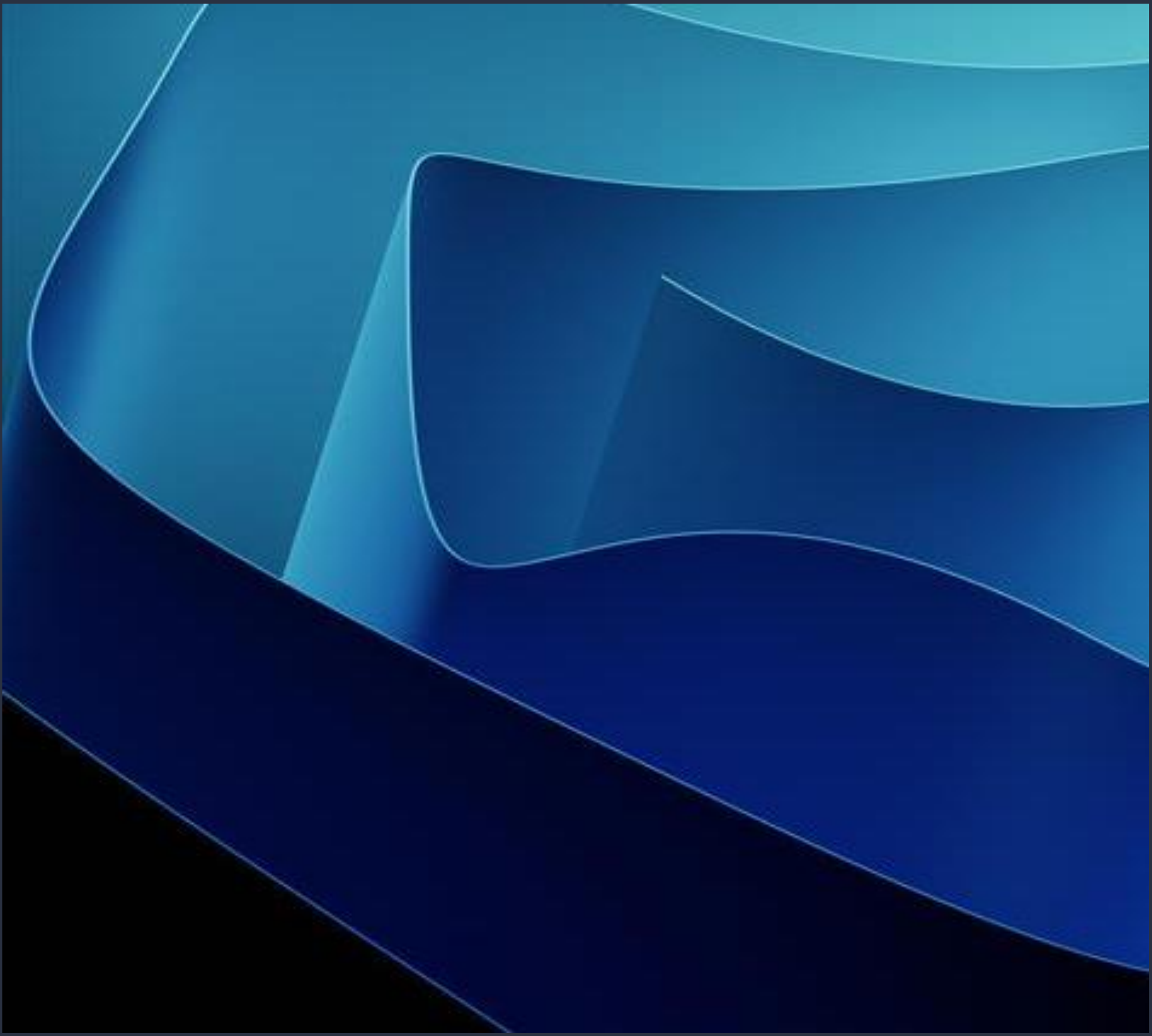
North Carolina RS

JUNE 2026

# EXHIBITS

## DB Administration Benchmarking Subscription



for the 12 months ended 2025

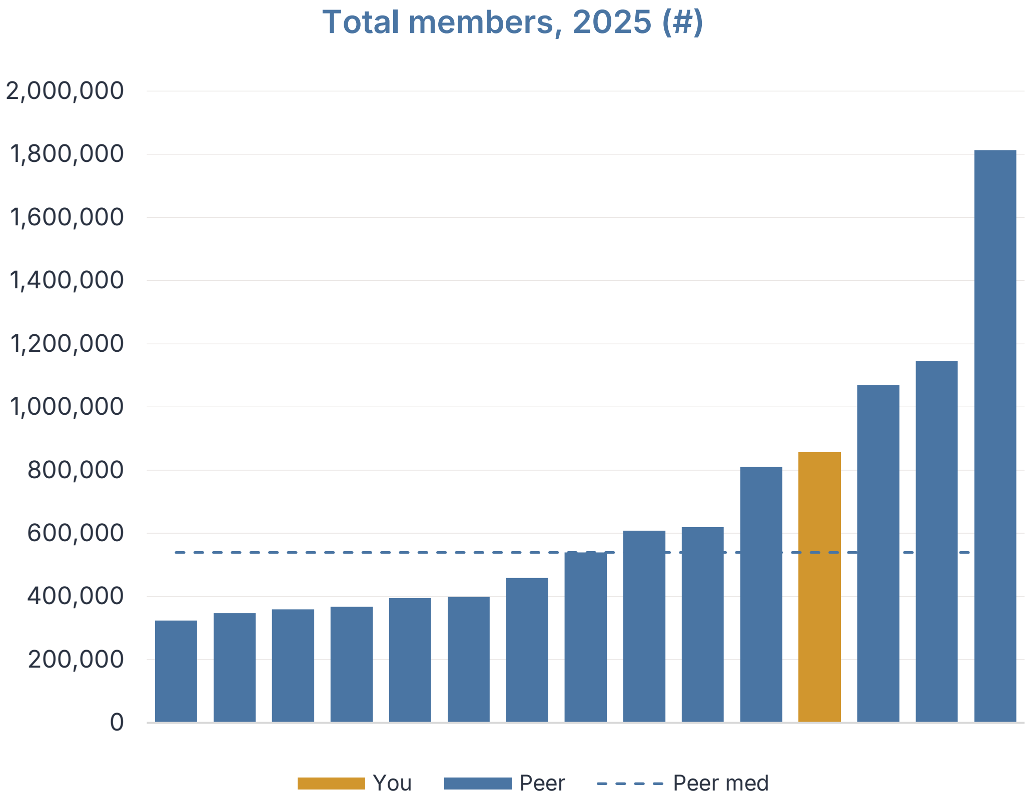
CEM

# Peer Characteristics

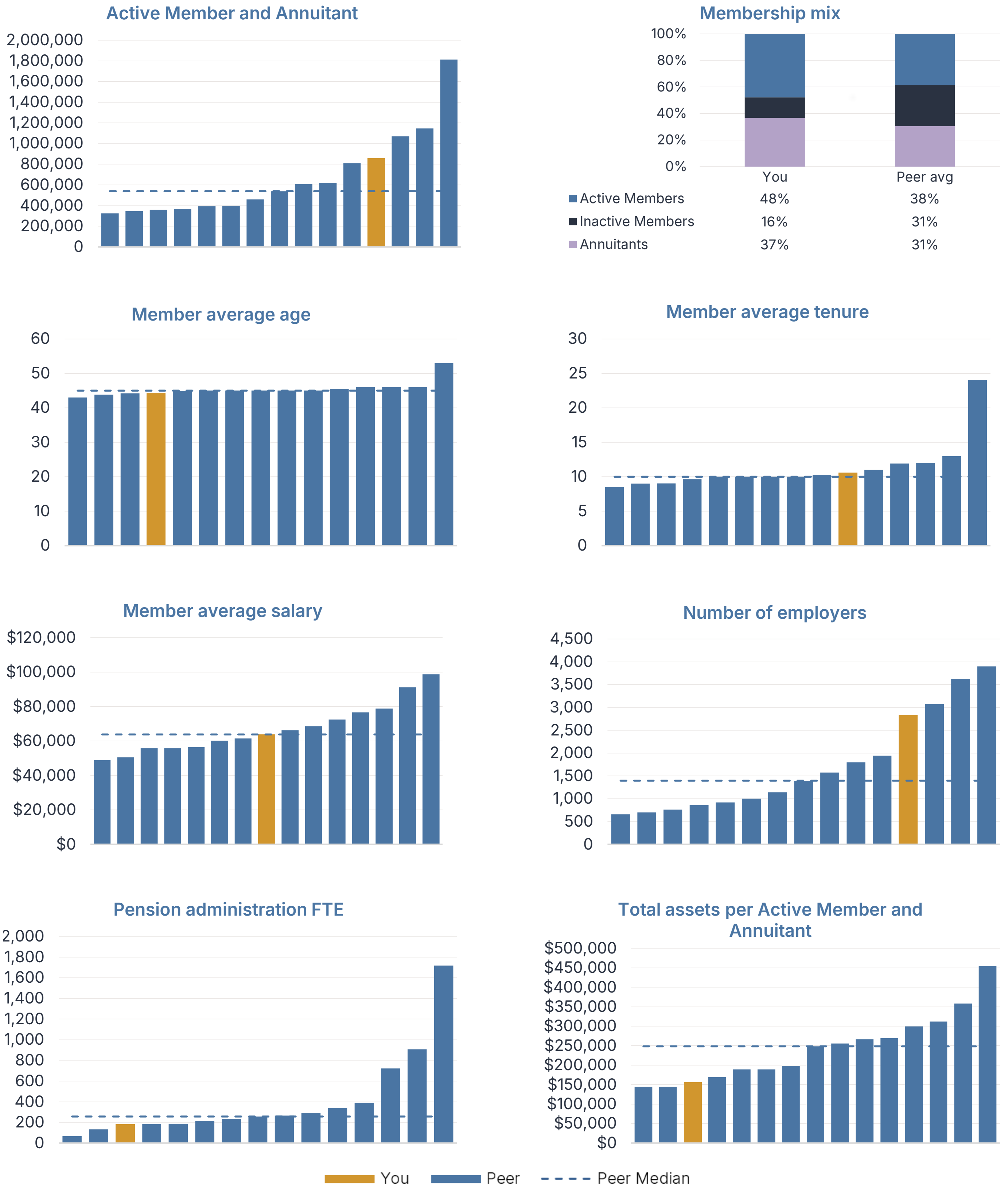
# Your peer group consists of 15 peers.

Your peer group conprises 15 funds with a median membership of 539,403 million members.

| Peer group | Total members |
|---|---|
| North Carolina RS | 856,457 |
| Minimum | 324,056 |
| 25th percentile | 381,094 |
| Median | 539,403 |
| 75th percentile | 833,107 |
| Maximum | 1,812,985 |
| Average | 674,199 |
| Count | 15 |



# Graphical summary of peer characteristics



| | You | Peer avg |
|---|---|---|
| Active Members | 48% | 38% |
| Inactive Members | 16% | 31% |
| Annuitants | 37% | 31% |

# Profiles of the 46 benchmarking participants

(excluding Local Government and UK systems)

## Member Groups

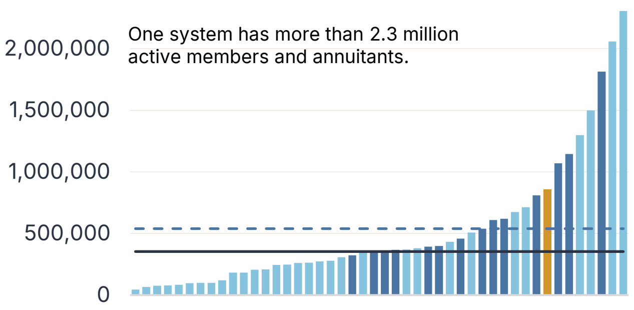
| | US | Canada | Rest of World |
|---|---|---|---|
| Number of plans | 31 | 13 | 2 |
| City or County Only | 6% | 0% | 0% |
| State/ County Employees | 81% | 69% | 0% |
| Teachers | 74% | 38% | 0% |
| School | 87% | 54% | 0% |
| Police and/or Fire | 71% | 54% | 0% |
| Participating Local Employers | 58% | 31% | 0% |
| Other (judges etc) | 68% | 38% | 0% |
| Corporate | 6% | 15% | 0% |
| Industry | 10% | 46% | 100% |

## Plan Types

| | US | Canada | Rest of World |
|---|---|---|---|
| Number of plans | 31 | 13 | 2 |
| Manages Investments | 45% | 38% | 100% |
| DB | 97% | 100% | 100% |
| Cash Balance | 16% | 0% | 0% |
| DB/ Cash Balance | 3% | 8% | 0% |
| DB/ Money Match | 3% | 0% | 0% |
| Drop | 13% | 0% | 0% |
| DC | 32% | 0% | 0% |
| Hybrid DB/ DC | 29% | 8% | 0% |
| Administer Retiree Healthcare | 35% | 0% | 0% |

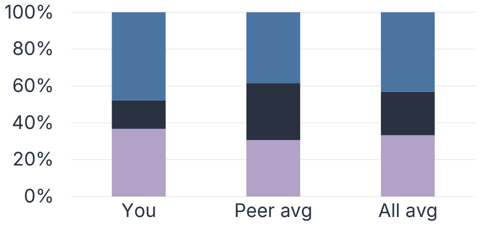
# Graphical summary of all participant characteristics

### Active Member and Annuitant



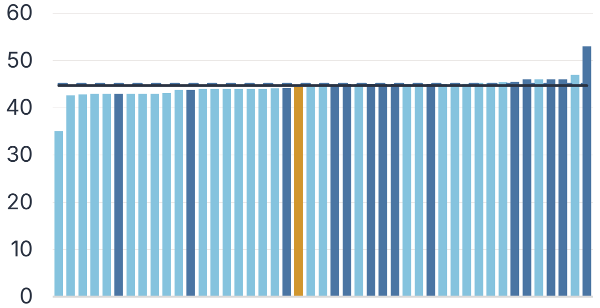
One system has more than 2.3 million active members and annuitants.

### Membership mix

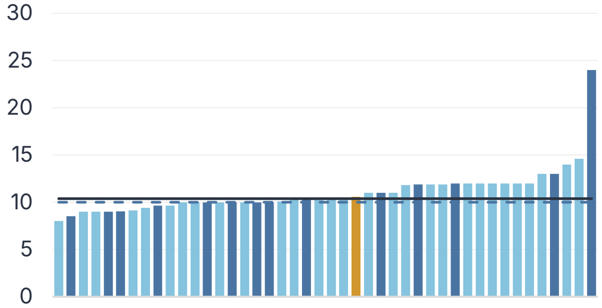


| | You | Peer avg | All avg |
|---|---|---|---|
| ■ Active Members | 48% | 38% | 43% |
| ■ Inactive Members | 16% | 31% | 24% |
| ■ Annuitants | 37% | 31% | 33% |

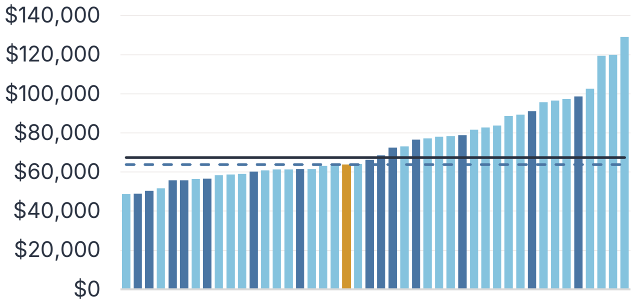
### Member average age



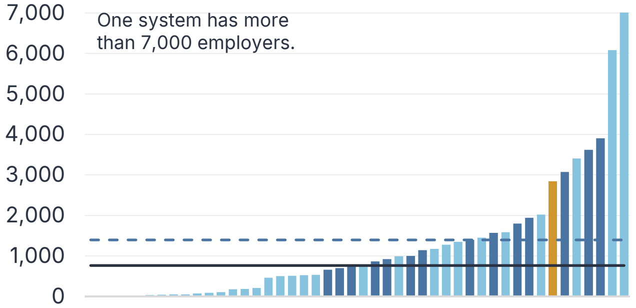
### Member average tenure



### Member average salary

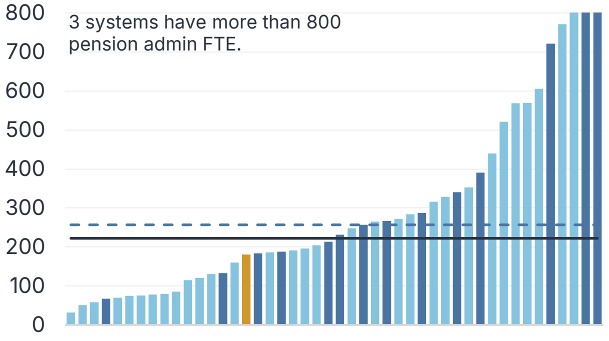


### Number of employers



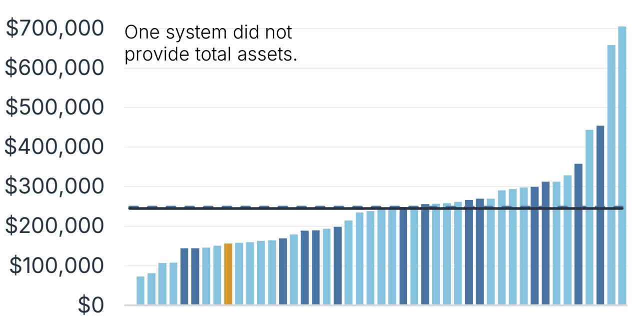
One system has more than 7,000 employers.

### Pension administration FTE



3 systems have more than 800 pension admin FTE.

### Total assets per Active Member and Annuitant



One system did not provide total assets.

▬ You ▬ Peer ▬ All - - - Peer Median ── All Median

# Total Cost

# Your total pension administration cost was $28.0 million or $33 per active member and annuitant.

|  | Cost $000s | $s per Active Member and Annuitant |  |  | % of Total Pension Administration Cost |  |  |
|---|---|---|---|---|---|---|---|
| **Activity [1]** | **You** | **You** | **Peer avg** | **All avg** | **You** | **Peer avg** | **All avg** |
| **1. Member Transactions** |  |  |  |  |  |  |  |
| a. Pension Payments | 752 | 0.88 | 3.83 | 5.10 | 2.7% | 2.9% | 3.3% |
| b. Pension Inceptions and Written Estimates | 2,361 | 2.76 | 5.70 | 8.43 | 8.4% | 4.4% | 5.5% |
| c. Refunds, Withdrawals, and Transfers-out | 2,129 | 2.49 | 1.96 | 3.61 | 7.6% | 1.5% | 2.4% |
| d. Purchases and Transfers-in | 301 | 0.35 | 1.50 | 3.84 | 1.1% | 1.2% | 2.5% |
| e. Disability | 922 | 1.08 | 2.49 | 1.53 | 3.3% | 1.9% | 1.0% |
|  | 6,465 | 7.55 | 15.49 | 22.52 | 23.1% | 11.9% | 14.7% |
| **2. Member Communication** |  |  |  |  |  |  |  |
| a. Contact Center | 4,200 | 4.90 | 9.23 | 8.47 | 15.0% | 7.1% | 5.5% |
| b. Mail Room, Imaging | 651 | 0.76 | 1.88 | 2.82 | 2.3% | 1.4% | 1.8% |
| c. 1-on-1 Counseling | 401 | 0.47 | 2.65 | 3.17 | 1.4% | 2.0% | 2.1% |
| d. Member Presentations | 401 | 0.47 | 1.50 | 1.19 | 1.4% | 1.1% | 0.8% |
| e. Mass Communication | 303 | 0.35 | 3.72 | 4.41 | 1.1% | 2.8% | 2.9% |
|  | 5,956 | 6.95 | 18.97 | 20.06 | 21.2% | 14.5% | 13.1% |
| **3. Collections and Data Maintenance** |  |  |  |  |  |  |  |
| a. Data and Money from Employers | 1,219 | 1.42 | 4.94 | 6.89 | 4.3% | 3.8% | 4.5% |
| b. Service to Employers | 506 | 0.59 | 3.00 | 2.56 | 1.8% | 2.3% | 1.7% |
| c. Data Not from Employers | 270 | 0.32 | 1.02 | 1.75 | 1.0% | 0.8% | 1.1% |
|  | 1,996 | 2.33 | 8.96 | 11.20 | 7.1% | 6.9% | 7.3% |
| **4. Governance and Financial Control** |  |  |  |  |  |  |  |
| a. Financial Administration and Control | 2,306 | 2.69 | 4.22 | 5.56 | 8.2% | 3.2% | 3.6% |
| b. Board, Strategy, Policy | 291 | 0.34 | 2.78 | 6.11 | 1.0% | 2.1% | 4.0% |
| c. Government and Public Relations | 240 | 0.28 | 1.11 | 1.39 | 0.9% | 0.9% | 0.9% |
|  | 2,837 | 3.31 | 8.12 | 13.06 | 10.1% | 6.2% | 8.5% |
| **5. Major Projects** |  |  |  |  |  |  |  |
| a. Amortization of non-IT Major Projects | 0 | 0.00 | 0.45 | 0.37 | 0.0% | 0.3% | 0.2% |
| b. Non-IT Major Projects (if you don't capitalize) | 0 | 0.00 | 2.73 | 2.03 | 0.0% | 2.1% | 1.3% |
| c. Amortization of IT Major Projects | 0 | 0.00 | 5.67 | 3.63 | 0.0% | 4.3% | 2.4% |
| d. IT Major Projects (if you don't capitalize) | 512 | 0.60 | 5.88 | 11.67 | 1.8% | 4.5% | 7.6% |
|  | 512 | 0.60 | 14.73 | 17.70 | 1.8% | 11.3% | 11.5% |
| **6. Information Technology** |  |  |  |  |  |  |  |
| a. IT Strategy, Database, Applications (excl. major projects) | 5,792 | 6.76 | 25.24 | 25.82 | 20.7% | 19.3% | 16.8% |
| b. IT Desktop, Networks, Telecom | 1,029 | 1.20 | 10.24 | 9.51 | 3.7% | 7.8% | 6.2% |
| c. IT Security | 387 | 0.45 | 3.66 | 3.68 | 1.4% | 2.8% | 2.4% |
|  | 7,207 | 8.42 | 39.14 | 39.01 | 25.7% | 30.0% | 25.4% |
| **7. Support Services and Other** |  |  |  |  |  |  |  |
| a. Building and Utilities | 322 | 0.38 | 7.32 | 8.49 | 1.1% | 5.6% | 5.5% |
| b. Human Resources | 301 | 0.35 | 3.00 | 4.82 | 1.1% | 2.3% | 3.1% |
| c. Actuarial | 470 | 0.55 | 1.95 | 2.96 | 1.7% | 1.5% | 1.9% |
| d. Legal and Rule Interpretation | 1,056 | 1.23 | 4.27 | 5.35 | 3.8% | 3.3% | 3.5% |
| e. Internal and External Audit | 511 | 0.60 | 2.26 | 3.00 | 1.8% | 1.7% | 2.0% |
| f. Pay-as-you-go Benefits for Retired Staff | 0 | 0.00 | 1.00 | 0.64 | 0.0% | 0.8% | 0.4% |
| g. Other Support Services | 402 | 0.47 | 5.26 | 4.80 | 1.4% | 4.0% | 3.1% |
|  | 3,063 | 3.58 | 25.06 | 30.07 | 10.9% | 19.2% | 19.6% |
| **Total Pension Administration [2]** | **28,036** | **32.74** | **130.47** | **153.61** | **100%** | **100%** | **100%** |

1. Refer to the appendix C for detailed activity definitions.

2. The fully-attributed costs of activities 1f. Healthcare Administration and 1g. Optional and Third Party Administered Benefits are excluded from pension administration costs to ensure comparability. Refer to the last page of this section to see how the above costs reconcile to the administration costs provided on your survey.

