEMENTARY INFORMATION

June 30, 2026

The information presented in the required supplementary schedules was determined as part of an actuarial valuation by an independent enrolled actuarial consulting company, Cavanaugh Macdonald Consulting, LLC. Additional information as of the July 1, 2026, valuation follows:

Assumptions

Actuarial cost method:	Entry age
Asset valuation method:	5-year moving average
Amortization method:	Level percent—layered bases
Remaining amortization:	15 years
Actuarial assumptions:	
Investment rate of return	7.50%
Projected salary increases*	3.50% to 10.00%, depending on service
Cost-of-living adjustments	3.00% for those eligible

*Includes inflation at 2.75%.

See Independent Auditors' Report.

OKLAHOMA LAW ENFORCEMENT RETIREMENT PLAN
Administered by
OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM

SCHEDULE OF CHANGES IN
EMPLOYER AGENCIES' NET OPEB LIABILITY
Last 10 Fiscal Years *(Dollar Amounts in Thousands)*

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability										
Service cost	$ 273	260	260	250	321	333	338	339	343	357
Interest	780	803	800	802	943	917	926	939	933	958
Changes of benefit terms	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	(385)	(493)	(143)	(188)	(990)	(21)	(525)	(597)	(335)	(501)
Changes in assumptions	-	-	-	-	(1,285)	-	-	-	-	(304)
Health insurance premiums paid	(875)	(886)	(884)	(881)	(872)	(879)	(849)	(855)	(855)	(849)
Net change in total OPEB liability	(207)	(316)	33	(17)	(1,883)	350	(110)	(174)	86	(339)
Total OPEB liability—beginning	10,825	11,141	11,108	11,125	13,008	12,658	12,768	12,942	12,856	13,195
Total OPEB liability—ending (a)	$ 10,618	10,825	11,141	11,108	11,125	13,008	12,658	12,768	12,942	12,856

See Independent Auditors' Report.
See accompanying notes to required OPEB supplementary information.

OKLAHOMA LAW ENFORCEMENT RETIREMENT PLAN
Administered by
OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM

SCHEDULE OF CHANGES IN
EMPLOYER AGENCIES' NET OPEB LIABILITY, CONTINUED
Last 10 Fiscal Years *(Dollar Amounts in Thousands)*

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Plan fiduciary net position (OPEB)										
Contributions—state agencies	$ 1,305	1,316	1,314	1,312	1,302	1,309	1,279	1,285	1,285	849
Net investment income (loss)	538	360	233	145	(218)	364	11	17	-	-
Health insurance premiums paid	(875)	(886)	(884)	(881)	(872)	(879)	(850)	(855)	(855)	(849)
Administrative expense	(7)	(6)	(5)	(4)	(2)	(2)	(1)	-	-	-
Net change in plan fiduciary net position	961	784	658	572	210	792	439	447	430	-
Plan fiduciary net position (OPEB)—beginning	4,332	3,548	2,890	2,318	2,108	1,316	877	430	-	-
Plan fiduciary net position (OPEB)—ending (b)	$ 5,293	4,332	3,548	2,890	2,318	2,108	1,316	877	430	-
Plan's net OPEB liability (a) – (b)	$ 5,325	6,493	7,593	8,218	8,807	10,900	11,342	11,891	12,512	12,856

See Independent Auditors' Report.
See accompanying notes to required OPEB supplementary information.

Exhibit VII

OKLAHOMA LAW ENFORCEMENT RETIREMENT PLAN
Administered by
OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM

SCHEDULE OF EMPLOYER AGENCIES' NET OPEB LIABILITY

Last 10 Fiscal Years ***(Dollar Amounts in Thousands)***

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability	$ 10,618	10,825	11,141	11,108	11,125	13,008	12,658	12,768	12,942	12,856
Plan fiduciary net position (OPEB)	5,293	4,332	3,548	2,890	2,318	2,108	1,316	877	430	-
Plan's net OPEB liability	$ 5,325	6,493	7,593	8,218	8,807	10,900	11,342	11,891	12,512	12,856
Plan fiduciary net position as a percentage of the total OPEB liability	49.85%	40.02%	31.85%	26.02%	20.84%	16.21%	10.40%	6.87%	3.32%	0.00%
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan's net OPEB liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

See Independent Auditors' Report.
See accompanying notes to required OPEB supplementary information.

Exhibit VIII

OKLAHOMA LAW ENFORCEMENT RETIREMENT PLAN
Administered by
OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM

SCHEDULE OF OPEB CONTRIBUTIONS FROM EMPLOYER AGENCIES AND OTHER CONTRIBUTING ENTITIES

Last 10 Fiscal Years ***(Dollar Amounts in Thousands)***

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	$ 330	340	319	279	312	385	358	344	380	398
Contributions in relation to the actuarially determined contribution:										
State agencies	1,305	1,316	1,314	1,312	1,302	1,309	1,279	1,285	1,285	849
	1,305	1,316	1,314	1,312	1,302	1,309	1,279	1,285	1,285	849
Contribution excess	$ (975)	(976)	(995)	(1,033)	(990)	(924)	(921)	(941)	(905)	(451)
Covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

See Independent Auditors' Report.
See accompanying notes to required OPEB supplementary information.

Exhibit IX

OKLAHOMA LAW ENFORCEMENT RETIREMENT PLAN
Administered by
OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM

SCHEDULE OF OPEB INVESTMENT RETURNS

Last 10 Fiscal Years

	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expense	12.68%	10.35%	8.23%	6.41%	(10.49)%	28.15%	1.25%	4.08%	0.00%	0.00%

As of June 30, 2018, OPEB had allocated assets of approximately $428,000, and no allocated assets as of June 30, 2017. As such, the return for both 2018 and 2017 is 0%. The return in future years will be the same for both OPEB and the pensions.

See Independent Auditors' Report.
See accompanying notes to required OPEB supplementary information.

OKLAHOMA LAW ENFORCEMENT RETIREMENT PLAN
Administered by
OKLAHOMA LAW ENFORCEMENT RETIREMENT SYSTEM

NOTES TO REQUIRED OPEB SUPPLEMENTARY INFORMATION

June 30, 2026

The information presented in the required supplementary schedules was determined as part of an actuarial valuation by an independent enrolled actuarial consulting company, Cavanaugh Macdonald Consulting, LLC. Additional information as of the July 1, 2026, valuation follows:

Assumptions

Actuarial cost method:	Entry age
Asset valuation method:	5-year moving average
Amortization method:	Level percent—layered bases
Healthcare trend rates:	N/A
Remaining amortization:	15 years
Actuarial assumptions:	
Investment rate of return	7.50%
Projected salary increases*	3.50% to 10.00%, depending on service
Cost-of-living adjustments	3.00% for those eligible

*Includes inflation at 2.75%.

See Independent Auditors' Report.

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Trustees of the
Oklahoma Law Enforcement Retirement System

We have audited, in accordance with the auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Oklahoma Law Enforcement Retirement Plan (the "Plan"), administered by the Oklahoma Law Enforcement Retirement System, which is a part of the State of Oklahoma financial reporting entity, which comprise the statements of fiduciary net position (pensions and OPEB) as of June 30, 2026, and the related statements of changes in fiduciary net position (pensions and OPEB) for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 13, 2026. Our report includes an explanatory paragraph disclaiming an opinion on required supplementary information.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Plan's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we do not express an opinion on the effectiveness of the Plan's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

(Continued)

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS,* CONTINUED

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Plan's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Plan's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Plan's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Finley & Cook, PLLC

Shawnee, Oklahoma
October 13, 2026