

# Public Pension Administration Benchmarking

Data for July 2023 to June 2024  
DRS Advisory Committee  
April 24, 2025



## Participants

78 pension systems participated

- 38 from the United States\*
- 17 from Canada\*
- 2 from the Netherlands
- 21 from the United Kingdom\*



*\* Local government and systems from the United Kingdom complete a different benchmarking surveys so their results are not in the report, but they are accessible via the peer network and in best practice analyses*



## DRS' Peer Group

- DRS' peers are the larger US systems
- A few large US systems didn't participate last year

Custom Peer Group for Washington State DRS			
	Active Members	Annuitants	Total
CalPERS	959,717	807,308	1,767,025
TRS of Texas	970,874	508,701	1,479,575
Florida RS	648,397	488,472	1,136,869
NYSLRS	514,150	514,629	1,028,779
CALSTRS	467,449	333,410	800,859
Virginia RS	367,783	240,649	608,432
Washington State DRS	362,743	232,596	595,339
Ohio PERS	308,453	220,876	529,329
Pennsylvania PSERS	261,519	252,143	513,662
Michigan ORS	161,161	287,363	448,524
Indiana PRS	252,931	176,867	429,798
Arizona SRS	220,738	174,929	395,667
Colorado PERA	244,688	137,446	382,134
NYCERS	186,009	178,832	364,841
Oregon PERS	191,607	167,761	359,368
STRS Ohio	191,975	156,594	348,569



## Complexity Score

The column chart showed that:

- The highest score was approximately 59
- **DRS' Total Complexity Score was 51**
  - It was the 4<sup>th</sup> highest score
- The Peer Average Score was 42
- The All Average Score was 38
- The lowest score was approximately 17



*Nothing really changed in complexity as we remain an "umbrella" administrator.*

## Service Score

The column chart showed that:

- The highest score was approximately 91
- The Peer Median Score was 82
- The Peer Average Score was 80
- **DRS' Total Service Score was 79**
- The lowest score was approximately 51

Service Scores for the past 8 years showed:

- The Peer Avg increased from 72 to 80
- **DRS' Total Score increased from 74 to 79**
- The All Average increased from 70 to 78



## Total Cost (& Major Projects)

The column chart for Total Cost per Member, including Major Projects, showed that:

- The Peer Average Cost was \$133
- The Peer Median Cost was \$110
- **DRS' Total Cost was \$91**

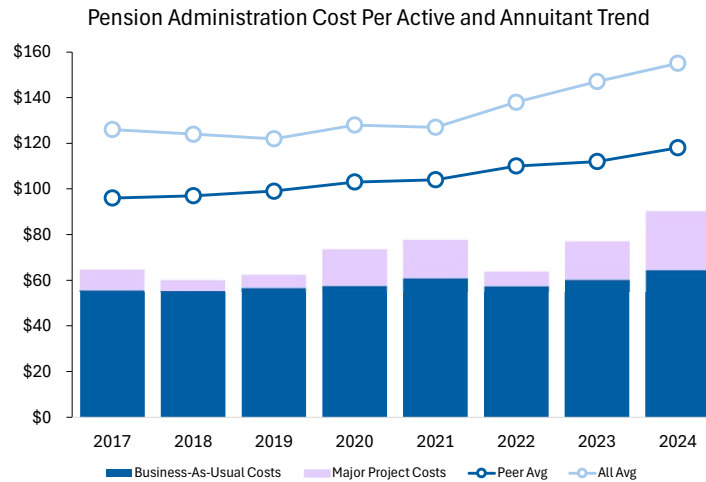
The column chart for Total Cost per Member, excluding Major Projects, showed that:

- The Peer Average Cost was \$116
- The Peer Median Cost was \$102
- **DRS' Total Cost was \$65**

*DRS moves from the 13<sup>th</sup> to the 5<sup>th</sup> lowest cost when Major Projects are removed.*



## Why DRS' Total Cost Increased



*Major Projects influence DRS' Total Costs.*

## A Newer Chart from CEM

The column chart on the age of the pension admin systems currently in use showed that:

- A couple of our peers have systems that are over 40 years old
- **DRS' system was approximately 32 years old**
  - It was the 6<sup>th</sup> oldest system
  - It was 1 of the 7 systems over 30 years old
- The Peer Average system was 20 years old
- The All Average system was 19 years old
- 17 of the 41 participants were replacing their pension administration systems

## Why DRS' Total Cost was Lower

DRS' Total Cost was \$42 below the peer average. CEM explains it with:

- \$16 was due to by having 35% fewer front office FTEs per 10,000 members
- \$10 was due to having lower costs per FTE for salaries/benefits, building, technology
- \$11 was due to lower support costs in other admin areas
- \$5 was due to lower 3<sup>rd</sup> party costs in the front office



## Summary

- We're benchmarked against other administrators in North America, with a peer group of the larger US systems
- Sample size and clean data enables valid statistical comparisons
- DRS administers a very complex group of public pension plans, providing a solid level of service but at a very low cost
- The largest influence on changes in our total cost per member is our major project(s)
- And ...



We've consistently been recognized for  
our efforts/contributions:



Questions?