# Quartile comparisons of the components of total cost

The table below shows activity costs on a 'per member' basis (e.g. call center cost per member). In section 4, the same costs are compared on a 'per unit of activity volume' basis (e.g. call center cost per call).

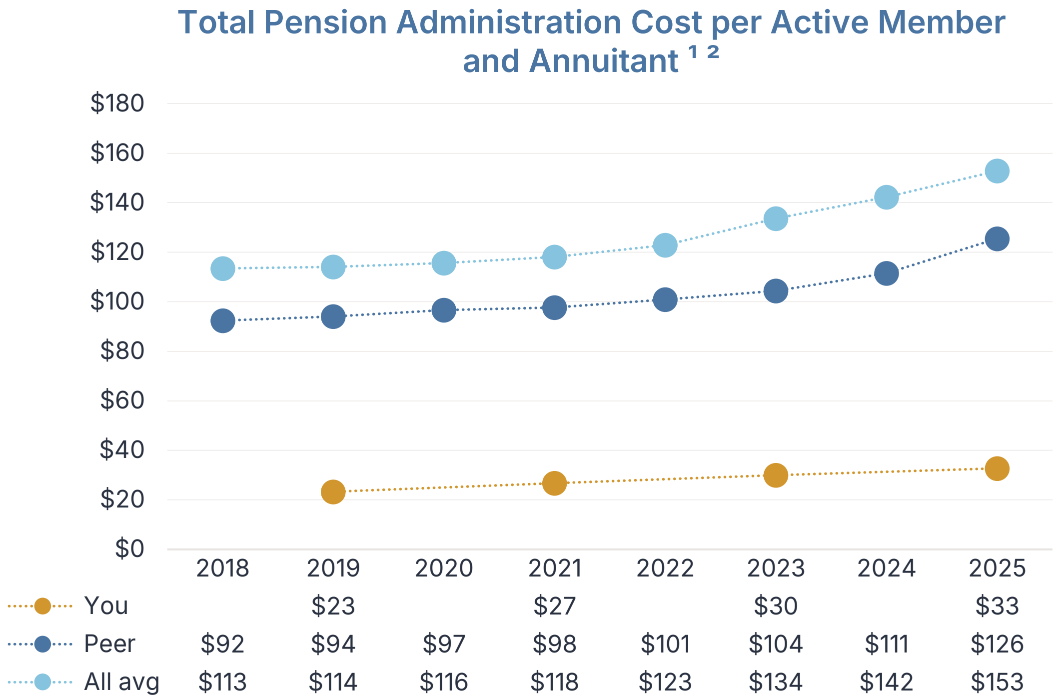
**$ Cost per Active Member and Annuitant**

| | | Peer | | | | | | All Participants | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Activity** [1] | **You** | **Avg** | **Max** | **Q3** | **Med** | **Q1** | **Min** | **Avg** | **Max** | **Q3** | **Med** | **Q1** | **Min** |
| **1. Member Transactions** | | | | | | | | | | | | | |
| a. Pension Payments | 0.88 | 3.83 | 10.99 | 4.39 | 3.05 | 1.87 | 0.88 | 5.10 | 15.65 | 6.59 | 4.24 | 2.08 | 0.40 |
| b. Pension Inceptions and Written Estimates | 2.76 | 5.70 | 11.53 | 9.13 | 3.97 | 2.63 | 1.76 | 8.43 | 46.26 | 11.40 | 6.28 | 3.99 | 1.76 |
| c. Refunds, Withdrawals, and Transfers-out | 2.49 | 1.96 | 5.91 | 2.71 | 1.45 | 0.82 | 0.29 | 3.61 | 19.64 | 4.63 | 2.50 | 1.32 | 0.08 |
| d. Purchases and Transfers-in | 0.35 | 1.50 | 5.30 | 2.01 | 1.04 | 0.59 | 0.22 | 3.84 | 22.83 | 3.73 | 1.54 | 0.66 | 0.00 |
| e. Disability | 1.08 | 2.49 | 7.55 | 3.29 | 1.86 | 0.71 | 0.23 | 1.60 | 13.93 | 1.69 | 0.70 | 0.10 | 0.00 |
| | 7.55 | 15.49 | 35.51 | 22.20 | 13.25 | 7.84 | 5.23 | 22.52 | 90.74 | 25.86 | 19.00 | 8.93 | 4.10 |
| **2. Member Communication** | | | | | | | | | | | | | |
| a. Contact Center | 4.90 | 9.23 | 21.78 | 12.39 | 8.62 | 5.78 | 1.58 | 8.47 | 45.08 | 11.42 | 6.69 | 5.03 | 0.38 |
| b. Mail Room, Imaging | 0.76 | 1.88 | 4.07 | 3.09 | 1.34 | 0.79 | 0.23 | 2.82 | 11.80 | 3.80 | 1.75 | 0.88 | 0.00 |
| c. 1-on-1 Counseling | 0.47 | 2.65 | 10.33 | 2.77 | 1.88 | 0.77 | 0.00 | 3.17 | 13.91 | 5.37 | 1.88 | 0.48 | 0.00 |
| d. Member Presentations | 0.47 | 1.50 | 6.20 | 1.67 | 0.77 | 0.46 | 0.00 | 1.19 | 6.20 | 1.46 | 0.86 | 0.39 | 0.00 |
| e. Mass Communication | 0.35 | 3.72 | 7.37 | 5.11 | 3.37 | 1.69 | 0.35 | 4.41 | 10.44 | 5.67 | 4.38 | 2.57 | 0.35 |
| | 6.95 | 18.97 | 43.08 | 24.61 | 19.62 | 9.12 | 6.55 | 20.06 | 56.63 | 24.96 | 18.16 | 12.73 | 6.55 |
| **3. Collections and Data Maintenance** | | | | | | | | | | | | | |
| a. Data and Money from Employers | 1.42 | 4.94 | 21.78 | 4.73 | 2.71 | 1.72 | 0.65 | 6.89 | 54.19 | 8.28 | 4.15 | 2.48 | 0.00 |
| b. Service to Employers | 0.59 | 3.00 | 7.56 | 4.22 | 1.60 | 1.33 | 0.52 | 2.56 | 7.56 | 3.51 | 2.03 | 1.30 | 0.00 |
| c. Data Not from Employers | 0.32 | 1.02 | 2.86 | 1.46 | 0.95 | 0.46 | 0.15 | 1.75 | 9.63 | 2.19 | 1.28 | 0.48 | 0.00 |
| | 2.33 | 8.96 | 26.30 | 10.51 | 6.24 | 4.14 | 1.32 | 11.20 | 54.19 | 15.32 | 8.31 | 5.12 | 0.00 |
| **4. Governance and Financial Control** | | | | | | | | | | | | | |
| a. Financial Administration and Control | 2.69 | 4.22 | 10.00 | 4.89 | 3.55 | 2.88 | 0.68 | 5.56 | 18.15 | 6.99 | 4.85 | 3.38 | 0.40 |
| b. Board, Strategy, Policy | 0.34 | 2.78 | 9.13 | 3.87 | 2.34 | 1.06 | 0.18 | 6.11 | 33.44 | 8.79 | 4.24 | 2.19 | 0.18 |
| c. Government and Public Relations | 0.28 | 1.11 | 3.07 | 2.06 | 0.59 | 0.20 | 0.13 | 1.39 | 6.35 | 2.31 | 1.09 | 0.24 | 0.00 |
| | 3.31 | 8.12 | 21.03 | 9.98 | 8.13 | 4.30 | 1.53 | 13.06 | 42.81 | 17.62 | 10.40 | 7.17 | 1.53 |
| **5. Major Projects** | | | | | | | | | | | | | |
| a. Amortization of non-IT Major Projects | 0.00 | 0.45 | 4.46 | 0.00 | 0.00 | 0.00 | 0.00 | 0.37 | 6.41 | 0.00 | 0.00 | 0.00 | 0.00 |
| b. Non-IT Major Projects (if you don't capitalize) | 0.00 | 2.73 | 25.86 | 1.14 | 0.00 | 0.00 | 0.00 | 2.03 | 25.86 | 1.34 | 0.00 | 0.00 | 0.00 |
| c. Amortization of IT Major Projects | 0.00 | 5.67 | 50.80 | 3.66 | 0.00 | 0.00 | 0.00 | 3.63 | 50.80 | 3.83 | 0.00 | 0.00 | 0.00 |
| d. IT Major Projects (if you don't capitalize) | 0.60 | 5.88 | 27.98 | 10.16 | 1.27 | 0.30 | -0.33 | 11.67 | 60.73 | 12.42 | 2.63 | 0.00 | -0.33 |
| | 0.60 | 14.73 | 50.80 | 20.78 | 9.11 | 1.14 | -0.29 | 17.70 | 74.63 | 24.97 | 10.09 | 0.70 | -0.29 |
| **6. Information Technology** | | | | | | | | | | | | | |
| a. IT Strategy, Database, Applications (excl. major projects) | 6.76 | 25.24 | 87.16 | 30.07 | 21.12 | 11.51 | 3.75 | 25.82 | 87.16 | 33.51 | 21.35 | 12.64 | 3.75 |
| b. IT Desktop, Networks, Telecom | 1.20 | 10.24 | 21.52 | 13.89 | 10.90 | 4.70 | 1.05 | 9.51 | 54.39 | 12.22 | 7.57 | 4.06 | 0.04 |
| c. IT Security | 0.45 | 3.66 | 11.18 | 5.71 | 2.58 | 0.58 | 0.00 | 3.68 | 20.74 | 5.22 | 2.39 | 0.67 | 0.00 |
| | 8.42 | 39.14 | 99.18 | 46.31 | 44.78 | 20.10 | 5.52 | 39.01 | 107.42 | 45.61 | 34.98 | 21.43 | 5.52 |
| **7. Support Services and Other** | | | | | | | | | | | | | |
| a. Building and Utilities | 0.38 | 7.32 | 26.35 | 8.23 | 4.29 | 3.09 | 0.38 | 8.49 | 41.93 | 8.77 | 5.57 | 3.37 | 0.01 |
| b. Human Resources | 0.35 | 3.00 | 10.35 | 3.58 | 2.82 | 0.96 | 0.17 | 4.82 | 32.92 | 5.69 | 3.00 | 1.85 | 0.17 |
| c. Actuarial | 0.55 | 1.95 | 6.40 | 2.83 | 1.38 | 1.00 | 0.55 | 2.96 | 19.67 | 3.17 | 1.60 | 1.17 | 0.00 |
| d. Legal and Rule Interpretation | 1.23 | 4.27 | 13.54 | 6.13 | 3.37 | 1.76 | 0.90 | 5.35 | 23.82 | 6.23 | 3.97 | 2.32 | 0.51 |
| e. Internal and External Audit | 0.60 | 2.26 | 5.39 | 3.42 | 1.79 | 0.94 | 0.36 | 3.00 | 8.90 | 4.11 | 2.70 | 1.43 | 0.18 |
| f. Pay-as-you-go Benefits for Retired Staff | 0.00 | 1.00 | 12.56 | 0.13 | 0.00 | 0.00 | 0.00 | 0.64 | 12.56 | 0.00 | 0.00 | 0.00 | 0.00 |
| g. Other Support Services | 0.47 | 5.26 | 28.21 | 5.03 | 3.42 | 0.84 | 0.00 | 4.80 | 28.21 | 5.66 | 3.09 | 0.83 | 0.00 |
| | 3.58 | 25.06 | 74.02 | 29.27 | 19.97 | 11.10 | 3.40 | 30.07 | 101.13 | 31.89 | 22.57 | 15.58 | 3.40 |
| **Total Pension Administration** [2] | **32.74** | **130.47** | **292.83** | **176.01** | **129.73** | **77.37** | **24.64** | **153.61** | **407.34** | **201.21** | **133.25** | **96.07** | **24.64** |

1. Refer to the appendix C for detailed activity definitions.
2. Only averages will add to totals. The Max/ Q3/ Med/ Q1/ Min activity costs will not add to their respective totals and subtotals because, for example, the system with the median cost (i.e., the middle value) will not be the same for all activities and totals.

# Cost trends

The total pension administration costs of your peers that have participated for 8 consecutive years have increased at a compound annual rate of 4.5% between 2019 and 2025. Your growth rate for the same period is unavailable.


Total Pension Administration Cost per Active Member and Annuitant [1] [2]

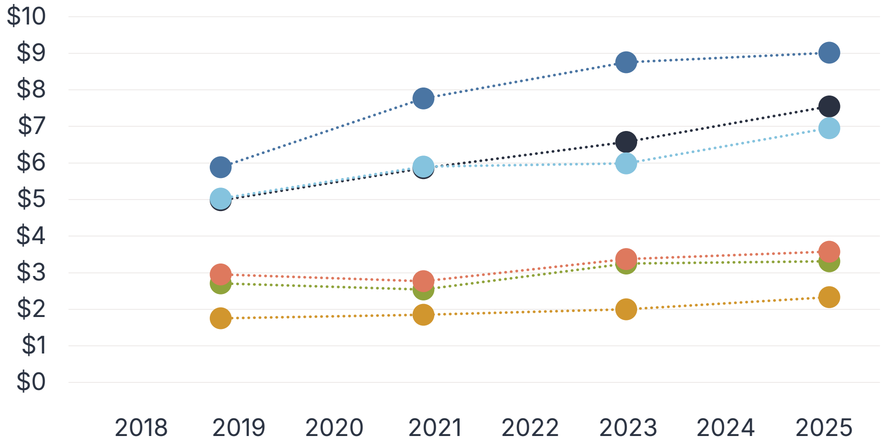
| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| ● You | | $23 | | $27 | | $30 | | $33 |
| ● Peer | $92 | $94 | $97 | $98 | $101 | $104 | $111 | $126 |
| ● All avg | $113 | $114 | $116 | $118 | $123 | $134 | $142 | $153 |

1. Trend analysis is based on systems that have participated for 8-consecutive years (13 peers and 31 World systems). This ensures that trends are not caused by changes in the composition of the participants.

2. All foreign currency amounts have been converted to USDs using Purchasing Power Parity figures as per the OECD (see Appendix B). The same exchange rate was used for both the current and prior years. The benefit of using the same exchange rate for prior years is that changes in costs reflect fluctuations in your peers' costs and not fluctuations in foreign exchange.

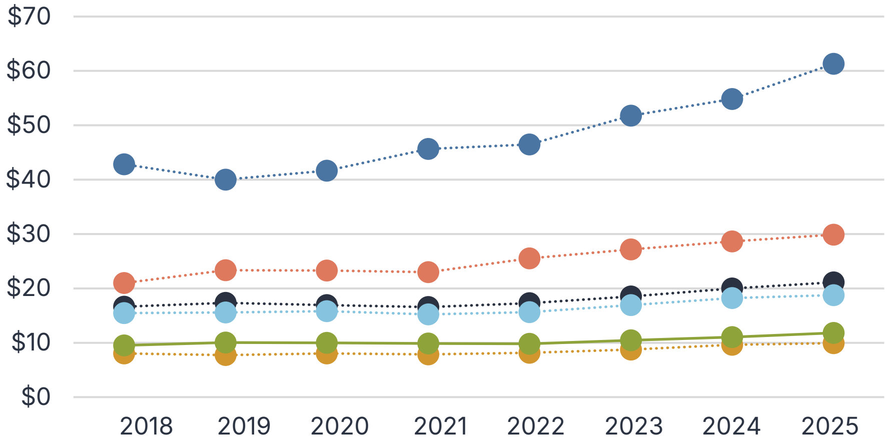
# Cost category trends

Cost per Member - You



| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| IT and Major Projects | | $6 | | $8 | | $9 | | $9 |
| Member Transactions | | $5 | | $6 | | $7 | | $8 |
| Member Communication | | $5 | | $6 | | $6 | | $7 |
| Collections and Data | | $2 | | $2 | | $2 | | $2 |
| Governance | | $3 | | $3 | | $3 | | $3 |
| Support | | $3 | | $3 | | $3 | | $4 |

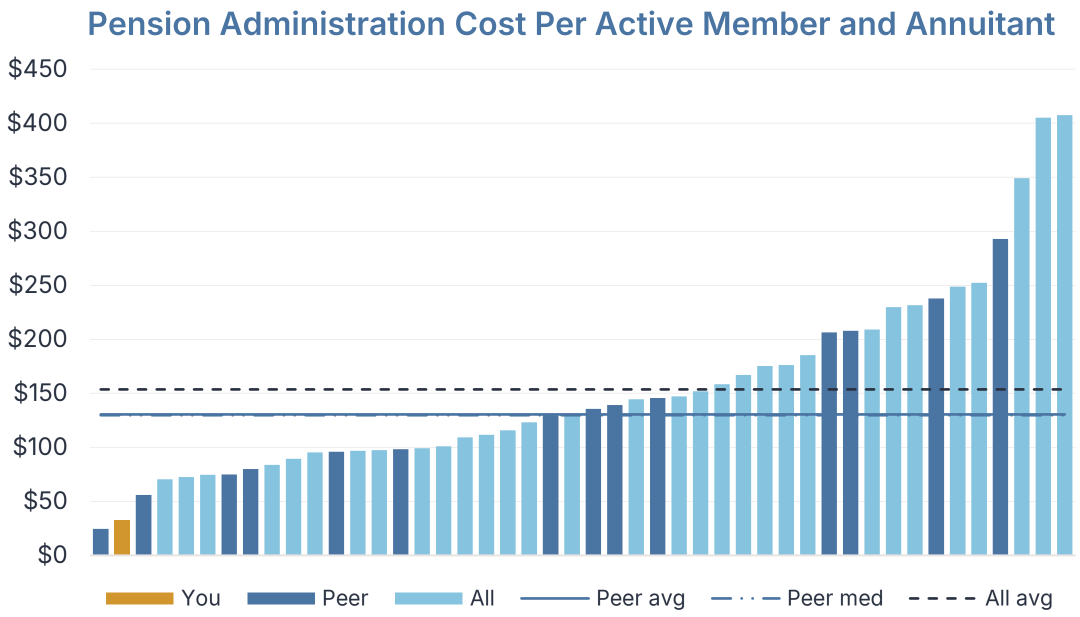
Cost per Member - All Avg



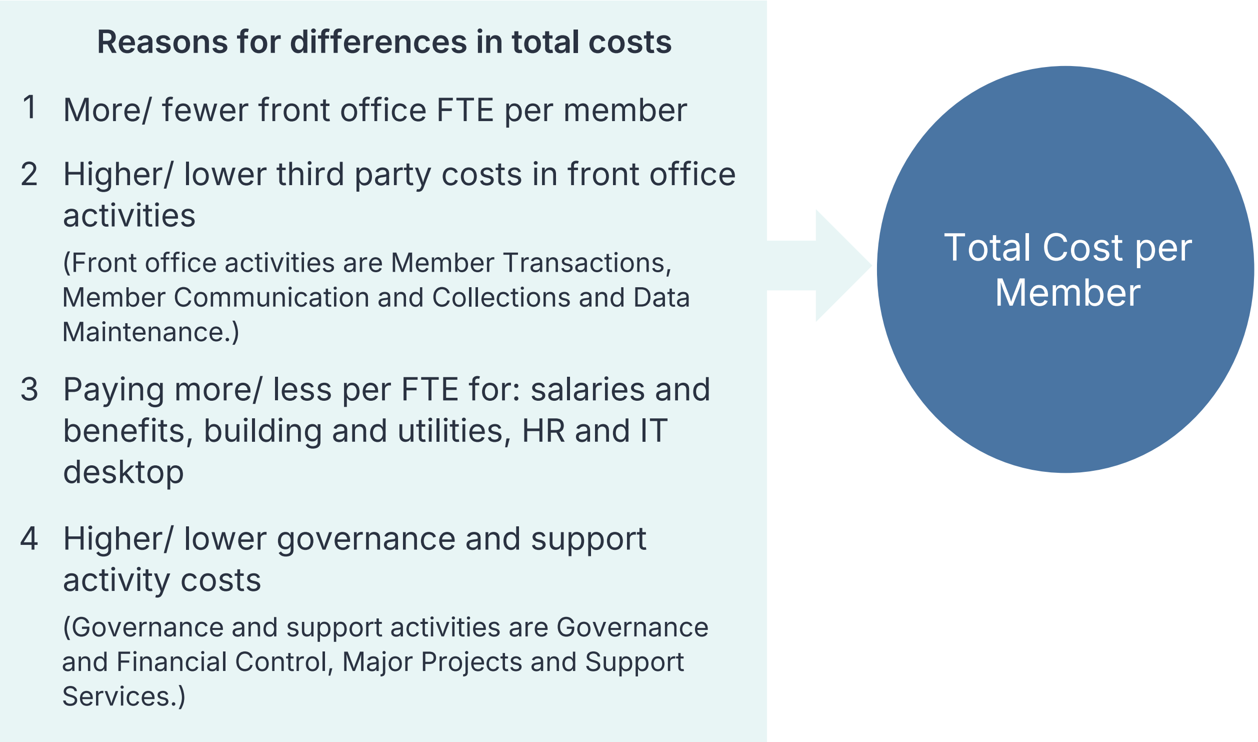
| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| IT and Major Projects | $43 | $40 | $42 | $46 | $46 | $52 | $55 | $61 |
| Member Transactions | $17 | $17 | $17 | $17 | $17 | $19 | $20 | $21 |
| Member Communication | $15 | $16 | $16 | $15 | $16 | $17 | $18 | $19 |
| Collections and Data | $8 | $8 | $8 | $8 | $8 | $9 | $10 | $10 |
| Governance | $10 | $10 | $10 | $10 | $10 | $10 | $11 | $12 |
| Support | $21 | $23 | $23 | $23 | $26 | $27 | $29 | $30 |

Trend analysis is based on 31 systems that provided 8 consecutive years of data.

Your total pension administration cost was $33 per active member and annuitant. This was $97 below the peer average of $130 (and $97 below the peer median of $130).



## CEM uses the following cost model to explain differences in total costs:



**Reasons for differences in total costs**

1 More/ fewer front office FTE per member

2 Higher/ lower third party costs in front office activities

(Front office activities are Member Transactions, Member Communication and Collections and Data Maintenance.)

3 Paying more/ less per FTE for: salaries and benefits, building and utilities, HR and IT desktop

4 Higher/ lower governance and support activity costs

(Governance and support activities are Governance and Financial Control, Major Projects and Support Services.)

Total Cost per Member

In this section, CEM quantifies the amount by which differences in each of the 4 reasons identified above cause your total pension administration cost to differ from the peer average.

**Average versus Median**

In the other sections of this report, CEM compares your performance to the median (i.e., the middle value or 50th percentile). This is because medians are less sensitive to outlier data than averages. An example of an outlier is a single peer with unusually high costs. In this section, we compare and reconcile your total costs to the peer average because:

- There are interactions between the reasons for differences in total cost that would be lost if we used medians.
- It is necessary if we want the reasons to add to 100%. The sum of median parts does not add up to the median total.

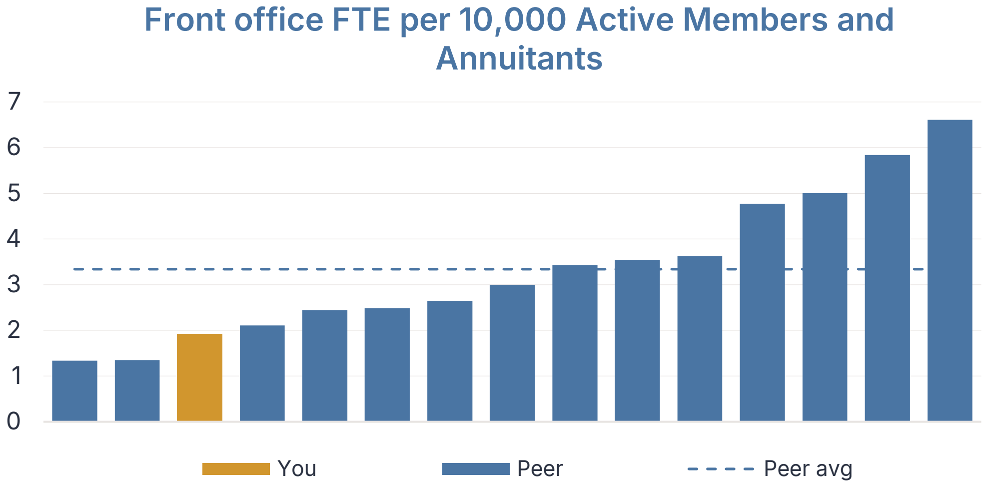
# Reasons why your total cost per member was $98 below the peer average:

| | | | Impact |
|---|---|---|---|
| Reason | You | Peer Avg | $s per active member and annuitant |
| 1 Fewer front office FTE per 10,000 members | 1.9 | 3.3 | -$13 |
| 2 Lower third party costs per member in the front office | $1 | $6 | -$5 |
| 3 Lower costs per FTE | | | |
| Front office Salaries & Benefits | $84,921 | $113,510 | |
| Governance, support Salaries & Benefits | $113,780 | $161,168 | |
| Blended Average | $87,310 | $124,633 | |
| Building and Utilities | $1,800 | $13,942 | |
| HR | $1,683 | $5,709 | |
| IT Desktop, Networks, Telecom | $5,748 | $19,512 | |
| Total | $96,541 | $163,796 | -$35 |
| 4 Lower support costs per member (mainly driven by IT strategy, database, applications)[1] | | | |
| Governance & Financial Control | $3 | $6 | |
| Major Projects | $1 | $15 | |
| IT Strategy, Database, Applications | $7 | $22 | |
| IT Security | $0 | $3 | |
| Actuarial, Legal, Audit, Other | $3 | $12 | |
| Total | $14 | $58 | -$44 |
| **Total** | | | **-$98** |

1. To avoid double counting, peers' governance and support costs are adjusted for differences in cost per FTE.

# Reason 1: You had fewer front office FTE per member.

Your 1.9 front office FTE per 10,000 members was 43% below the peer average of 3.3. Front office activities are activities that come in contact with clients or employers, such as paying pensions, member calls and presentations. It excludes Governance and support activities such as Governance and Financial Control, Major Projects and Support Services. Your lower front office FTE per member decreased your total cost per member by $13 relative to the peer average.



Your front office FTE per 10,000 members is a function of two components: volume per 1,000 active members and annuitants (workloads) and activity volume per FTE (productivity).

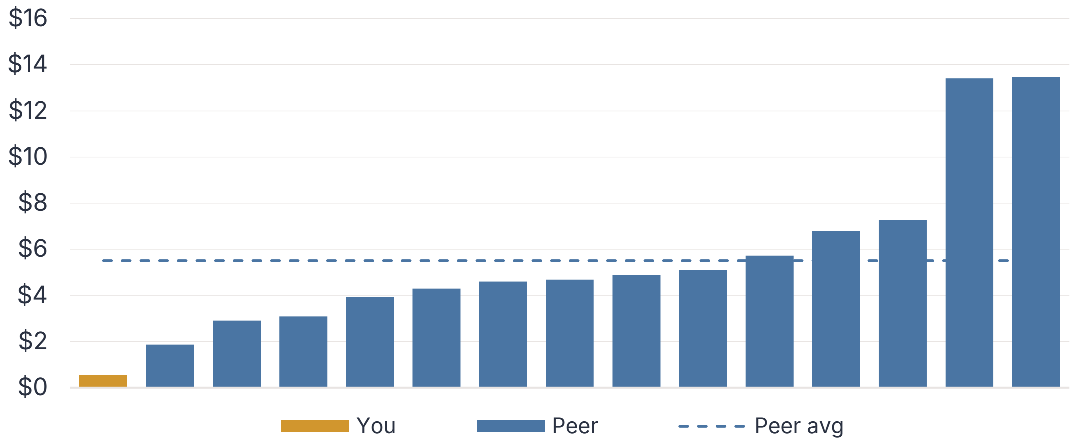
One reason you had fewer FTE per member is that you had higher productivity in the front office.

| | | Volume per 1,000 Active Member and Annuitant | | | Activity Volume per FTE | | |
|---|---|---|---|---|---|---|---|
| **Activity** | **Volume Description** | **You** | **Peer Avg** | **+/-** | **You** | **Peer Avg** | **+/-** |
| **Member Transactions** | | | | | | | |
| Pension Payments | Annuitants | 434 | 445 | -10 | 58,135 | 28,906 | 29,230 |
| New Payee Inceptions and Written Estimates | New Inceptions | 20 | 22 | -2 | 621 | 626 | -5 |
| Refunds & Transfers-out | Refunds | 22 | 23 | -1 | 771 | 1,954 | -1,182 |
| Purchases and Transfers-in | Purchases | 1.4 | 4.3 | -2.9 | 366 | 316 | 50 |
| Disability Applications | Disability Applications | 1.2 | 1.1 | 0.2 | 104 | 108 | -4 |
| **Member Communication** | | | | | | | |
| Calls and Emails | Calls and Emails | 633 | 550 | 83 | 10,886 | 8,051 | 2,834 |
| Incoming Mail | Incoming Mail | 292 | 301 | -9 | 33,825 | 39,187 | -5,362 |
| Members Counseled 1-on-1 | Members Counseled | 0 | 18 | -17 | 82 | 1,199 | -1,116 |
| Member Presentations | Member Presentations | 0.1 | 0.7 | -0.6 | 19 | 122 | -103 |
| **Collections & Data Maintenance** | | | | | | | |
| Data & Money from Employers | Active Members | 566 | 555 | 10 | 34,354 | 28,946 | 5,408 |
| Service to Employers | Active Members | 566 | 555 | 10 | 88,071 | 40,692 | 47,379 |
| Data Not from Employers | All Members | 1,184 | 1,529 | -345 | 349,585 | 302,532 | 47,054 |
| **Weighted Total** | | **41.2** | **45.2** | **-4.0** | **215,061** | **138,105** | **76,956** |

# Reason 2: You had lower third party costs in the front office activities.

Your third party costs in the front office activities were $1 per member which was 90% below the peer average of $6. Your lower third party costs decreased your total cost per member by $5 relative to peers.

Third Party Costs in Front Office Activities per Active Member and Annuitant



Differences in third party and other miscellaneous costs in the front office activities reflect differences in:

- Use of consultants
- Departmental travel and education

# Reason 3: You had overall lower salaries and benefits, building and utilities, HR and IT desktop costs per FTE.

| Cost per FTE | | |
|---|---|---|
| **Costs that vary per FTE** | **You** | **FTE-Weighted Peer Avg** |
| Salaries and Benefits | | |
| Front Office | $84,921 | $113,510 |
| Governance and support | $113,780 | $161,168 |
| Blended Average | $87,310 | $122,735 |
| Pay-as-you-go Benefits for Retired Staff | $0 | $1,898 |
| Building and Utilities | $1,800 | $13,942 |
| Human Resources | $1,683 | $5,709 |
| IT Desktop, Networks, Telecom | $5,748 | $19,512 |
| **Total** | **$96,541** | **$163,796** |

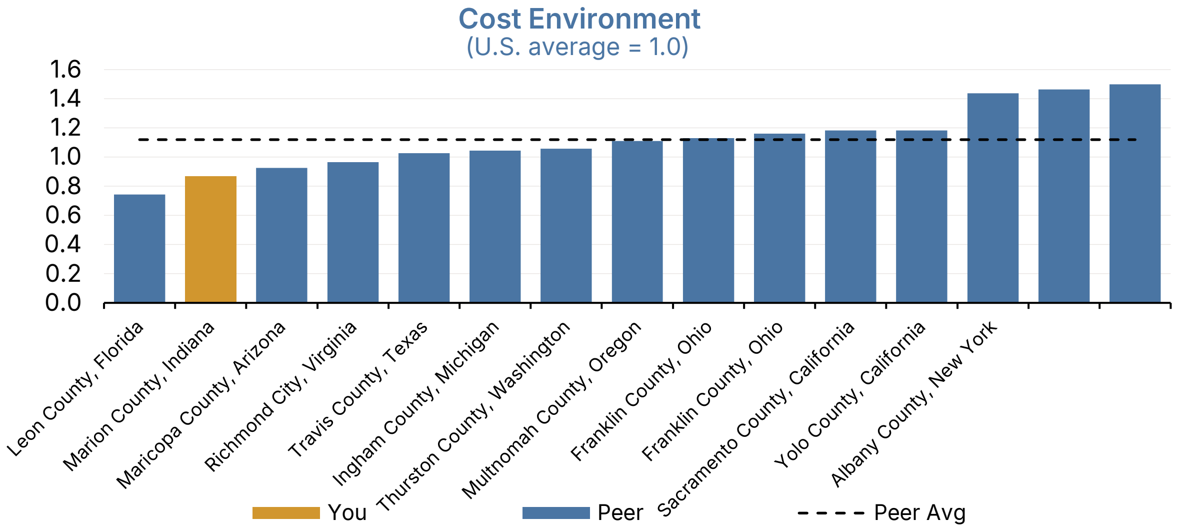
Your cost per FTE for salaries and benefits, building and utilities, human resources and IT desktop of $96,541 was 41% below the FTE-weighted peer average of $163,796. Your lower costs per FTE decreased your total cost per member by $35 relative to the peer average.

The cost model uses the FTE-weighted average because 'Cost per FTE' differences matter more for peers with more FTEs. The FTE-weighted average can be substantially different from the simple average.

Differences in what you pay per FTE reflect differences in:

- Square footage of office space per FTE.
- Organization structure, strategy and history.
- Using consultants for functions associated with high salaries. This will reduce your salary cost per FTE, but increase your third party cost.

Often a key reason for differences in 'cost per FTE' is cost environment. According to the Bureau of Labor Statistics (http://www.bls.gov/), labor costs in your area were 23% below the peer average.



# Reason 4: You paid less for governance and support activities.

Your adjusted[1] cost per active member and annuitant of $14 for governance and support activities was below the peer average of $58. Paying less for governance and support activities decreased your total cost per member by $44 relative to the peer average.

| | Cost per Active Member and Annuitant | | Adjusted[1] Cost per Active Member and Annuitant | |
|---|---|---|---|---|
| **Governance and support activities** | **You** | **Peer avg** | **You** | **Peer avg** |
| Governance and Financial Control | $3 | $8 | $3 | $6 |
| Major Projects | $1 | $15 | $1 | $15 |
| IT Strategy, Database, Applications (excl. major projects) | $7 | $25 | $7 | $22 |
| IT Security | $0 | $4 | $0 | $3 |
| Actuarial, Legal, Audit, Other Support Services | $3 | $14 | $3 | $12 |
| Support Services that Vary per FTE | $0 | $8 | | |
| **Total** | **$14** | **$73** | **$14** | **$58** |

1. To avoid double counting, governance and support costs are adjusted for cost per FTE (including salary, building, IT desktop, and HR costs).

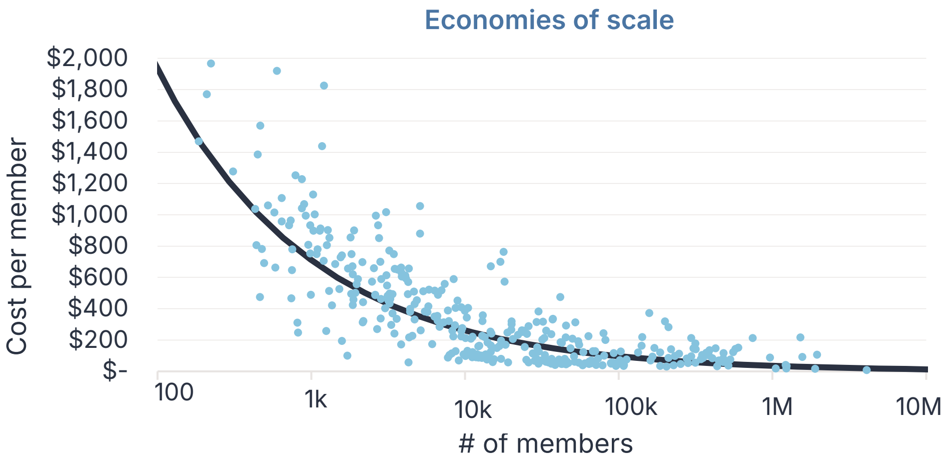
Differences in the adjusted cost per member for non-administration activities reflects differences in:

- How much you do. For example, some systems invest more in disaster recovery.
- IT capability
- IT investment cycle
- Plan complexity

Refer to section '4 - Activity Costs' for detailed analysis and comparison of the sub-activities within each of the non-administration activities to gain insight into where you are doing and paying more and/or less.

# Impact of economies of scale

Your peer group is comprised of funds as close to your size as possible because size matters. According to CEM research using cost and membership data from 370 global pension plans, approximately 70% of differences in cost per member can be explained by differences in size.

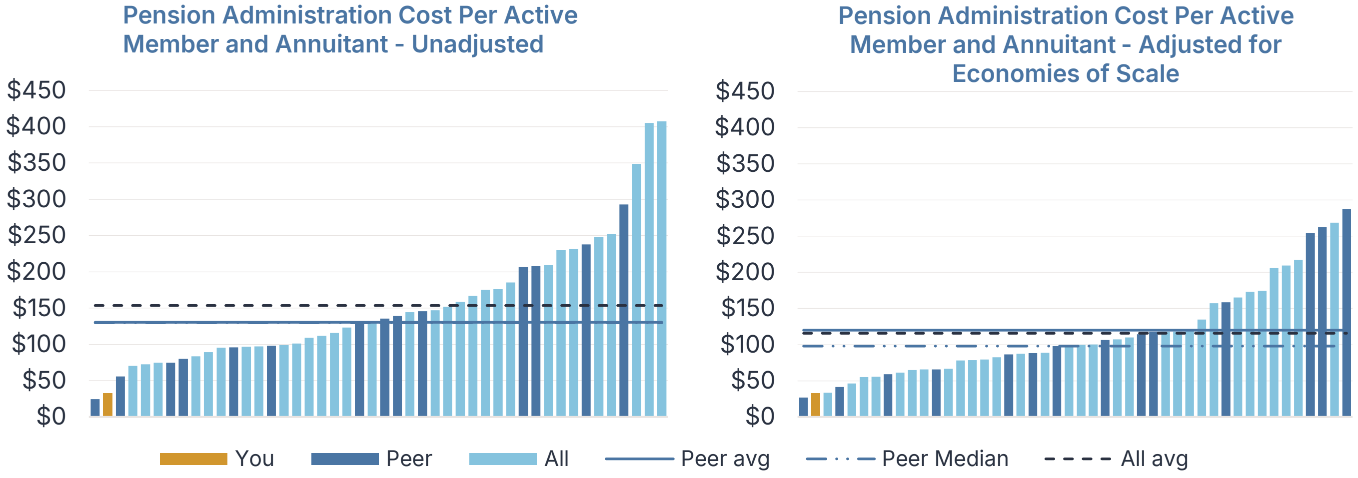

Economies of scale

The following table outlines your implied cost per member based on changes in your membership:

**How Changes in Membership Impact Your Cost**

| % Change in Members | Implied # of Members | Predicted Cost per Member | Increase/ -Decrease |
|---|---|---|---|
| -75% | 214,114 | $50 | $18 |
| -50% | 428,229 | $41 | $8 |
| -25% | 642,343 | $36 | $3 |
| 0% | 856,457 | $33 | $0 |
| 25% | 1,070,571 | $31 | -$2 |
| 50% | 1,284,686 | $29 | -$4 |
| 75% | 1,498,800 | $28 | -$5 |

After adjusting your peers' costs for their scale advantage/disadvantage relative to your system, the peer average cost decreased from $130 per member to $120 per member.


Pension Administration Cost Per Active Member and Annuitant - Unadjusted

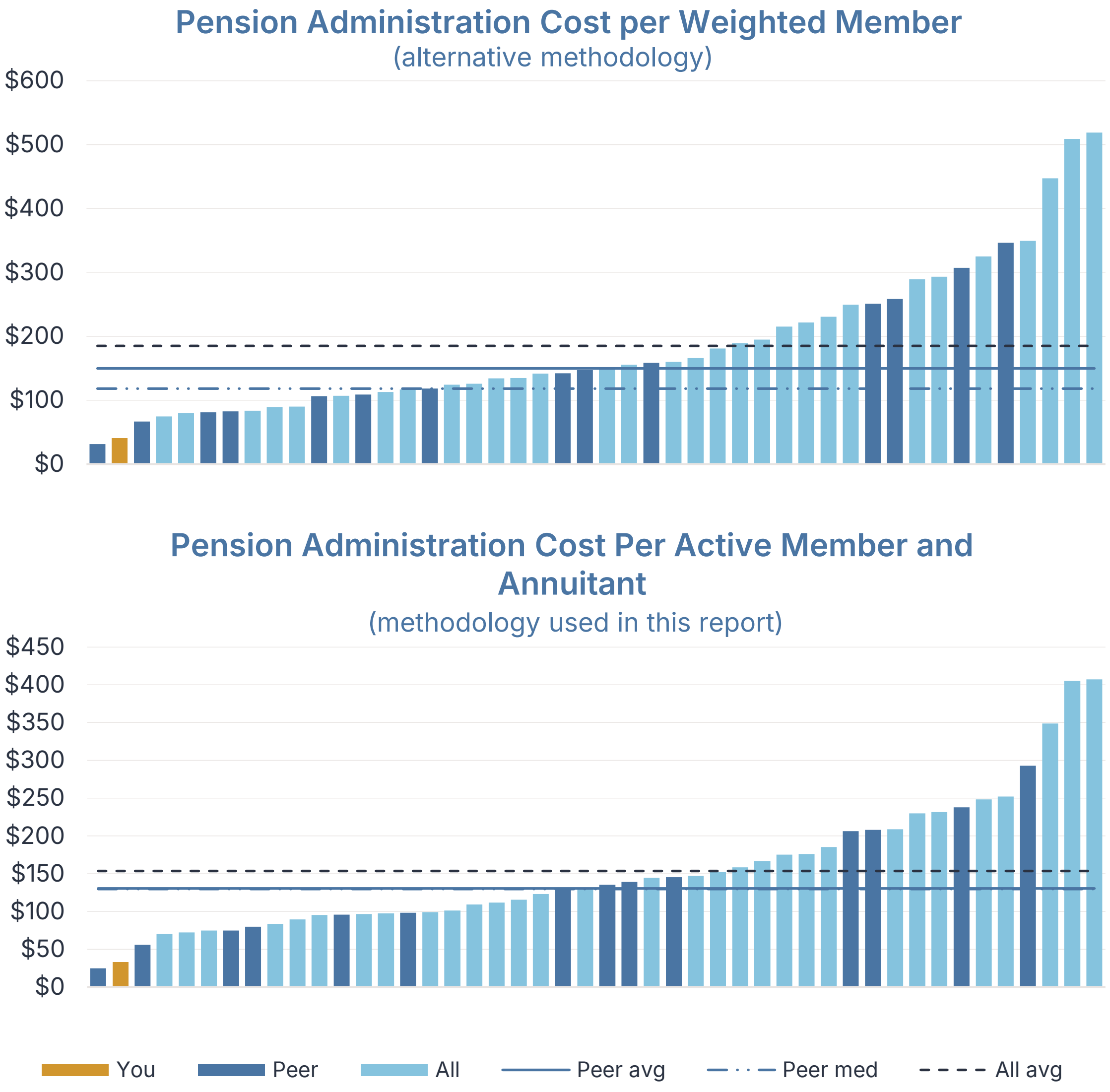
Pension Administration Cost Per Active Member and Annuitant - Adjusted for Economies of Scale

# Cost per weighted member

In this report active members and annuitants is the divisor used when determining cost per member. But as the analysis on the previous three pages demonstrates, active members are more costly to administer than annuitants, and the cost to administer inactive members is greater than zero. Thus, using active members and annuitants as the divisor can bias results. It unfairly makes systems look higher cost if they have substantially higher than average proportions of inactive members and/or substantially lower than average proportions of annuitants.

Another way to compare total costs is on a per 'weighted member' basis where the weightings reflect the fact that costs vary by type of member. Your pension administration cost per weighted member was $40.56. This was below the peer average of $149.70. Members are weighted as follows: active members at 100%, inactive members at 25% and annuitants at 45%.

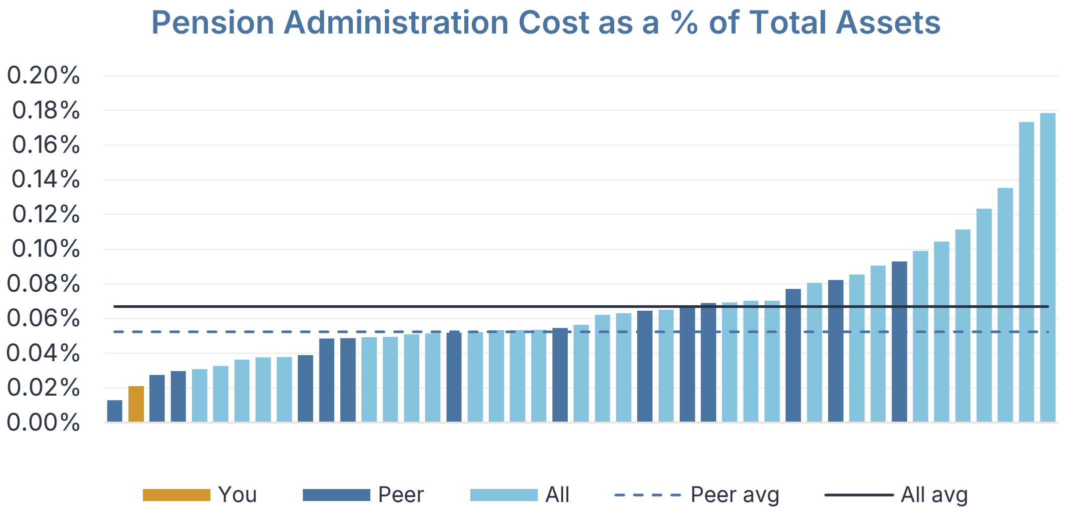
Relative rankings under both methodologies are shown in the graphs below.



# Cost as a % of total assets

An alternative way to compare total costs is as a percent of total pension assets. This ratio is particularly useful when trying to understand how pension administration costs compare to investment costs within the same system because investment costs tend to be quoted as a percentage of assets. This ratio is less useful when comparing between systems, as is done in the graph below, because the divisor, total assets, depends on plan rules (more generous plans will have more assets) and funded status.

Your pension's administration costs represented 0.02% of total assets (or 2 basis points). This was below the peer average of 0.05%.



# Reconciliation to costs provided on the survey

The fully-attributed costs of activities 1f. Healthcare Administration and 1g. Optional and Third Party Administered Benefits are excluded from pension administration costs to ensure comparability. Your direct costs per the survey for activities 4, 5, 6 and 7 have been reduced by attributions to activities 1F and 1G that add up to $166 thousand.

| | Your Costs in $000s | | | | |
|---|---|---|---|---|---|
| **Activity** | **Salaries & Benefits** | **Third Party & Other** | **Attributions[1] to 1f & 1g** | **Total** | **$s per Active Member and Annuitant** |
| **1. Member Transactions** | | | | | |
| a. Pension Payments | 552 | 200 | | 752 | 0.88 |
| b. Pension Inceptions and Written Estimates | 2,344 | 18 | | 2,361 | 2.76 |
| c. Refunds, Withdrawals, and Transfers-out | 2,059 | 70 | | 2,129 | 2.49 |
| d. Purchases and Transfers-in | 283 | 18 | | 301 | 0.35 |
| e. Disability | 904 | 18 | | 922 | 1.08 |
| f. Healthcare Administration | 137 | 18 | 124 | 279 | 0.33 |
| g. Optional and Third Party Administered Benefits | 75 | 18 | 41 | 134 | 0.16 |
| **2. Member Communication** | | | | | |
| a. Contact Center | 4,183 | 18 | | 4,200 | 4.90 |
| b. Mail Room, Imaging | 633 | 18 | | 651 | 0.76 |
| c. 1-on-1 Counseling | 383 | 18 | | 401 | 0.47 |
| d. Member Presentations | 377 | 24 | | 401 | 0.47 |
| e. Mass Communication | 284 | 19 | | 303 | 0.35 |
| **3. Collections and Data Maintenance** | | | | | |
| a. Data and Money from Employers | 1,201 | 18 | | 1,219 | 1.42 |
| b. Service to Employers | 489 | 18 | | 506 | 0.59 |
| c. Data Not from Employers | 252 | 18 | | 270 | 0.32 |
| **4. Governance and Financial Control** | | | | | |
| a. Financial Administration and Control | 460 | 1,874 | -28 | 2,306 | 2.69 |
| b. Board, Strategy, Policy | 263 | 32 | -4 | 291 | 0.34 |
| c. Government and Public Relations | 210 | 33 | -3 | 240 | 0.28 |
| **5. Major Projects** | | | | | |
| a. Amortization of non-IT Major Projects | | 0 | 0 | 0 | 0.00 |
| b. Non-IT Major Projects (if you don't capitalize) | 0 | 0 | 0 | 0 | 0.00 |
| c. Amortization of IT Major Projects | | 0 | 0 | 0 | 0.00 |
| d. IT Major Projects (if you don't capitalize) | 176 | 343 | -6 | 512 | 0.60 |
| **6. Information Technology** | | | | | |
| a. IT Strategy, Database, Applications (excl. major projects) | 206 | 5,657 | -71 | 5,792 | 6.76 |
| b. IT Desktop, Networks, Telecom | 63 | 979 | -13 | 1,029 | 1.20 |
| c. IT Security | 0 | 392 | -5 | 387 | 0.45 |
| **7. Support Services and Other** | | | | | |
| a. Building and Utilities | 0 | 326 | -4 | 322 | 0.38 |
| b. Human Resources | 0 | 305 | -4 | 301 | 0.35 |
| c. Actuarial | 53 | 423 | -6 | 470 | 0.55 |
| d. Legal and Rule Interpretation | 182 | 887 | -13 | 1,056 | 1.23 |
| e. Internal and External Audit | 58 | 459 | -6 | 511 | 0.60 |
| f. Pay-as-you-go Benefits for Retired Staff | 0 | | 0 | 0 | 0.00 |
| g. Other Support Services | 99 | 308 | -5 | 402 | 0.47 |
| **Total Administration** | **15,925** | **12,524** | **0** | **28,450** | **33.22** |
| less: | | | | | |
| f. Healthcare Administration | -137 | -18 | -124 | -279 | -0.33 |
| g. Optional and Third Party Administered Benefits | -75 | -18 | -41 | -134 | -0.16 |
| **Total Pension Administration** | | | | **28,036** | **32.74** |

1. Attributions of 4. Governance, 5. Major Projects, 6. IT, and 7. Support Services and Other are pro rata based on direct FTE.

# Activity Costs

# Calculation of your activity costs

**Calculation of Your Direct Activity Costs**

| Activity[1] | Cost[2] in $000s (A) | Activity Volume (B) | | $s per Unit (A / B) |
|---|---|---|---|---|
| **1. Member Transactions** | | | | |
| a. Pension Payments | 752 | 372,067 | annuitants | 2.02 |
| b. Pension Inceptions and Written Estimates | 2,361 | 17,335 | new payee inceptions | 136.21 |
| c. Refunds, Withdrawals, and Transfers-out | 2,129 | 19,133 | refunds, withdrawals, and transfers-out | 111.29 |
| d. Purchases and Transfers-in | 301 | 1,208 | purchases and transfers-in | 249.09 |
| e. Disability | 922 | 1,064 | disability applications | 866.54 |
| **2. Member Communication** | | | | |
| a. Contact Center | 4,200 | 542,113 | calls and emails | 7.75 |
| b. Mail Room, Imaging | 651 | 250,304 | incoming mail | 2.60 |
| c. 1-on-1 Counseling | 401 | 379 | members counseled 1-on-1 | 1,057.78 |
| d. Member Presentations | 401 | 83 | member presentations | 4,827.71 |
| e. Mass Communication | 303 | 856,457 | active members and annuitants | 0.35 |
| **3. Collections and Data Maintenance** | | | | |
| a. Data and Money from Employers | 1,219 | 484,390 | active members | 2.52 |
| b. Service to Employers | 506 | 484,390 | active members | 1.05 |
| c. Data Not from Employers | 270 | 1,013,797 | actives, inactives, annuitants | 0.27 |
| **4. Governance and Financial Control [4]** | | | | |
| a. Financial Administration and Control | 2,306 | 856,457 | active members and annuitants | 2.69 |
| b. Board, Strategy, Policy | 291 | 856,457 | active members and annuitants | 0.34 |
| c. Government and Public Relations | 240 | 856,457 | active members and annuitants | 0.28 |
| **5. Major Projects [4]** | | | | |
| a. Amortization of non-IT Major Projects | 0 | 856,457 | active members and annuitants | 0.00 |
| b. Non-IT Major Projects (if you don't capitalize) | 0 | 856,457 | active members and annuitants | 0.00 |
| c. Amortization of IT Major Projects | 0 | 856,457 | active members and annuitants | 0.00 |
| d. IT Major Projects (if you don't capitalize) | 512 | 856,457 | active members and annuitants | 0.60 |
| **6. Information Technology [4]** | | | | |
| a. IT Strategy, Database, Applications (excl. major projects) | 5,792 | 856,457 | active members and annuitants | 6.76 |
| b. IT Desktop, Networks, Telecom | 1,029 | 180 | pension admin FTE | 5,722.53 |
| c. IT Security | 387 | 856,457 | active members and annuitants | 0.45 |
| **7. Support Services and Other [4]** | | | | |
| a. Building and Utilities | 322 | 180 | pension admin FTE | 1,791.76 |
| b. Human Resources | 301 | 180 | pension admin FTE | 1,675.27 |
| c. Actuarial | 470 | 856,457 | active members and annuitants | 0.55 |
| d. Legal and Rule Interpretation | 1,056 | 856,457 | active members and annuitants | 1.23 |
| e. Internal and External Audit | 511 | 856,457 | active members and annuitants | 0.60 |
| f. Pay-as-you-go Benefits for Retired Staff | 0 | 180 | pension admin FTE | 0.00 |
| g. Other Support Services | 402 | 856,457 | active members and annuitants | 0.47 |
| **Total Pension Administration [3]** | **28,036** | **856,457** | **active members and annuitants** | **32.74** |

1. Refer to Appendix C for activity definitions.

2. Cost is 'direct cost' as per your survey. It is the sum of:
   a) Salaries and benefits of all staff that directly perform the activity, plus related support and management staff that are in the same department. For example, the call center includes call and email customer service agents, trainers, analysts and managers.
   b) Third-party and other non-staff, non-third-party-fee costs that can be directly attributed to the activities but that are not already included in the other activities listed. These other costs may include office supplies, travel, subscriptions, training, conferences.

3. The fully attributed costs of activities 1f. Healthcare Administration and 1g. Optional and Third Party Administered Benefits are excluded from total pension administration costs to ensure comparability.

4. Your direct costs for activities 4, 5, 6, and 7 have been reduced by attributions to 1f. Healthcare Administration and 1g. Optional and Third Party Administered Benefits that add up to $166k. Refer to the last page of this section for details.

# Summary comparisons of activity costs by quartile breakdown

**Comparisons of Direct Activity Costs[1]**

| | | | Peer | | | | | | All Participant | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Activity** | **Cost per:** | **You** | **Avg** | **Max** | **Q3** | **Med** | **Q1** | **Min** | **Avg** | **Max** | **Q3** | **Med** | **Q1** | **Min** |
| **1. Member Transactions** | | | | | | | | | | | | | | |
| a. Pension Payments | annuitant | 2.02 | 8.78 | 26.28 | 10.49 | 7.43 | 4.27 | 1.42 | 11.56 | 35.52 | 15.07 | 10.26 | 4.90 | 1.15 |
| b. Pension Inceptions and Written Estimates | new payee inception | 136.21 | 249.23 | 552.71 | 333.49 | 158.93 | 134.11 | 103.67 | 413.04 | 2,198.39 | 519.31 | 308.01 | 209.49 | 103.67 |
| c. Refunds, Withdrawals, and Transfers-out | withdrawal & transfer-out | 111.29 | 125.74 | 780.10 | 99.15 | 63.36 | 43.90 | 29.76 | 384.94 | 2,529.63 | 393.25 | 179.02 | 48.15 | 12.38 |
| d. Purchases and Transfers-in | purchase & transfer-in | 249.09 | 1,053.66 | 5,683.54 | 1,368.30 | 408.77 | 239.85 | 142.48 | 1,060.65 | 12,682.26 | 1,182.42 | 470.33 | 200.19 | 0.00 |
| e. Disability | disability application | 866.54 | 3,213.24 | 11,993.00 | 4,196.92 | 1,875.84 | 1,129.75 | 504.02 | 3,087.08 | 11,993.00 | 4,282.07 | 1,875.84 | 1,310.77 | 101.91 |
| **2. Member Communication** | | | | | | | | | | | | | | |
| a. Contact Center | call & email | 7.75 | 18.40 | 45.30 | 25.01 | 16.79 | 11.54 | 5.00 | 17.37 | 72.22 | 22.76 | 13.43 | 9.27 | 0.54 |
| b. Mail Room, Imaging | incoming mail | 2.60 | 7.42 | 28.06 | 9.53 | 5.54 | 3.59 | 0.74 | 17.32 | 95.13 | 22.02 | 11.56 | 5.62 | 0.00 |
| c. 1-on-1 Counseling | member counseled 1-on-1 | 1,057.78 | 206.86 | 1,057.78 | 196.36 | 119.75 | 67.57 | 38.08 | 180.56 | 1,057.78 | 199.51 | 116.19 | 51.97 | 0.00 |
| d. Member Presentations | member presentation | 4,827.71 | 2,913.42 | 11,012.00 | 4,397.69 | 1,829.39 | 938.21 | 0.00 | 2,223.18 | 11,012.00 | 2,856.73 | 1,368.02 | 757.49 | 0.00 |
| e. Mass Communication | active member & annuitant | 0.35 | 3.72 | 7.37 | 5.11 | 3.37 | 1.69 | 0.35 | 4.41 | 10.44 | 5.67 | 4.38 | 2.57 | 0.35 |
| **3. Collections and Data Maintenance** | | | | | | | | | | | | | | |
| a. Data and Money from Employers | active member | 2.52 | 8.85 | 37.43 | 8.64 | 4.39 | 3.06 | 1.15 | 12.94 | 106.81 | 13.85 | 7.03 | 4.28 | 0.59 |
| b. Service to Employers | active member | 1.05 | 5.49 | 13.91 | 7.83 | 3.62 | 2.33 | 0.91 | 4.81 | 14.01 | 6.09 | 3.83 | 2.41 | 0.67 |
| c. Data Not from Employers | active, inactive & annuitant | 0.27 | 0.69 | 2.35 | 0.83 | 0.60 | 0.33 | 0.14 | 1.43 | 8.76 | 1.84 | 0.81 | 0.32 | 0.00 |
| **4. Governance and Financial Control** | | | | | | | | | | | | | | |
| a. Financial Administration and Control | active member & annuitant | 2.69 | 4.22 | 10.00 | 4.89 | 3.55 | 2.88 | 0.68 | 5.56 | 18.15 | 6.99 | 4.85 | 3.38 | 0.40 |
| b. Board, Strategy, Policy | active member & annuitant | 0.34 | 2.78 | 9.13 | 3.87 | 2.34 | 1.06 | 0.18 | 6.11 | 33.44 | 8.79 | 4.24 | 2.19 | 0.18 |
| c. Government and Public Relations | active member & annuitant | 0.28 | 1.11 | 3.07 | 2.06 | 0.59 | 0.20 | 0.13 | 1.39 | 6.35 | 2.31 | 1.09 | 0.24 | 0.00 |
| **5. Major Projects** | | | | | | | | | | | | | | |
| a. Amortization of non-IT Major Projects | active member & annuitant | 0.00 | 0.45 | 4.46 | 0.00 | 0.00 | 0.00 | 0.00 | 0.37 | 6.41 | 0.00 | 0.00 | 0.00 | 0.00 |
| b. Non-IT Major Projects (if you don't capitalize) | active member & annuitant | 0.00 | 2.73 | 25.86 | 1.14 | 0.00 | 0.00 | 0.00 | 2.03 | 25.86 | 1.34 | 0.00 | 0.00 | 0.00 |
| c. Amortization of IT Major Projects | active member & annuitant | 0.00 | 5.67 | 50.80 | 3.66 | 0.00 | 0.00 | 0.00 | 3.63 | 50.80 | 3.83 | 0.00 | 0.00 | 0.00 |
| d. IT Major Projects (if you don't capitalize) | active member & annuitant | 0.60 | 5.88 | 27.98 | 10.16 | 1.27 | 0.30 | -0.33 | 11.67 | 60.73 | 12.42 | 2.63 | 0.00 | -0.33 |
| **6. Information Technology** | | | | | | | | | | | | | | |
| a. IT Strategy, Database Management and Applications (excl. major projects) | active member & annuitant | 6.76 | 25.24 | 87.16 | 30.07 | 21.12 | 11.51 | 3.75 | 25.82 | 87.16 | 33.51 | 21.35 | 12.64 | 3.75 |
| b. IT Desktop, Networks, Telecom | pension admin FTE | 5,723 | 17,149 | 36,305 | 18,736 | 17,225 | 10,982 | 5,723 | 13,233 | 36,305 | 17,998 | 10,530 | 6,978 | 102 |
| c. IT Security | active member & annuitant | 0.45 | 3.66 | 11.18 | 5.71 | 2.58 | 0.58 | 0.00 | 3.68 | 20.74 | 5.22 | 2.39 | 0.67 | 0.00 |
| **7. Support Services and Other** | | | | | | | | | | | | | | |
| a. Building and Utilities | pension admin FTE | 1,792 | 11,431 | 23,708 | 15,289 | 9,651 | 6,639 | 1,792 | 10,604 | 34,790 | 12,945 | 8,848 | 6,613 | 22 |
| b. Human Resources | pension admin FTE | 1,675 | 4,294 | 9,239 | 5,571 | 4,297 | 2,804 | 882 | 5,890 | 20,628 | 8,019 | 4,646 | 3,060 | 363 |
| c. Actuarial | active member & annuitant | 0.55 | 1.95 | 6.40 | 2.83 | 1.38 | 1.00 | 0.55 | 2.96 | 19.67 | 3.17 | 1.60 | 1.17 | 0.00 |
| d. Legal and Rule Interpretation | active member & annuitant | 1.23 | 4.27 | 13.54 | 6.13 | 3.37 | 1.76 | 0.90 | 5.35 | 23.82 | 6.23 | 3.97 | 2.32 | 0.51 |
| e. Internal and External Audit | active member & annuitant | 0.60 | 2.26 | 5.39 | 3.42 | 1.79 | 0.94 | 0.36 | 3.00 | 8.90 | 4.11 | 2.70 | 1.43 | 0.18 |
| f. Pay-as-you-go Benefits for Retired Staff | pension admin FTE | 0.00 | 985.68 | 11,212.16 | 188.12 | 0.00 | 0.00 | 0.00 | 1,005.13 | 11,535.39 | 0.00 | 0.00 | 0.00 | 0.00 |
| g. Other Support Services | active member & annuitant | 0.47 | 5.26 | 28.21 | 5.03 | 3.42 | 0.84 | 0.00 | 4.80 | 28.21 | 5.66 | 3.09 | 0.83 | 0.00 |
| **Total Pension Administration[2]** | **active member & annuitant** | **32.74** | **130.47** | **292.83** | **176.01** | **129.73** | **77.37** | **24.64** | **153.61** | **407.34** | **201.21** | **133.25** | **96.07** | **24.64** |

1. In this section we compare your costs to the peer median (i.e., the middle value or 50th percentile) because outlier data often skews averages in the direction of outlier values. Maximum and minimum values usually reflect unusual circumstances and are often associated with very low volumes.
2. The fully attributed costs of activities 1f. Healthcare Administration and 1g. Optional and Third Party Administered Benefits are excluded from total pension administration costs to ensure comparability.

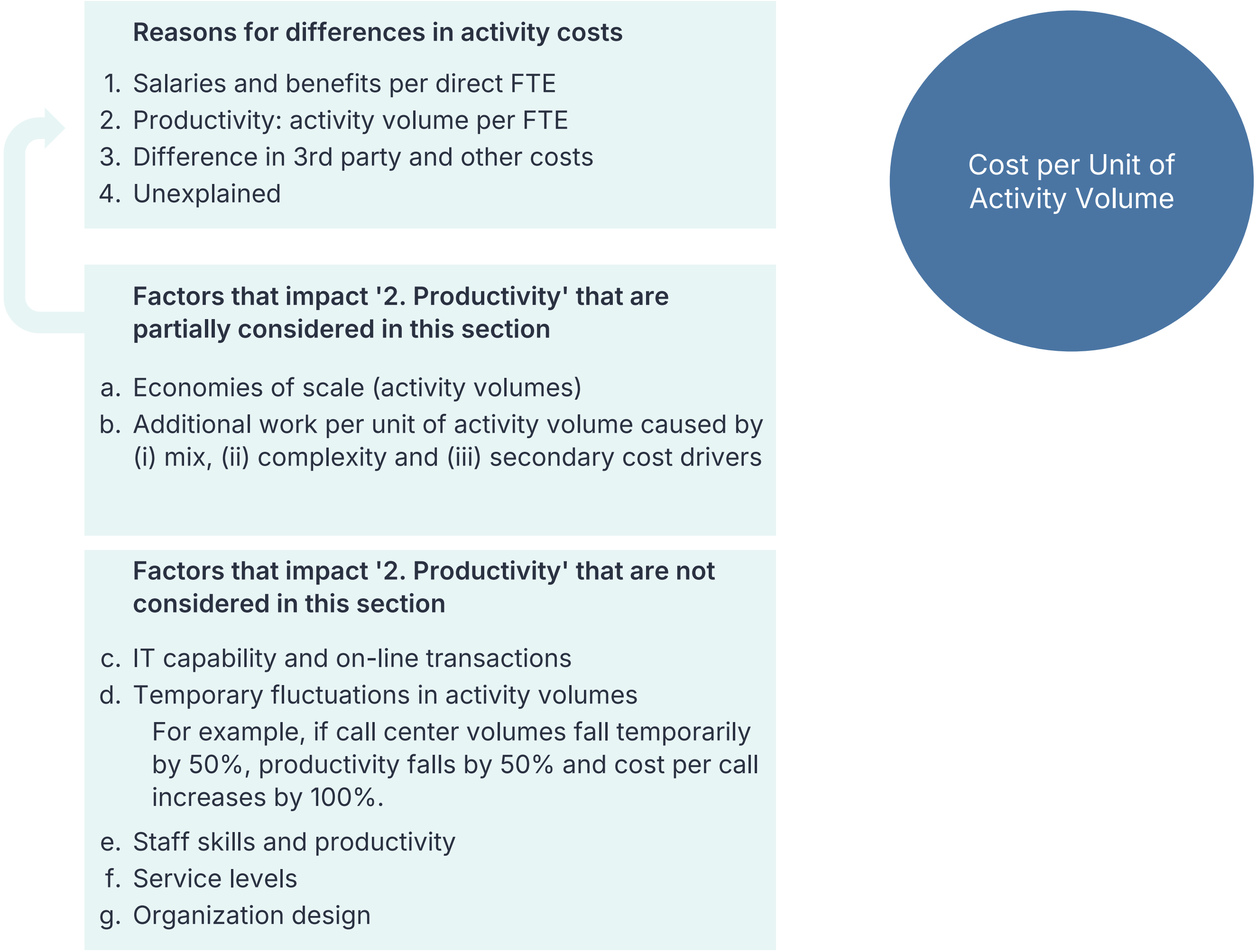
# Activity cost history

**Comparisons of Direct Activity Costs[1]**

| | | You | | | | Peer Average | | | | All Participant Average | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Activity** | **Cost per:** | **2025** | **2024** | **2023** | **2022** | **2025** | **2024** | **2023** | **2022** | **2025** | **2024** | **2023** | **2022** |
| **1. Member Transactions** | | | | | | | | | | | | | |
| a. Pension Payments | annuitant | 2.02 | | 1.87 | | 7.96 | 7.18 | 6.74 | 6.64 | 10.77 | 9.62 | 8.94 | 8.41 |
| b. Pension Inceptions and Written Estimates | new payee inception | 136.21 | | 104.24 | | 234.58 | 212.55 | 181.60 | 171.44 | 354.38 | 340.52 | 279.51 | 259.11 |
| c. Refunds, Withdrawals, and Transfers-out | withdrawal & transfer-out | 111.29 | | 74.00 | | 76.51 | 74.76 | 87.30 | 84.28 | 352.04 | 335.46 | 266.30 | 221.45 |
| d. Purchases and Transfers-in | purchase & transfer-in | 249.09 | | 149.01 | | 1,068.92 | 795.43 | 617.47 | 532.74 | 836.19 | 735.76 | 516.24 | 408.91 |
| e. Disability | disability application | 866.54 | | 700.94 | | 3,165.22 | 2,515.07 | 2,362.15 | 2,333.40 | 3,003.11 | 3,039.26 | 3,463.61 | 2,021.07 |
| **2. Member Communication** | | | | | | | | | | | | | |
| a. Contact Center | call & email | 7.75 | | 7.92 | | 17.15 | 16.55 | 15.46 | 13.52 | 17.28 | 16.27 | 15.13 | 13.25 |
| b. Mail Room, Imaging | incoming mail | 2.60 | | 2.03 | | 7.56 | 7.20 | 7.05 | 7.16 | 18.40 | 16.86 | 14.14 | 13.15 |
| c. 1-on-1 Counseling | member counseled 1-on-1 | 1,057.78 | | 295.42 | | 112.91 | 113.75 | 118.33 | 132.74 | 154.62 | 155.93 | 146.12 | 154.50 |
| d. Member Presentations | member presentation | 4,827.71 | | 1,849.43 | | 2,826.22 | 2,149.52 | 1,898.64 | 2,010.50 | 2,379.49 | 2,232.95 | 2,431.27 | 2,230.92 |
| e. Mass Communication | active member & annuitant | 0.35 | | 0.37 | | 4.02 | 3.75 | 3.76 | 3.43 | 4.56 | 4.55 | 4.22 | 3.83 |
| **3. Collections and Data Maintenance** | | | | | | | | | | | | | |
| a. Data and Money from Employers | active member | 2.52 | | 2.10 | | 7.14 | 6.36 | 6.24 | 6.30 | 9.17 | 8.79 | 8.33 | 7.78 |
| b. Service to Employers | active member | 1.05 | | 0.87 | | 5.78 | 5.34 | 5.35 | 4.59 | 5.05 | 4.97 | 4.35 | 3.98 |
| c. Data Not from Employers | active, inactive & annuitant | 0.27 | | 0.25 | | 0.71 | 0.78 | 0.81 | 0.83 | 1.74 | 1.68 | 1.52 | 1.38 |
| **4. Governance and Financial Control** | | | | | | | | | | | | | |
| a. Financial Administration and Control | active member & annuitant | 2.69 | | 2.65 | | 3.99 | 3.60 | 3.60 | 3.53 | 5.23 | 4.89 | 4.51 | 4.25 |
| b. Board, Strategy, Policy | active member & annuitant | 0.34 | | 0.28 | | 2.48 | 2.43 | 2.30 | 2.29 | 5.13 | 4.94 | 4.84 | 4.57 |
| c. Government and Public Relations | active member & annuitant | 0.28 | | 0.32 | | 1.03 | 0.89 | 0.78 | 0.75 | 1.46 | 1.23 | 1.08 | 1.00 |
| **5. Major Projects** | | | | | | | | | | | | | |
| a. Amortization of non-IT Major Projects | active member & annuitant | 0.00 | | 0.00 | | 0.40 | 0.06 | 0.00 | 0.00 | 0.42 | 0.20 | 0.15 | 0.16 |
| b. Non-IT Major Projects (if you don't capitalize) | active member & annuitant | 0.00 | | 0.00 | | 2.32 | 2.22 | 2.80 | 2.61 | 1.89 | 2.02 | 2.16 | 1.97 |
| c. Amortization of IT Major Projects | active member & annuitant | 0.00 | | 0.00 | | 6.54 | 1.54 | 1.66 | 1.91 | 4.79 | 2.71 | 3.24 | 2.57 |
| d. IT Major Projects (if you don't capitalize) | active member & annuitant | 0.60 | | 0.00 | | 5.77 | 5.52 | 4.58 | 3.94 | 11.06 | 8.73 | 8.38 | 7.38 |
| **6. Information Technology** | | | | | | | | | | | | | |
| a. IT Strategy, Database, Applications (excl. major projects) | active member & annuitant | 6.76 | | 6.46 | | 25.42 | 24.43 | 20.30 | 18.73 | 28.46 | 27.58 | 24.93 | 22.74 |
| b. IT Desktop, Networks, Telecom | pension admin FTE | 5,723 | | 9,186 | | 18,022 | 16,230 | 16,791 | 15,159 | 15,378 | 15,561 | 15,821 | 14,174 |
| c. IT Security | active member & annuitant | 0.45 | | 0.32 | | 3.61 | 3.37 | 2.72 | 2.53 | 3.97 | 3.45 | 2.84 | 2.15 |
| **7. Support Services and Other** | | | | | | | | | | | | | |
| a. Building and Utilities | pension admin FTE | 1,792 | | 1,722 | | 11,243 | 11,794 | 10,231 | 9,594 | 11,006 | 11,719 | 10,521 | 10,185 |
| b. Human Resources | pension admin FTE | 1,675 | | 1,454 | | 4,115 | 3,696 | 3,743 | 3,248 | 6,006 | 5,644 | 5,576 | 4,905 |
| c. Actuarial | active member & annuitant | 0.55 | | 0.54 | | 1.97 | 2.00 | 1.84 | 1.95 | 3.01 | 2.91 | 2.74 | 2.40 |
| d. Legal and Rule Interpretation | active member & annuitant | 1.23 | | 1.15 | | 3.79 | 3.60 | 3.56 | 3.31 | 5.37 | 5.35 | 5.23 | 5.07 |
| e. Internal and External Audit | active member & annuitant | 0.60 | | 0.58 | | 2.33 | 2.08 | 2.00 | 1.90 | 2.95 | 2.83 | 2.69 | 2.24 |
| f. Pay-as-you-go Benefits for Retired Staff | pension admin FTE | 0.00 | | 0.00 | | 274.84 | 376.79 | 233.84 | 324.85 | 487.37 | 542.66 | 519.35 | 564.90 |
| g. Other Support Services | active member & annuitant | 0.47 | | 0.42 | | 5.65 | 4.54 | 4.67 | 5.54 | 4.94 | 4.51 | 4.32 | 4.35 |
| **Total Pension Administration[2]** | **active member & annuitant** | **32.74** | | **29.93** | | **125.50** | **111.49** | **104.39** | **100.91** | **152.82** | **142.32** | **133.57** | **122.87** |

1. Trend analysis is based on systems that have participated for 8-consecutive years (13 peers and 31 World systems). This ensures that trends are not caused by changes in the composition of the participants.
2. The fully attributed costs of activities 1f. Healthcare Administration and 1g. Optional and Third Party Administered Benefits are excluded from total pension administration costs to ensure comparability.

# CEM uses the following model to help explain differences in activity costs



**Reasons for differences in activity costs**

1. Salaries and benefits per direct FTE
2. Productivity: activity volume per FTE
3. Difference in 3rd party and other costs
4. Unexplained

**Factors that impact '2. Productivity' that are partially considered in this section**

a. Economies of scale (activity volumes)
b. Additional work per unit of activity volume caused by (i) mix, (ii) complexity and (iii) secondary cost drivers

**Factors that impact '2. Productivity' that are not considered in this section**

c. IT capability and on-line transactions
d. Temporary fluctuations in activity volumes
   For example, if call center volumes fall temporarily by 50%, productivity falls by 50% and cost per call increases by 100%.
e. Staff skills and productivity
f. Service levels
g. Organization design

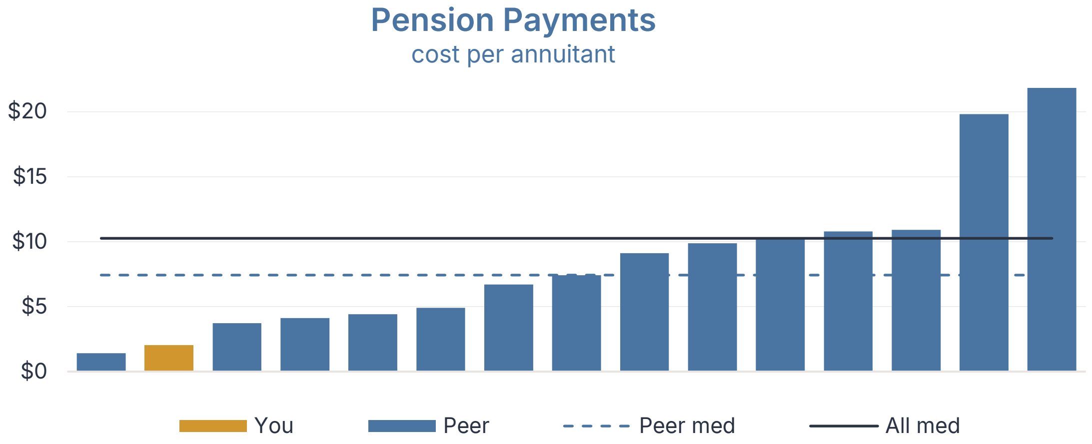
In this section, CEM quantifies the amount by which differences in the four reasons identified in the top box above impact your costs by calculating how your costs would change if you had the peer median salaries/ productivity/ third party and other costs. This methodology results in an unexplained amount, which is sometimes quite large, because:

- Peer salaries, productivity, and third party and other costs are not uniformly distributed. Often there are extreme outliers, especially for systems with relatively low volumes. Thus if you have outlier data for an activity, or several of your peers have extreme data, the unexplained amount may be large.
- Interaction between the three reasons is not quantified. For example, peers with higher productivity may also pay higher salaries. This offsetting impact between higher salaries and higher productivity is not quantified.

All comparisons are to the peer median (i.e., the middle value or 50th percentile). The median is used instead of the average because outlier data often skews averages in the direction of outlier values.  Skewing is particularly acute with activity costs because participants with a low volume in an activity sometimes have very high costs per unit.

# 1A Pension Payments

Your pension payments cost per annuitant was $2.02. This was $5.41 below the peer median of $7.43. The biggest reason why was that you serviced more annuitants per direct FTE (productivity).



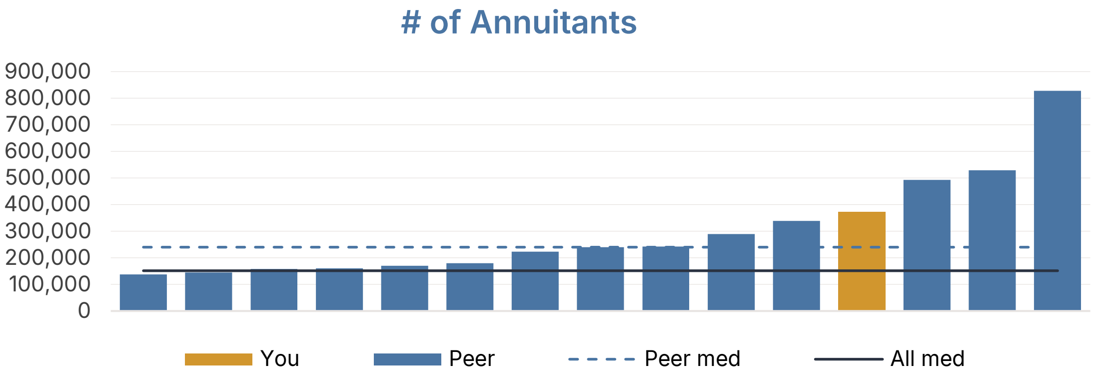
| Reasons why your cost was below median | Comparison | | Impact [1] $s per Annuitant |
|---|---|---|---|
| | You | Peer med | |
| Lower salaries and benefits per direct FTE | $86,188 | $113,867 | -$0.48 |
| More annuitants per direct FTE (productivity) | 58,135 | 24,697 | -$2.01 |
| Lower third party costs per annuitant | $0.54 | $1.98 | -$1.44 |
| Unexplained [1] | | | -$1.48 |
| **Cost per annuitant** | **$2.02** | **$7.43** | **-$5.41** |

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

# 1A Pension Payments - Factors that impact productivity

### 1. Economies of scale

You had an economy of scale advantage. Your 372,067 annuitants was 55% higher than the peer median of 239,970.

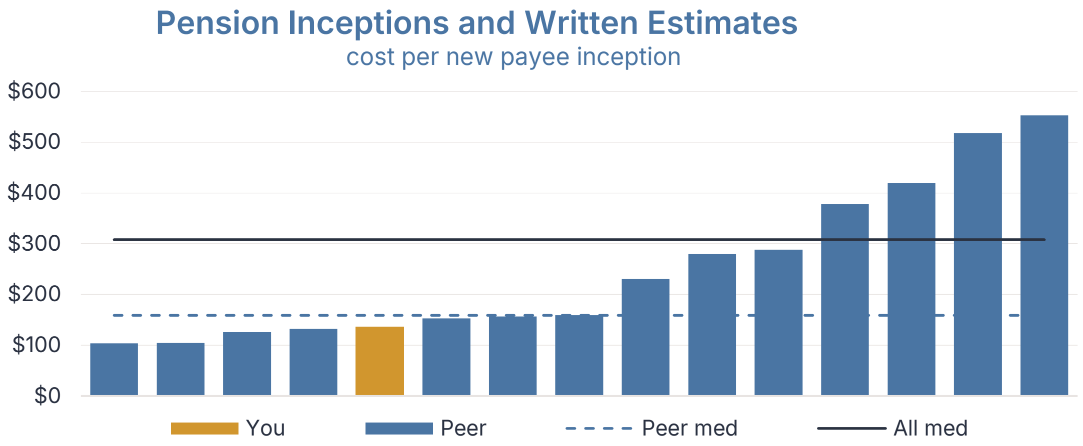


### 2. Additional pension payments work per annuitant

| Causes of additional work | You | Peer avg | Cost Impact |
|---|---|---|---|
| Percentage of pensioners paid by check (as opposed to Electronic Funds Transfer) | 2% | 2% | neutral |

# 1B Pension Inceptions and Written Estimates

Your pension inceptions and written estimates cost per new payee inception was $136.21. This was $22.72 below the peer median of $158.93.  The biggest reason why was that you had lower salaries and benefits per direct FTE.



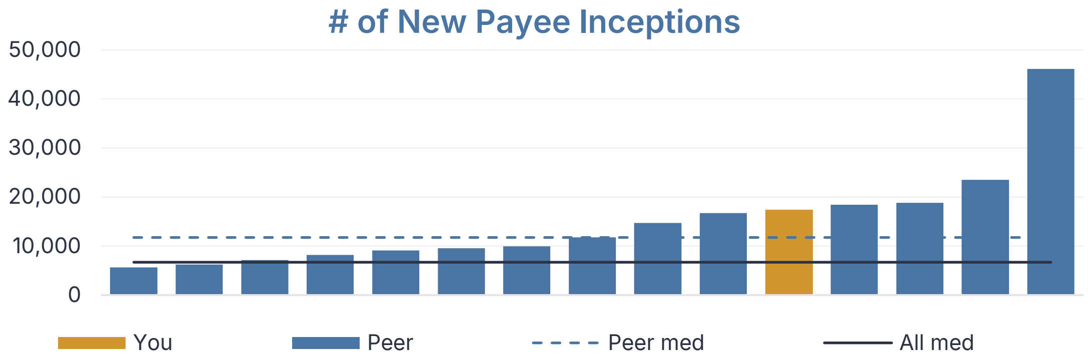
| **Reasons why your cost was below median** | **Comparison** | | **Impact[1]** |
|---|---|---|---|
| | **You** | **Peer med** | **$s per New Payee Inception** |
| Lower salaries and benefits per direct FTE | $83,996 | $111,807 | -$44.76 |
| More new payee inceptions per direct FTE (productivity) | 621 | 555 | -$16.25 |
| Lower third party costs per new payee inception | $1.02 | $13.71 | -$12.69 |
| Unexplained[1] | | | $50.98 |
| **Cost per new payee inception** | **$136.21** | **$158.93** | **-$22.72** |

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

# 1B Pension Inceptions and Written Estimates - Factors that impact productivity

### 1. Economies of scale

You had an economy of scale advantage. Your 17,335 new payee inceptions was 47% higher than the peer median of 11,753.



### 2. Mix of activity volume

Inceptions to survivors tend to be less work than inceptions to active members because there are usually no payment option choices for survivors.

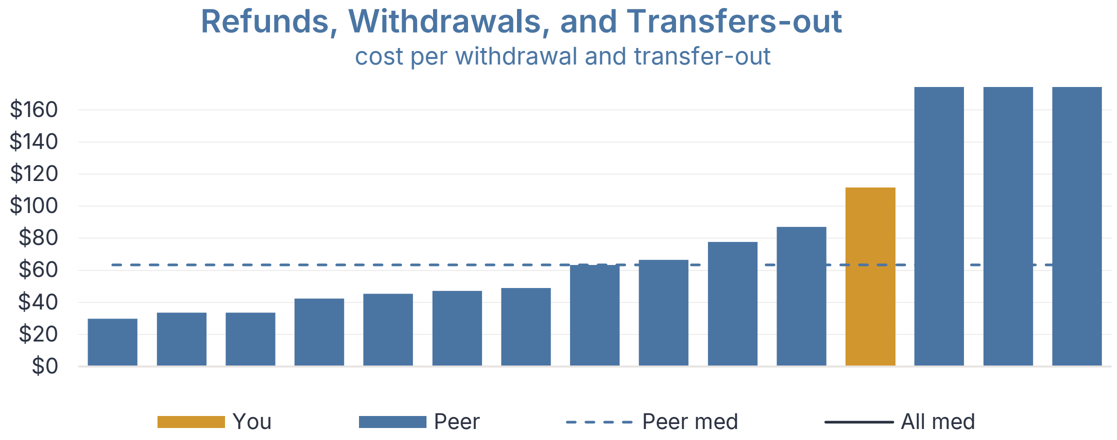
| Activity Volume: % by Type | You | Peer avg | Cost Impact |
|---|---|---|---|
| Service retirement inceptions | 97% | 84% | |
| Disability retirement inceptions | 1% | 2% | |
| Inceptions to survivors, partners, ex-partners or dependents | 2% | 14% | increasing |
| **Total new payee inceptions** | **100%** | **100%** | |

### 3. Additional work per new payee inception

| Causes of additional work | You | Peer avg | Cost Impact |
|---|---|---|---|
| Proportion of inceptions to retiring active members based on estimates | 28% | 75% | decreasing |
| Changes in gross amount of annuity pensions paid as a result of changes in an individual annuitant's personal circumstances, as a % of new payee inceptions. (This work is included in the cost of inceptions, but not the volume). | 4% | 8% | decreasing |
| Written estimates as a % of new payee inceptions | 13% | 47% | decreasing |
| Joint account reciprocity with other systems | No | 40%Yes | decreasing |
| Total complexity score (out of 100) | 41 | 43 | decreasing |

# 1C Refunds, Withdrawals, and Transfers-out

Your refunds, withdrawals, and transfers-out cost per withdrawal and transfer-out was $111.29. This was $47.93 above the peer median of $63.36. The biggest reason why was that you completed fewer refunds, withdrawals, and transfers-out per direct FTE (productivity).



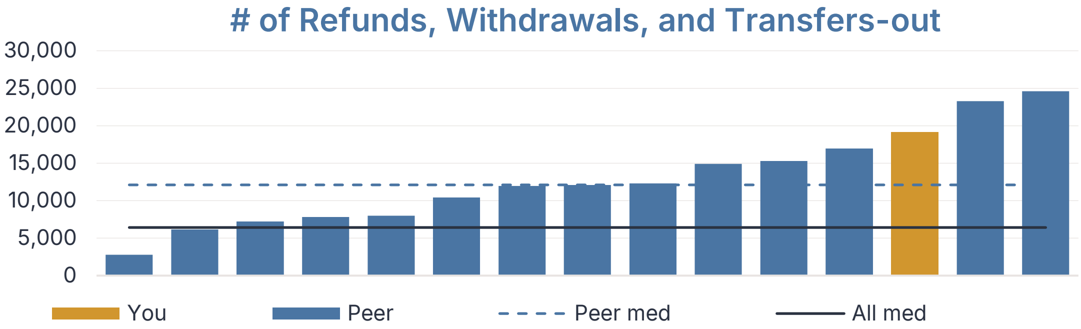
| Reasons why your cost was above median | Comparison | | Impact [1] |
|---|---|---|---|
| | You | Peer med | $s per Withdrawal and Transfer-out |
| Lower salaries and benefits per direct FTE | $83,032 | $111,341 | -$36.69 |
| Fewer refunds, withdrawals, and transfers-out per direct FTE (productivity) | 771 | 2,018 | $66.48 |
| Higher third party costs per withdrawal and transfer-out | $3.66 | $3.56 | $0.11 |
| Unexplained [1] | | | $18.04 |
| **Cost per withdrawal and transfer-out** | **$111.29** | **$63.36** | **$47.93** |

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

# 1C Refunds, Withdrawals, and Transfers-out - Factors that impact productivity

### 1. Economies of scale

You had an economy of scale advantage. Your 19,133 refunds, withdrawals, and transfers-out was 58% higher than the peer median of 12,107.



### 2. Mix of activity volume

Transfers-out tend to be more work than a withdrawal because they require co-ordination with another pension system and its rules.

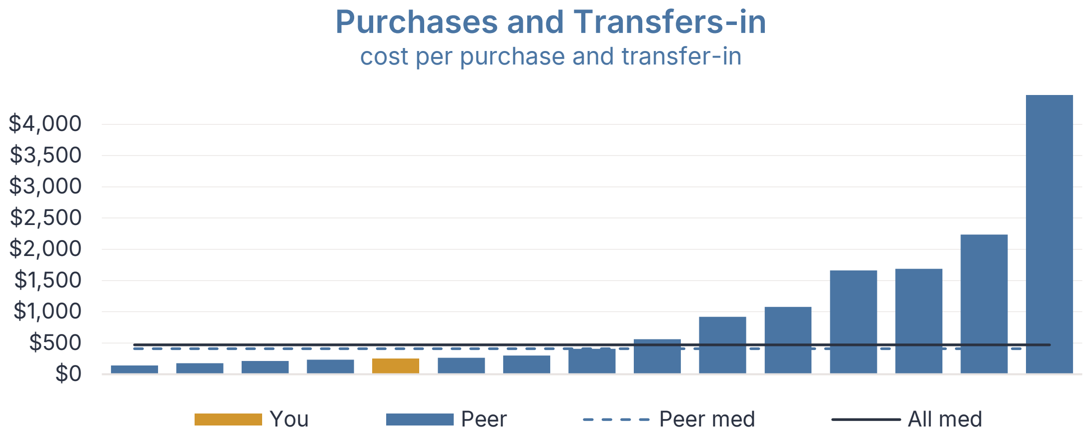
| Activity Volume: % by Type | You | Peer avg | Cost Impact |
|---|---|---|---|
| Full refunds/ withdrawals/ commuted value/ lump sums | 89% | 95% | |
| Transfers-out | 11% | 5% | increasing |
| **Total refunds, withdrawals, and transfers-out** | **100%** | **100%** | |

### 3. Additional work per withdrawal and transfer-out

| Causes of additional work | You | Peer avg | Cost Impact |
|---|---|---|---|
| Written estimates for refunds, withdrawals, and transfers-out as a % of refunds, withdrawals, and transfers-out | 1% | 50% | decreasing |
| Do you pay a one-time death payment when a member, retiree or the retiree's beneficiary dies (separate from the survivor pension)? | Yes | 60%Yes | increasing |

# 1D Purchases and Transfers-in

Your purchases and transfers-in cost per purchase and transfer-in was $249.09. This was $159.68 below the peer median of $408.77.



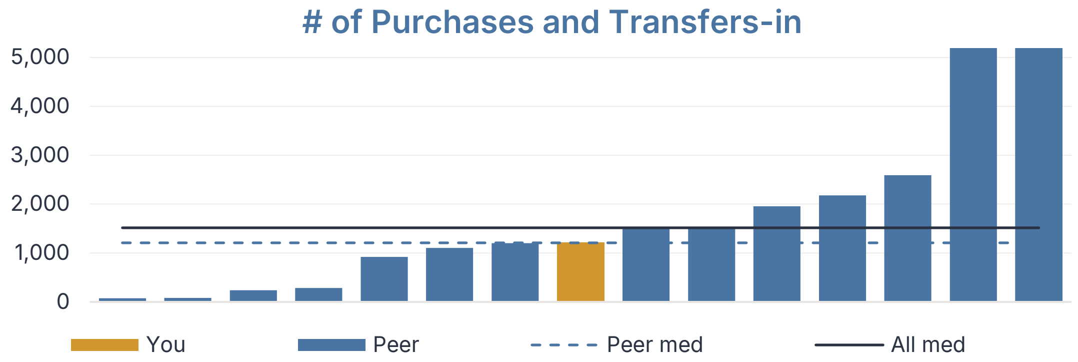
| Reasons why your cost was below median | Comparison | | Impact [1] |
|---|---|---|---|
| | You | Peer med | $s per Purchase and Transfer-in |
| Lower salaries and benefits per direct FTE | $85,818 | $115,000 | -$79.72 |
| More purchases and transfers-in per direct FTE (productivity) | 366 | 335 | -$21.68 |
| Equal third party costs per purchase and transfer-in | $14.65 | $14.65 | $0.00 |
| Unexplained [1] | | | -$58.28 |
| **Cost per purchase and transfer-in** | **$249.09** | **$408.77** | **-$159.68** |

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

# 1D Purchases and Transfers-in - Factors that impact productivity

### 1. Economies of scale

Your 1,208 purchases and transfers-in was the peer median. Thus the impact of economies of scale was minimized.



### 2. Mix of activity volume

Individual transfers-in tend to be more work than a service credit purchase because they require co-ordination with another pension system and its rules.

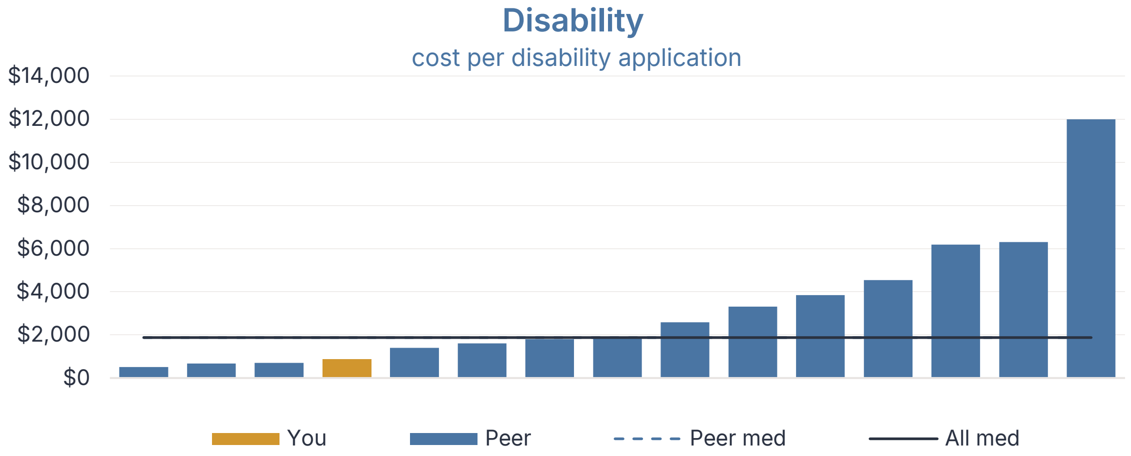
| Activity Volume: % by Type | You | Peer avg | Cost Impact |
|---|---|---|---|
| Prior Service credit purchases | 42% | 72% | |
| In-service credit purchases | 58% | 16% | |
| Upgrades to improve pensionable salary | 0% | 2% | |
| Upgrades to a new retirement formula | 0% | 1% | |
| Individual transfers-in from external defined benefit systems | 0% | 8% | decreasing |
| **Total purchases and transfers-in** | **100%** | **100%** | |

### 3. Additional work per purchase and transfer-in

| Causes of additional work | You | Peer avg | Cost Impact |
|---|---|---|---|
| Written estimates for purchases and transfers-in as a % of purchases and transfers-in | 407% | 377% | increasing |
| Installment payments permitted | No | 80%Yes | decreasing |

# 1E Disability

Your disability cost per disability application was $866.54. This was $1,009.30 below the peer median of $1,875.84. The biggest reason why was that you had lower third party costs per disability application.



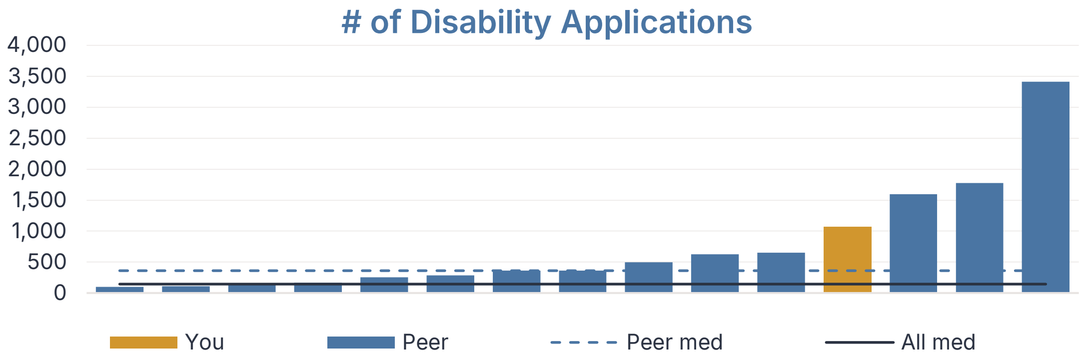
| Reasons why your cost was below median | Comparison | | Impact [1]<br>$s per Disability Application |
|---|---|---|---|
| | You | Peer med | |
| Lower salaries and benefits per direct FTE | $88,647 | $114,320 | -$246.11 |
| More disability applications per direct FTE (productivity) | 104 | 97 | -$61.19 |
| Lower third party costs per disability application | $16.73 | $716.80 | -$700.07 |
| Unexplained [1] | | | -$1.93 |
| **Cost per disability application** | **$866.54** | **$1,875.84** | **-$1,009.30** |

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

# 1E Disability - Factors that impact productivity

### 1. Economies of scale

You had an economy of scale advantage. Your 1,064 disability applications was 195% higher than the peer median of 361.



### 2. Mix of activity volume

Processing long-term disability applications tends to be more work than short-term disability applications.

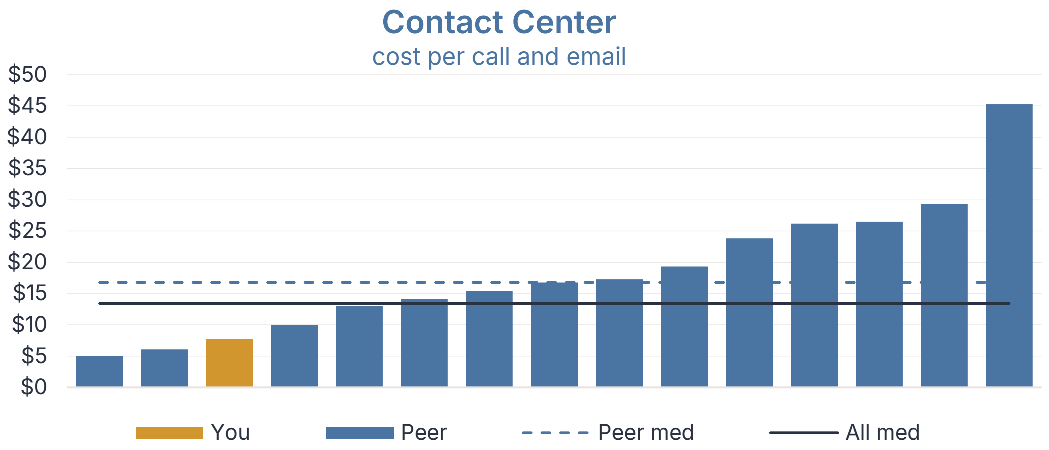
| Activity Volume: % by Type | You | Peer avg | Cost Impact |
|---|---|---|---|
| Applications for short-term disability | 0% | 7% | |
| Applications for disability pensions/ long-term disability/ disability lump sums | 100% | 93% | increasing |
| **Total disability applications** | **100%** | **100%** | |

### 3. Additional work per disability application

| Causes of additional work | You | Peer avg | Cost Impact |
|---|---|---|---|
| Independent decision process (versus following the ruling of an employer or social security, etc) | Yes | 100%Yes | neutral |
| Recertifications as a % of disability applications | 24% | 152% | decreasing |
| Recertifications as a % of disability recipients | 4% | 18% | decreasing |
| Medical exams paid for by you as a % of disability applications | 0% | 32% | decreasing |
| New member health reviews as a % of disability applications | 0% | 7% | decreasing |
| Disability decision appeals as a % of disability applications | 0% | 9% | decreasing |
| Occupational disability as a % of disability applications | 0% | 20% | decreasing |
| Disability complexity score (out of 100) | 71 | 69 | increasing |

# 2A Contact Center

Your contact center cost per call and email was $7.75. This was $9.04 below the peer median of $16.79. The biggest reason why was that you completed more calls and emails per direct FTE (productivity).



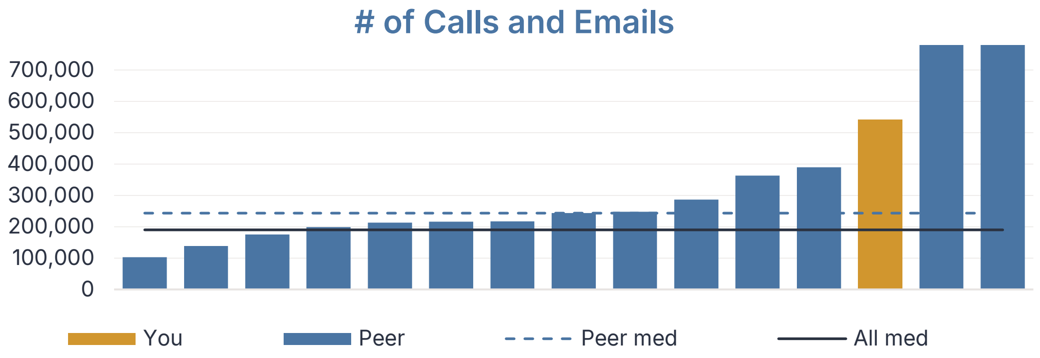
| Reasons why your cost was below median | Comparison | | Impact [1]<br>$s per Call and Email |
|---|---|---|---|
| | You | Peer med | |
| Lower salaries and benefits per direct FTE | $83,986 | $100,520 | -$1.52 |
| More calls and emails per direct FTE (productivity) | 10,886 | 5,413 | -$7.80 |
| Lower third party costs per call and email | $0.03 | $0.41 | -$0.38 |
| Unexplained [1] | | | $0.66 |
| **Cost per call and email** | **$7.75** | **$16.79** | **-$9.04** |

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

# 2A Contact Center - Factors that impact productivity

### 1. Economies of scale

You had an economy of scale advantage. Your 542,113 calls and emails was 123% higher than the peer median of 243,311.

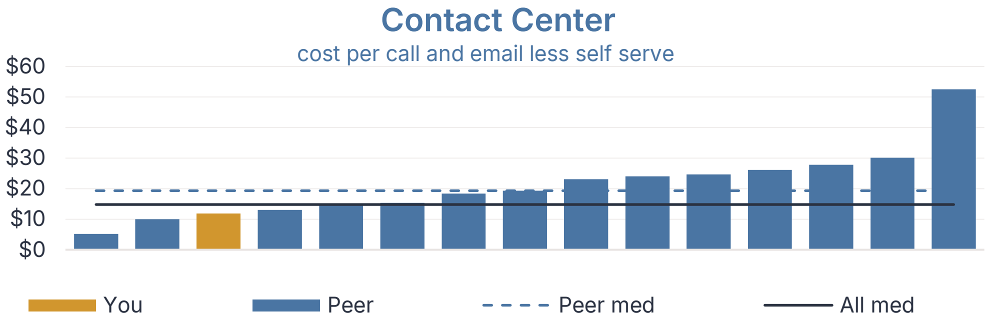


### 2. Mix of activity volume

Calls satisfied by self-serve options are close to zero cost, thus a lower proportion of self-serve calls result in an increased cost per call.

| Activity Volume: % by Type | You | Peer avg | Cost Impact |
|---|---|---|---|
| Incoming calls that reach service representatives | 46% | 76% | |
| Outgoing calls from service representatives | 3% | 3% | |
| Calls satisfied by self-serve options | 35% | 12% | decreasing |
| Email queries from members | 17% | 9% | |
| **Total calls and emails** | **100%** | **100%** | |

If self-serve calls were excluded from volumes, your cost per active member and annuitant would have increased to $11.93. This would have been below the peer median cost of $19.34.



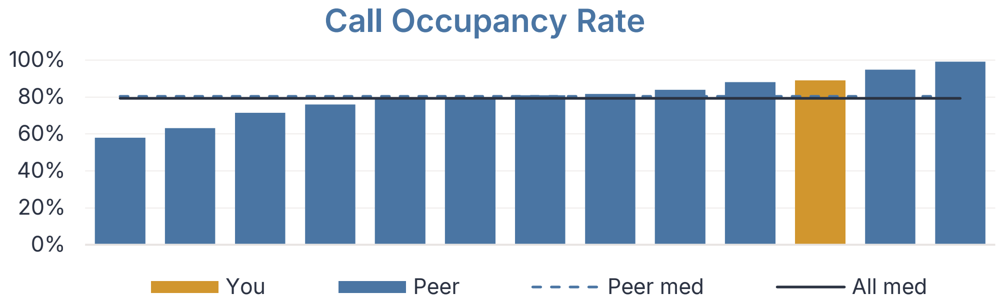
# 2A Contact Center - Factors that impact productivity

continued

### 3. Additional work per call and email

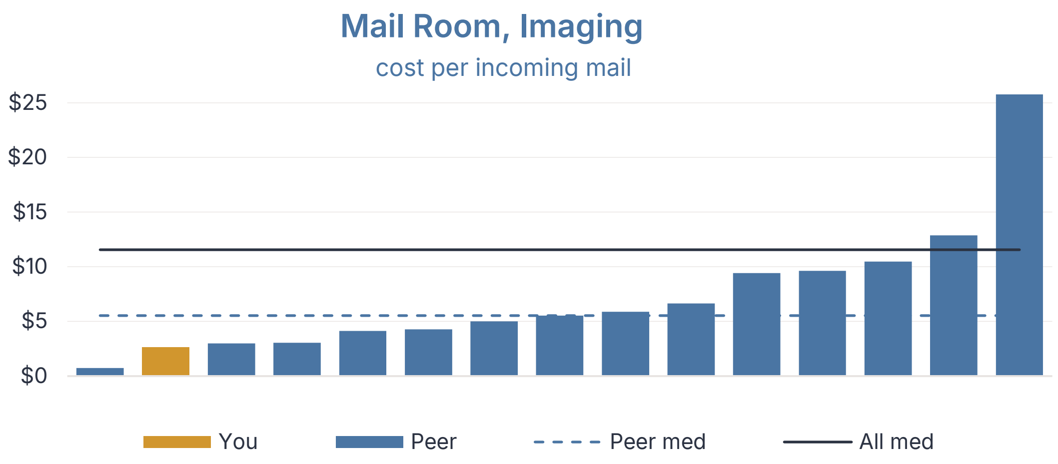
| Causes of additional work | You | Peer avg | Cost Impact |
|---|---|---|---|
| Average talk time of a member call (in seconds) | 466 | 451 | increasing |
| Average after call work time (in seconds) | 123 | 96 | increasing |
| Do you regularly review staff responses to member calls? | Yes | 100% Yes | neutral |

Occupancy rate is frequently used to measure productivity in a call center. A high occupancy rate implies an efficient use of staff, and low occupancy, the opposite. However, if occupancy is too high, your staff may be overworked, leading to undesired call-handling behavior and high staff turnover rate. Call centers handling larger volumes of calls will also be more efficient than smaller ones because of economies of scale.



# 2B Mail Room, Imaging

Your mail room, imaging cost per incoming mail was $2.60. This was $2.94 below the peer median of $5.54. The biggest reason why was that you completed more incoming mail per direct FTE (productivity).



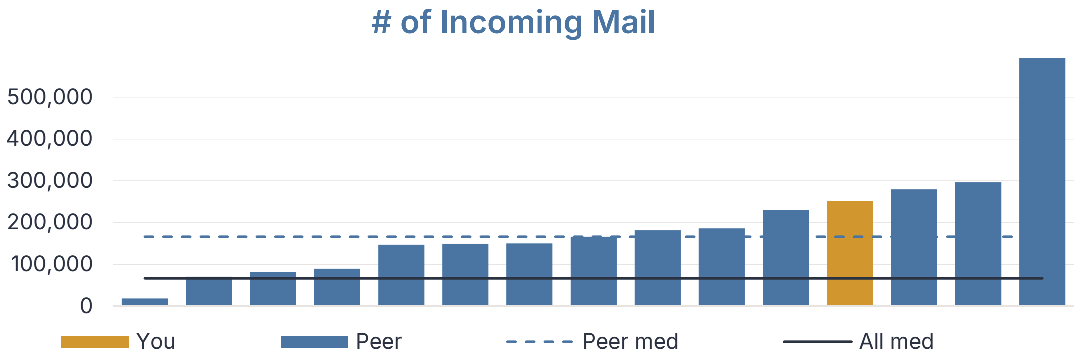
| Reasons why your cost was below median | Comparison | | Impact [1] |
|---|---|---|---|
| | | | $s per |
| | You | Peer med | Incoming Mail |
| Lower salaries and benefits per direct FTE | $85,568 | $89,875 | -$0.13 |
| More incoming mail per direct FTE (productivity) | 33,825 | 20,572 | -$1.63 |
| Lower third party costs per incoming mail | $0.07 | $0.46 | -$0.39 |
| Unexplained [1] | | | -$0.79 |
| **Cost per incoming mail** | **$2.60** | **$5.54** | **-$2.94** |

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

# 2B Mail Room, Imaging - Factors that impact productivity

### 1. Economies of scale

You had an economy of scale advantage. Your 250,304 incoming mail was 51% higher than the peer median of 166,126.

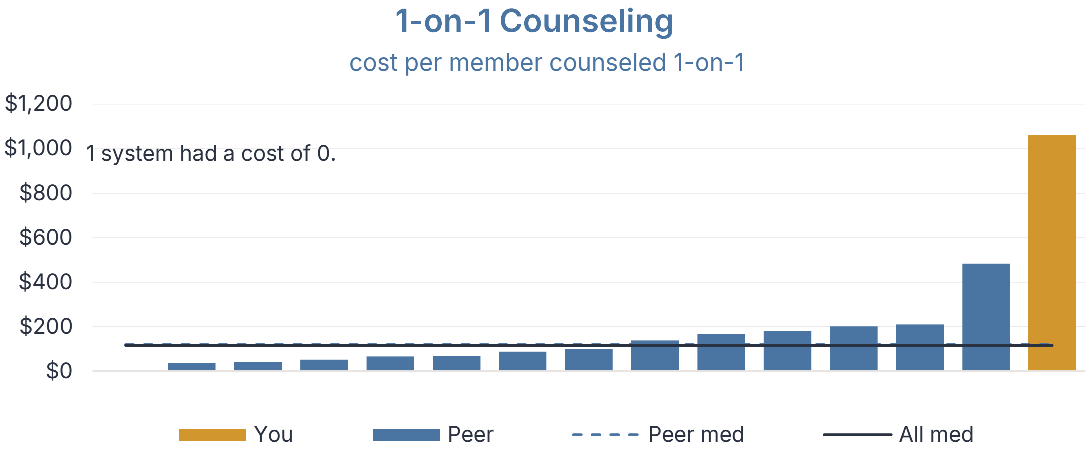


### 2. Additional work per incoming mail

| Causes of additional work | You | Peer avg | Cost Impact |
|---|---|---|---|
| Outgoing mail as a % of incoming mail (Outgoing mail is not included in activity volume. But it can add work if the mailroom is responsible for outgoing mail). | 169% | 854% | decreasing |

# 2C 1-on-1 Counseling

Your 1-on-1 counseling cost per member counseled 1-on-1 was $1,057.78. This was $938.03 above the peer median of $119.75. The biggest reason why was that you completed fewer members counseled 1-on-1 per direct FTE (productivity).



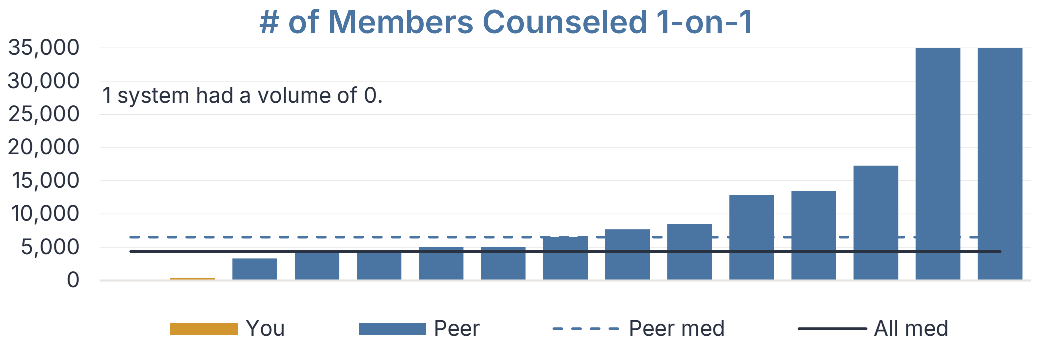
| Reasons why your cost was above median | Comparison | | Impact [1] |
|---|---|---|---|
| | You | Peer med | $s per Member Counseled 1-on-1 |
| Lower salaries and benefits per direct FTE | $83,304 | $112,064 | -$349.06 |
| Fewer members counseled 1-on-1 per direct FTE (productivity) | 82 | 990 | $926.97 |
| Higher third party costs per member counseled 1-on-1 | $46.70 | $3.90 | $42.80 |
| Unexplained [1] | | | $317.32 |
| **Cost per member counseled 1-on-1** | **$1,057.78** | **$119.75** | **$938.03** |

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

# 2C 1-on-1 Counseling - Factors that impact productivity

### 1. Economies of scale

You had an economy of scale disadvantage. Your 379 members counseled 1-on-1 was 94% lower than the peer median of 6,526.



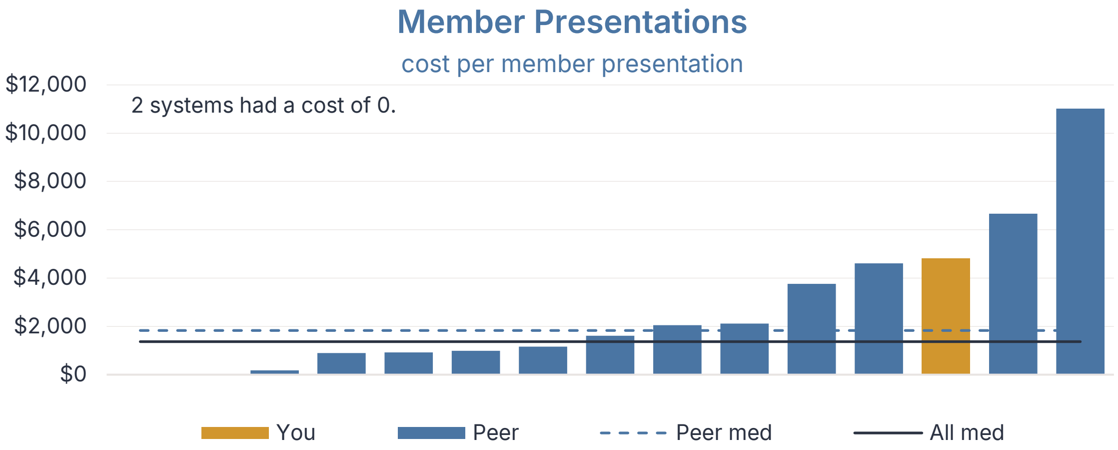
### 2. Mix of activity volume

Counseling in-house is less expensive than counseling in field locations, but more costly than via tele- or videoconference.

| Activity Volume: % by Type | You | Peer avg | Cost Impact |
|---|---|---|---|
| In-house | 1% | 37% | decreasing |
| In the field | 0% | 17% | |
| Via teleconference | 0% | 17% | increasing |
| Via videoconference | 99% | 29% | |
| **Total members counseled 1-on-1** | **100%** | **100%** | |

# 2D Member Presentations

Your member presentations cost per member presentation was $4,827.71. This was $2,998.32 above the peer median of $1,829.39.



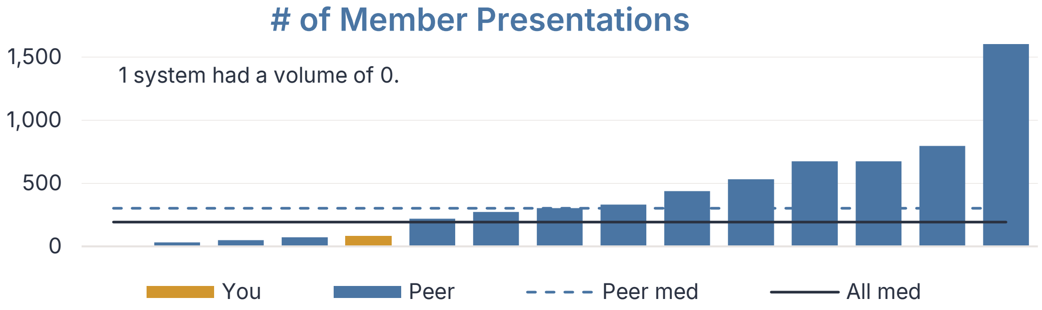
| Reasons why your cost was above median | Comparison | | Impact [1] |
|---|---|---|---|
| | You | Peer med | $s per Member Presentation |
| Lower salaries and benefits per direct FTE | $87,628 | $118,368 | -$1,592.58 |
| Fewer member presentations per direct FTE (productivity) | 19 | 66 | $3,214.18 |
| Higher third party costs per member presentation | $287.95 | $132.99 | $154.96 |
| Unexplained [1] | | | $1,221.76 |
| **Cost per member presentation** | **$4,827.71** | **$1,829.39** | **$2,998.32** |

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

# 2D Member Presentations - Factors that impact productivity

### 1. Economies of scale

You had an economy of scale disadvantage. Your 83 member presentations was 73% lower than the peer median of 302.



### 2. Mix of activity volume

Presentations and group counseling in field locations are more costly than in-house.

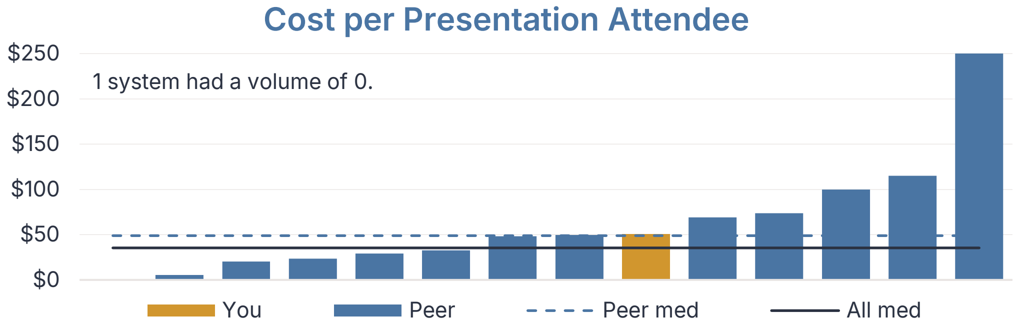
| **Member Presentations by Location** | **You** | **Peer avg** | **Cost Impact** |
|---|---|---|---|
| In-house and webcast | 93% | 60% | |
| In the field | 7% | 40% | decreasing |
| **Total presentations and group counseling** | **100%** | **100%** | |

### 3. Additional work per member presentation

If you have more attendees per presentation, then the cost per attendee will be lower and the volume of member presentations per FTE will be higher.  You had an average of 96 attendees per presentation, versus a peer average of 49.

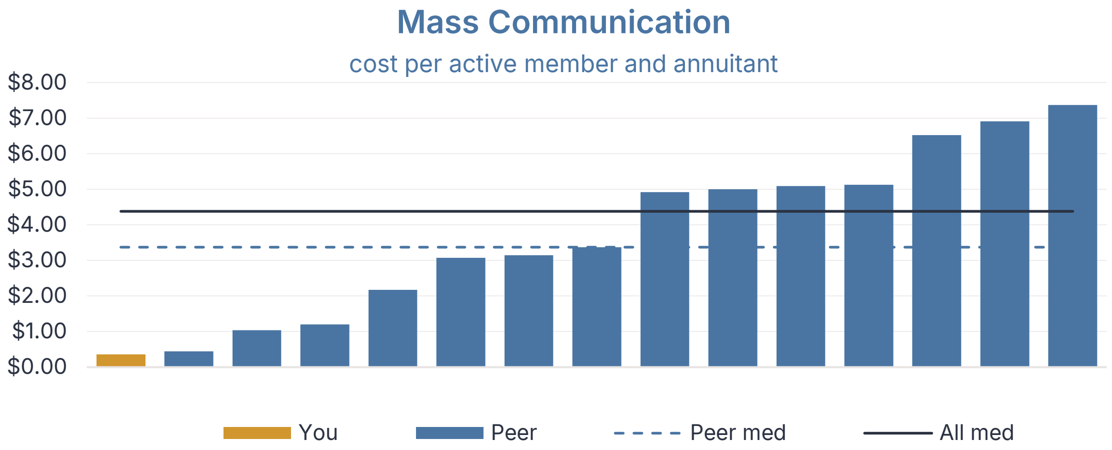
| **Causes of additional work** | **You** | **Peer avg** | **Cost Impact** |
|---|---|---|---|
| Average attendees per presentation | 96 | 49 | decreasing |

An alternative way of analyzing this activity's cost is on a 'per attendee' basis. Your cost per presentation attendee was $50. This was above the peer median cost of $49.



# 2E Mass Communication

Your mass communication cost per active member and annuitant was $0.35. This was $3.02 below the peer median of $3.37.



| Reasons why your cost was below median | Comparison | | Impact [1] |
|---|---|---|---|
| | You | Peer med | $s per Active Member and Annuitant |
| Lower salaries and benefits per direct FTE | $94,767 | $128,000 | -$0.12 |
| Fewer direct FTE per 10,000 active members and annuitants (productivity)[2] | 0.04 | 0.17 | -$1.28 |
| Lower third party costs per active member and annuitant | $0.02 | $0.87 | -$0.85 |
| Unexplained [1] | | | -$0.78 |
| **Cost per active member and annuitant** | **$0.35** | **$3.37** | **-$3.02** |

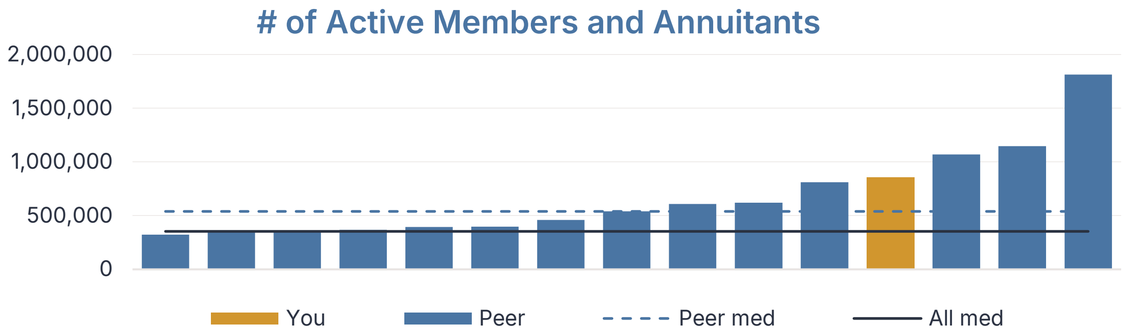
1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

2. You had 3.0 mass communication FTE which was 74% less than the peer median of 11.5. The percentage difference was more favorable on a 'per active members and annuitants' basis (your 0.04 FTE per 10,000 active members and annuitants was 79% less than the peer median of 0.17) because you had an economy of scale advantage.

# 2E Mass Communication - Factors that impact productivity

### 1. Economies of scale

You had an economy of scale advantage. Your 856,457 active members and annuitants was 59% higher than the peer median of 539,403.

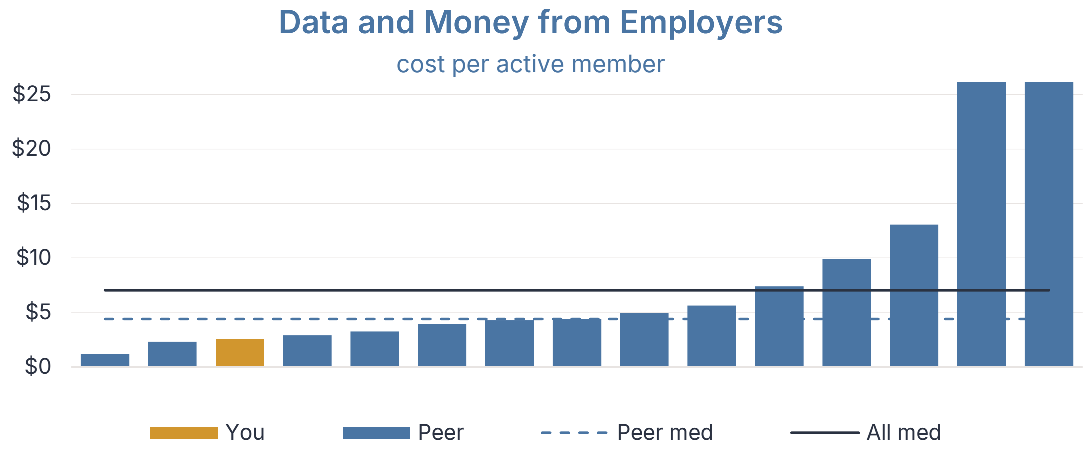


### 2. Additional mass communication work per active member and annuitant

| Causes of additional work | You | Peer avg | Cost Impact |
|---|---|---|---|
| Website Service Score (out of 100) - Generally, the higher the score, the more time communication staff spends on design and maintenance of the site. | 90 | 87 | increasing |
| Do you automatically send targeted emails or letters to members in the following circumstances: | | | |
| **Active members** | | | |
| a1) Approaching eligibility for retirement? | No | 53% Yes | |
| b1) Missing beneficiary information? | No | 27% Yes | |
| c1) Missing email address? | No | 7% Yes | |
| e) New members? | No | 87% Yes | |
| f) Eligibility or likely eligibility, to purchase prior service credit? | No | 13% Yes | |
| g) Members are vested for pension benefits (if not vested immediately)? | No | 40% Yes | |
| h) Eligibility to purchase in-leave service credit? | No | 0% Yes | |
| **Inactive members** | | | |
| a2) Approaching eligibility for retirement? | No | 53% Yes | |
| b2) Missing beneficiary information? | No | 20% Yes | |
| c2) Missing email address? | No | 0% Yes | |
| d1) Missing address? | No | 0% Yes | |
| i) Leaving the plan? | Yes | 33% Yes | |
| m) Expiration of disability benefits for inactive members? | Yes | 20% Yes | |
| **Annuitants** | | | |
| b3) Missing beneficiary information? | No | 13% Yes | |
| c3) Missing email address? | No | 13% Yes | |
| d2) Missing address? | No | 13% Yes | |
| j) New retirees? | Yes | 73% Yes | |
| k) Pension amount changes? | Yes | 80% Yes | |
| l) Members are vested for disability benefits (if not vested immediately)? | No | 13% Yes | |

# 3A Data and Money from Employers

Your data and money from employers cost per active member was $2.52. This was $1.87 below the peer median of $4.39. The biggest reason why was that you had lower salaries and benefits per direct FTE.


Data and Money from Employers

cost per active member

| Reasons why your cost was below median | Comparison |  | Impact [1] |
|---|---|---|---|
|  | You | Peer med | $s per Active Member |
| Lower salaries and benefits per direct FTE | $85,199 | $119,354 | -$0.99 |
| Fewer direct FTE per 10,000 active members (productivity)[2] | 0.16 | 0.20 | -$0.29 |
| Lower third party costs per active member | $0.04 | $0.19 | -$0.15 |
| Unexplained [1] |  |  | -$0.44 |
| **Cost per active member** | **$2.52** | **$4.39** | **-$1.87** |

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

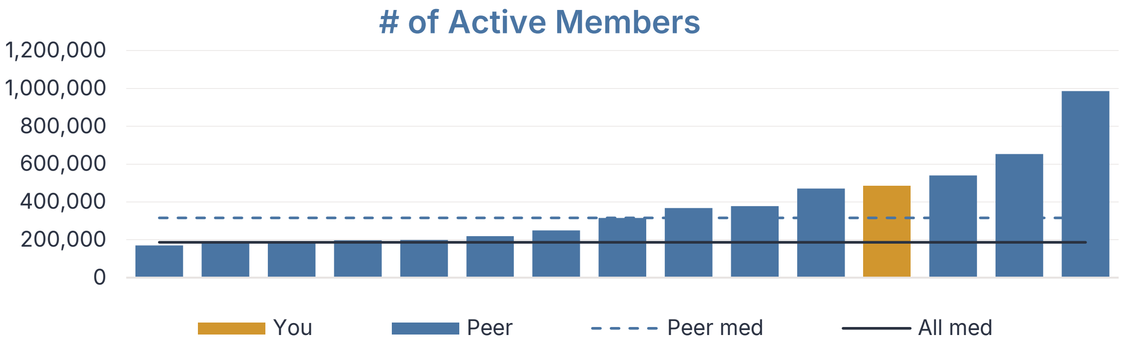
2. You had 14.1 data and money from employers FTE which was 34% more than the peer median of 10.5. The difference changes direction and was more favorable on a 'per active members' basis (your 0.16 data and money from employers FTE per 10,000 active members was 17% less than the peer median of 0.20) because you had an economy of scale advantage.

CEM uses active members as the divisor of this activity's cost. For systems with few employers, active members is the better predictor of cost whereas for systems with numerous employers the number of employers is the better predictor. Therefore, on the following page we show the number of employers as a divisor to provide an alternate cost comparison.

# 3A Data and Money from Employers - Factors that impact productivity

### 1. Economies of scale

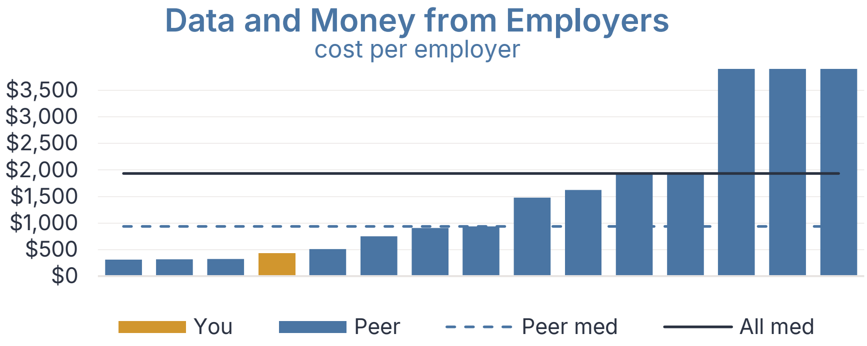
You had an economy of scale advantage. Your 484,390 active members was 53% higher than the peer median of 315,810.



### 2. Additional data and money from employers work per active member

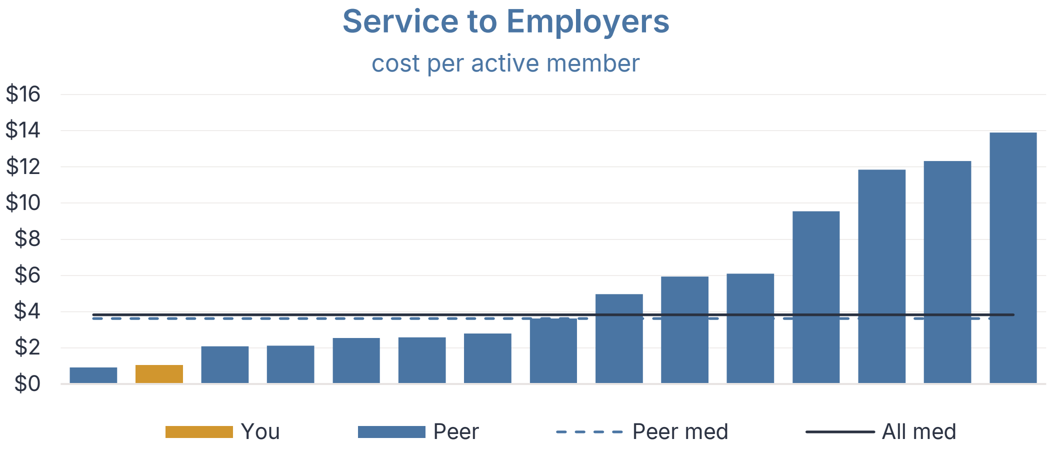
| Causes of additional work | You | Peer avg | Cost Impact |
|---|---|---|---|
| How many 'reconciliation points' (i.e., employers, state agencies, departments and/or service providers, etc.) do you deal with when: | | | |
| • Validating member data? (as a % of active members) | 0.6% | 0.6% | neutral |
| • Reconciling money issues? (as a % of active members) | 0.6% | 0.5% | increasing |
| Active members whose data is provided in paper format (as a % of active members) | 2.2% | 10.2% | decreasing |
| Status changes as a % of active members | | | |
| • New active members | 11.0% | 10.7% | increasing |
| • Active members exiting to inactive or withdrawal | 7.6% | 7.1% | increasing |

### 3. Alternate cost drivers: Data and money from employers cost per employer



# 3B Service to Employers

Your service to employers cost per active member was $1.05. This was $2.57 below the peer median of $3.62.



| Reasons why your cost was below median | Comparison | | Impact [1] |
|---|---|---|---|
| | | | $s per Active |
| | You | Peer med | Member |
| Lower salaries and benefits per direct FTE | $88,855 | $125,887 | -$0.42 |
| Fewer direct FTE per 10,000 active members (productivity)[2] | 0.06 | 0.15 | -$0.73 |
| Lower third party costs per active member | $0.04 | $0.18 | -$0.14 |
| Unexplained [1] | | | -$1.28 |
| **Cost per active member** | **$1.05** | **$3.62** | **-$2.57** |

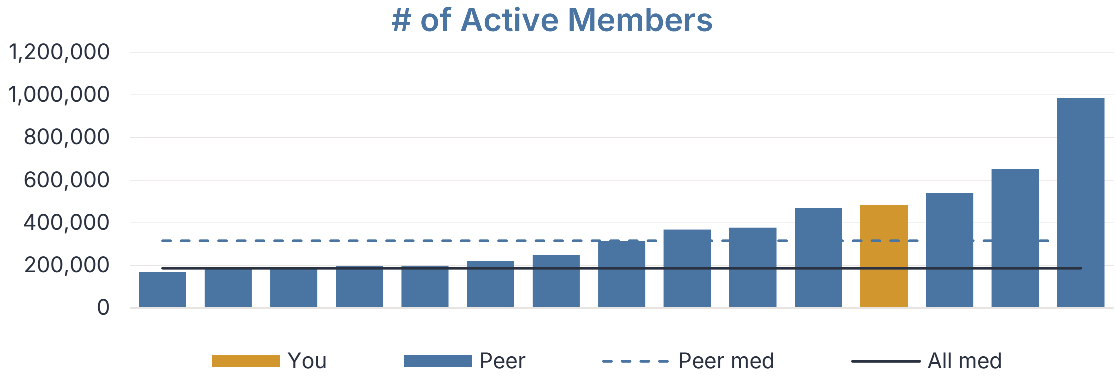
1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

2. You had 5.5 service to employers FTE which was 9% less than the peer median of 6.0. The percentage difference was more favorable on a 'per active members' basis (your 0.06 FTE per 10,000 active members was 56% less than the peer median of 0.15) because you had an economy of scale advantage.

# 3B Service to Employers - Factors that impact productivity

### 1. Economies of scale

You had an economy of scale advantage. Your 484,390 active members was 53% higher than the peer median of 315,810.

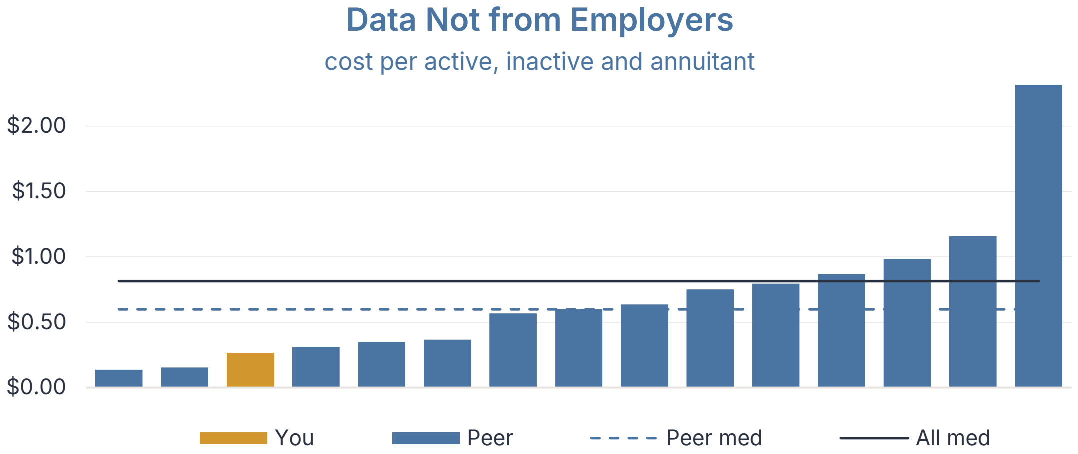


### 2. Additional service to employers work per active member

| Causes of additional work | You | Peer avg | Cost Impact |
|---|---|---|---|
| How many 'reconciliation points' (i.e., employers, state agencies, departments and/or service providers, etc.) do you deal with when: | | | |
| • Validating member data? (as a % of active members) | 0.6% | 0.6% | neutral |
| • Reconciling money issues? (as a % of active members) | 0.6% | 0.5% | increasing |
| Service transactions a % of active members: | | | |
| a) Incoming calls from employers? | 1.0% | 4.6% | decreasing |
| b) Email queries from employers? | 4.4% | 8.3% | decreasing |
| c) Conferences for employers? | 0.0% | 0.0% | neutral |
| d) Presentations given to employers such as orientation workshops or seminars on benefit changes, etc? | 0 bps | 0.04 bps | decreasing |
| e) On-site reviews (or audits or inspections) of your employers? | 0 bps | 0.02 bps | decreasing |
| [For example, several systems perform reviews of their employers that have problems providing data and or contributions on a timely basis to ensure that they are correctly fulfilling their obligations to their members.] | 0 bps | 0 bps | neutral |
| f) Other site visits to employers [exclude 'd' and 'e' above]? | 0 bps | 0 bps | decreasing |

# 3C Data Not from Employers

Your data not from employers cost per active, inactive and annuitant was $0.27. This was $0.33 below the peer median of $0.60.



| Reasons why your cost was below median | Comparison | | Impact [1] |
|---|---|---|---|
| | You | Peer med | $s per Active, Inactive and Annuitant |
| Lower salaries and benefits per direct FTE | $87,034 | $112,292 | -$0.07 |
| Fewer direct FTE per 10,000 actives, inactives, annuitants (productivity)[2] | 0.03 | 0.06 | -$0.25 |
| Lower third party costs per active, inactive and annuitant | $0.02 | $0.05 | -$0.03 |
| Unexplained [1] | | | $0.03 |
| **Cost per active, inactive and annuitant** | **$0.27** | **$0.60** | **-$0.33** |

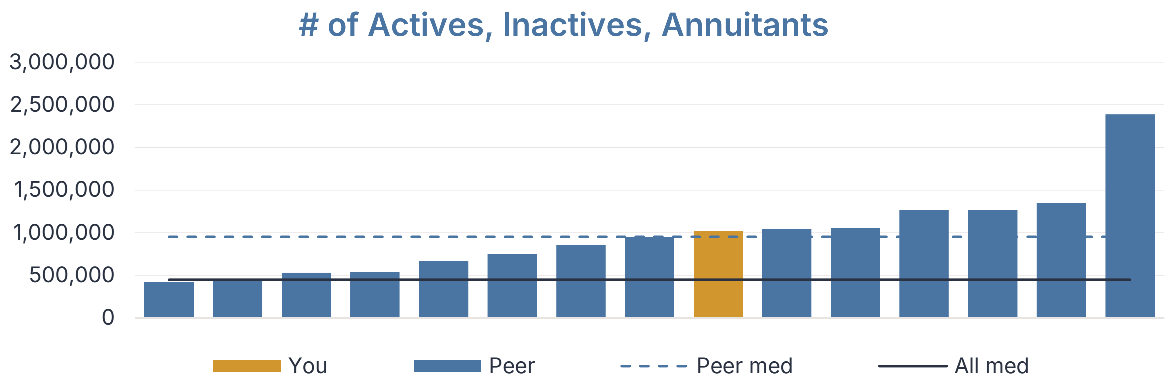
1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

2. You had 2.9 data not from employers FTE which was 12% less than the peer median of 3.3. The percentage difference was more favorable on a 'per actives, inactives, annuitants' basis (your 0.03 FTE per 10,000 actives, inactives, annuitants was 46% less than the peer median of 0.06) because you had an economy of scale advantage.

# 3C Data Not from Employers - Factors that impact productivity

### 1. Economies of scale

You had an economy of scale advantage. Your 1,013,797 actives, inactives, annuitants was 6% higher than the peer median of 952,149.

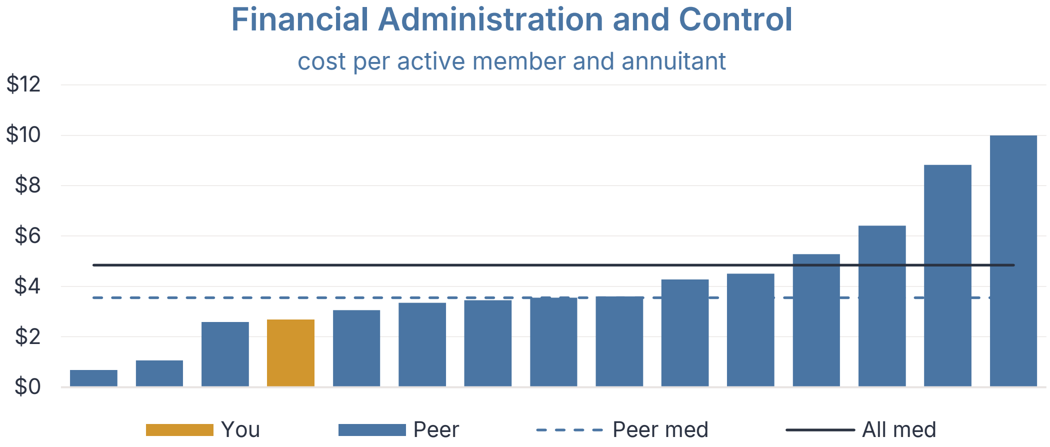


### 2. Additional data not from employers work per active, inactive and annuitant

| Causes of additional work | You | Peer avg | Cost Impact |
|---|---|---|---|
| Do you actively keep track of the addresses of inactive members? | Yes | 87%Yes | increasing |
| If yes, inactive members as a % of actives, inactives, annuitants | 15.5% | 32.2% | decreasing |
| Status changes as a % of actives, inactives, annuitants:<br>• Deaths | 1.1% | 1.3% | decreasing |

# 4A Financial Administration and Control

Your financial administration and control cost per active member and annuitant was $2.69. This was $0.86 below the peer median of $3.55.



| Reasons why your cost was below median | Comparison | | Impact [1] |
|---|---|---|---|
| | You | Peer med | $s per Active Member and Annuitant |
| Lower salaries and benefits per direct FTE | $100,087 | $146,205 | -$0.25 |
| Fewer direct FTE per 10,000 active members and annuitants (productivity)[2] | 0.05 | 0.22 | -$1.62 |
| Higher third party costs per active member and annuitant | $2.19 | $0.69 | $1.50 |
| Unexplained [1] | | | -$0.49 |
| **Cost per active member and annuitant** | **$2.69** | **$3.55** | **-$0.86** |

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

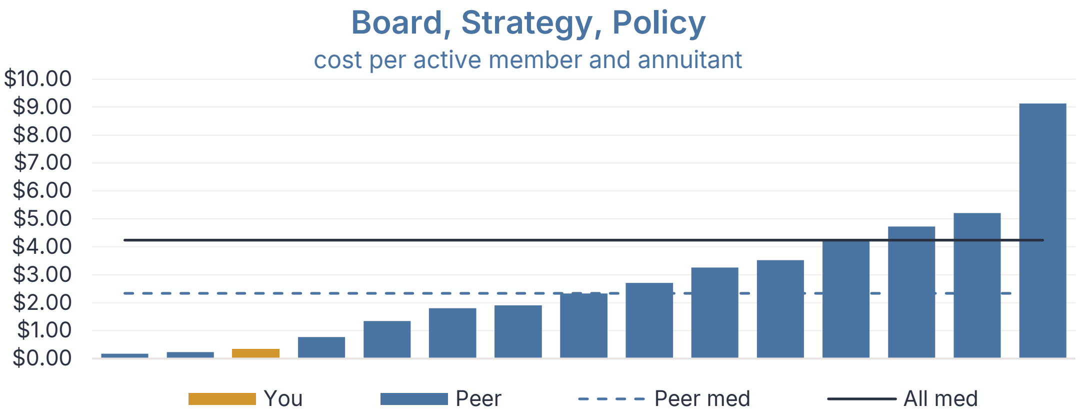
2. You had 4.6 financial administration and control FTE which was 39% less than the peer median of 7.5. The percentage difference was more favorable on a 'per active members and annuitants' basis (your 0.05 FTE per 10,000 active members and annuitants was 75% less than the peer median of 0.22) because you had an economy of scale advantage.

Usually, the biggest reason for differences in this activity's cost is the number of financial administration and control FTE per 10,000 members. Two key reasons for differences in FTE per 10,000 (and/or third party costs) are:

- Economies of scale - You had an economy of scale advantage. Your 856,457 active members and annuitants was 59% higher than the peer median of 539,403.
- Doing more/less - For example, some systems have more extensive budgeting than others.

# 4B Board, Strategy, Policy

Your board, strategy, policy cost per active member and annuitant was $0.34. This was $2.00 below the peer median of $2.34.



| Reasons why your cost was below median | Comparison | | Impact [1] |
|---|---|---|---|
| | You | Peer med | $s per Active Member and Annuitant |
| Lower salaries and benefits per direct FTE | $146,167 | $186,200 | -$0.08 |
| Fewer direct FTE per 10,000 active members and annuitants (productivity)[2] | 0.02 | 0.11 | -$1.29 |
| Lower third party costs per active member and annuitant | $0.04 | $0.45 | -$0.41 |
| Unexplained [1] | | | -$0.22 |
| **Cost per active member and annuitant** | **$0.34** | **$2.34** | **-$2.00** |

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

2. You had 1.8 board, strategy, policy FTE which was 64% less than the peer median of 5.0. The percentage difference was more favorable on a 'per active members and annuitants' basis (your 0.02 FTE per 10,000 active members and annuitants was 81% less than the peer median of 0.11) because you had an economy of scale advantage.

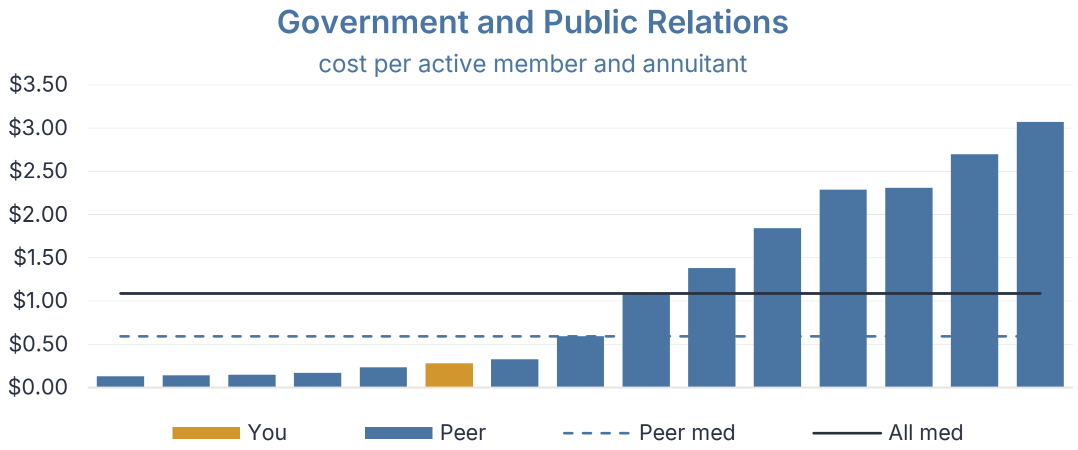
Usually, the biggest reason for differences in this activity's cost is the number of board, strategy, policy FTE per 10,000 members. Two key reasons for differences in FTE per 10,000 (and/or third party costs) are:

- Economies of scale - You had an economy of scale advantage. Your 856,457 active members and annuitants was 59% higher than the peer median of 539,403.

- Doing more/ less - For example, some systems have more oversight meetings with their Board of Trustees, advisory committees, non-board legislative oversight committees, etc.

# 4C Government and Public Relations

Your government and public relations cost per active member and annuitant was $0.28. This was $0.31 below the peer median of $0.59.



| Reasons why your cost was below median | Comparison | | Impact [1] $s per Active Member and Annuitant |
|---|---|---|---|
| | You | Peer med | |
| Lower salaries and benefits per direct FTE | $139,667 | $162,111 | -$0.04 |
| Fewer direct FTE per 10,000 active members and annuitants (productivity)[2] | 0.02 | 0.05 | -$0.40 |
| Equal third party costs per active member and annuitant | $0.04 | $0.04 | -$0.01 |
| Unexplained [1] | | | $0.14 |
| **Cost per active member and annuitant** | **$0.28** | **$0.59** | **-$0.31** |

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

2. You had 1.5 government and public relations FTE which was 19% less than the peer median of 1.9. The percentage difference was more favorable on a 'per active members and annuitants' basis (your 0.02 FTE per 10,000 active members and annuitants was 62% less than the peer median of 0.05) because you had an economy of scale advantage.

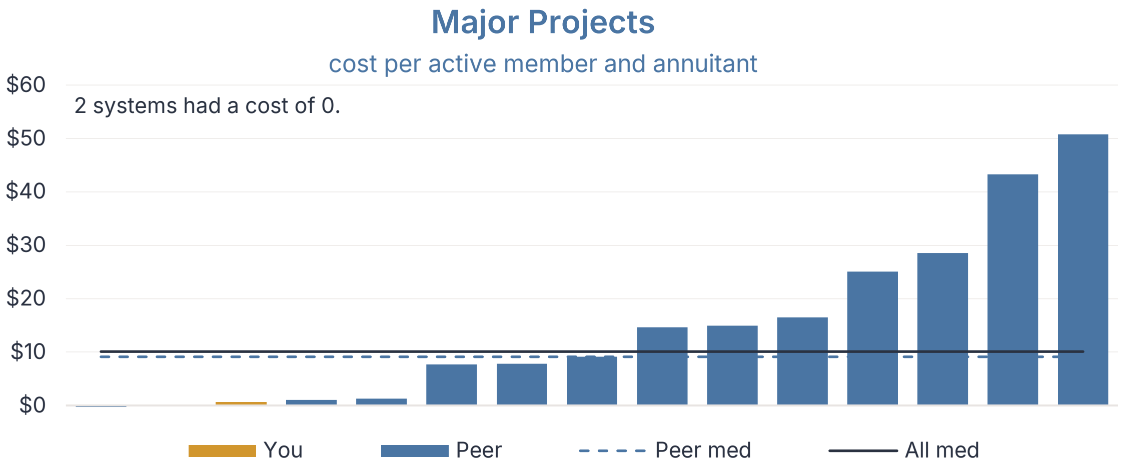
Usually, the biggest reason for differences in this activity's cost is the number of government and public relations FTE per 10,000 members. Two key reasons for differences in FTE per 10,000 (and/or third party costs) are:

- Economies of scale - You had an economy of scale advantage. Your 856,457 active members and annuitants was 59% higher than the peer median of 539,403.

- Doing more/less - For example, some systems do not have any government relations staff.

# 5A-D Major Projects

Your major projects cost per active member and annuitant was $0.60. This was $8.51 below the peer median of $9.11. This comparison includes both '5A and 5C Amortized major projects' plus '5B and 5D Major Projects (if you don't capitalize)'.



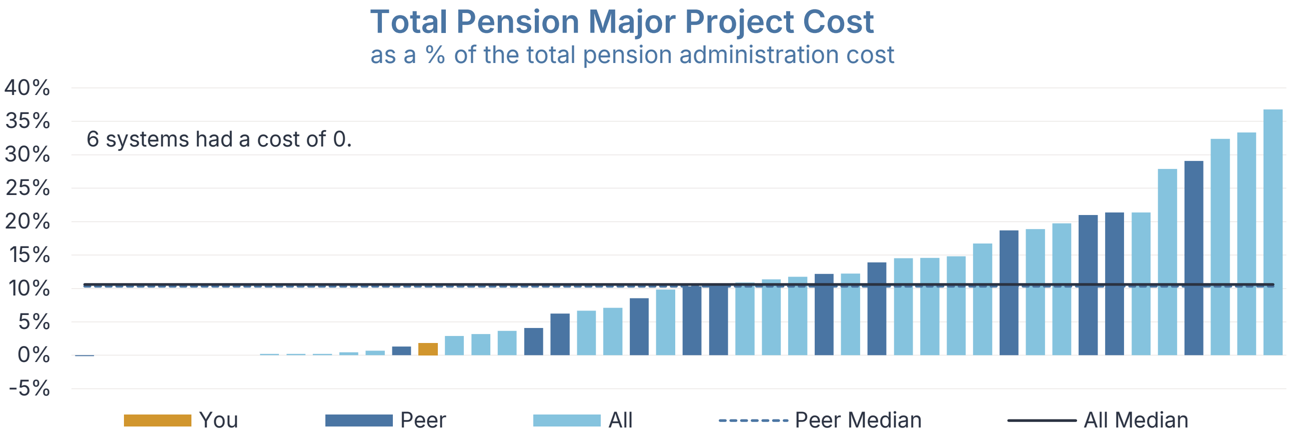
Reasons for differences in the cost for major projects include:

- Economies of scale - Scale is particularly important for major projects because of the substantial fixed costs of developing the IT infrastructure necessary for pension systems to operate. You had an economy of scale advantage. Your 856,457 active members and annuitants was 58.8% higher than the peer median of 539,403. Thus you had more members over which to spread major projects costs.

- Plan complexity - It is more expensive to develop and maintain IT systems for plans with complex rule sets. Your total plan complexity score was 41 out of 100. This was equal to the peer median of 41.
- IT investment cycle - If you recently upgraded your IT systems, then your amortization costs will be higher than a system that has not upgraded their IT systems since 2000.
- Capitalization - Systems that do not capitalize major project costs will have more variable major project costs. Systems that only recently started capitalizing major projects costs will have lower costs than systems that have been capitalizing for a long time.

# 5A-D Major Projects - as a % of cost

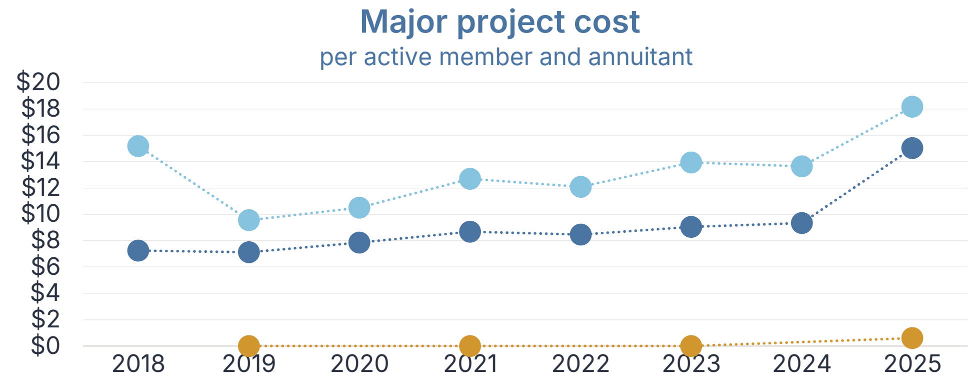
Your major project cost as a percent of total cost was 2%. This was below the peer median of 10%.



| Major Project Cost by Category | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Cost in$ 000s | Cost per Active Member and Annuitant | | | | | Cost as a % of Total Major Project Cost | | |
| | | | Peer | | All | | | Peer | All |
| **Activity** | **You** | **You** | **Med** | **Avg** | **Med** | **Avg** | **You** | **Avg** | **Avg** |
| 5a. Amortization of non-IT Major Projects | 0 | 0.00 | 0.00 | 0.45 | 0.00 | 0.37 | 0% | 3% | 2% |
| 5b. Non-IT Major Projects (if you don't capitalize) | 0 | 0.00 | 0.00 | 2.73 | 0.00 | 2.03 | 0% | 19% | 11% |
| 5c. Amortization of IT Major Projects | 0 | 0.00 | 0.00 | 5.67 | 0.00 | 3.63 | 0% | 38% | 20% |
| 5d. IT Major Projects (if you don't capitalize) | 512 | 0.60 | 1.27 | 5.88 | 2.63 | 11.67 | 100% | 40% | 66% |
| **Total Pension Major Project cost** | **512** | **0.60** | **9.11** | **14.73** | **10.09** | **17.70** | **100%** | **100%** | **100%** |

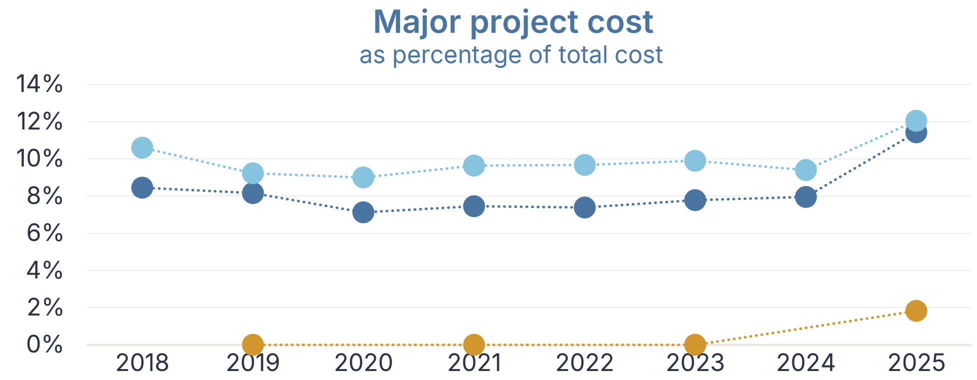
# 5A-D Major Projects - trends

You did not provide any major project costs over this period. The major project cost per member for your peers that have participated for 8 consecutive years has grown at a compound annual rate of 11.0% between 2018 and 2025. The all participant average was 2.6%.



| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| You | | $0 | | $0 | | $0 | | $1 |
| Peer Avg | $7 | $7 | $8 | $9 | $8 | $9 | $9 | $15 |
| All Avg | $15 | $10 | $10 | $13 | $12 | $14 | $14 | $18 |

You did not provide any major project costs over this period. The major project cost as a percentage of total cost for your peers that have participated for 8 consecutive years has grown at a compound annual rate of 4.4% between 2018 and 2025. The all participant average is 1.9%.

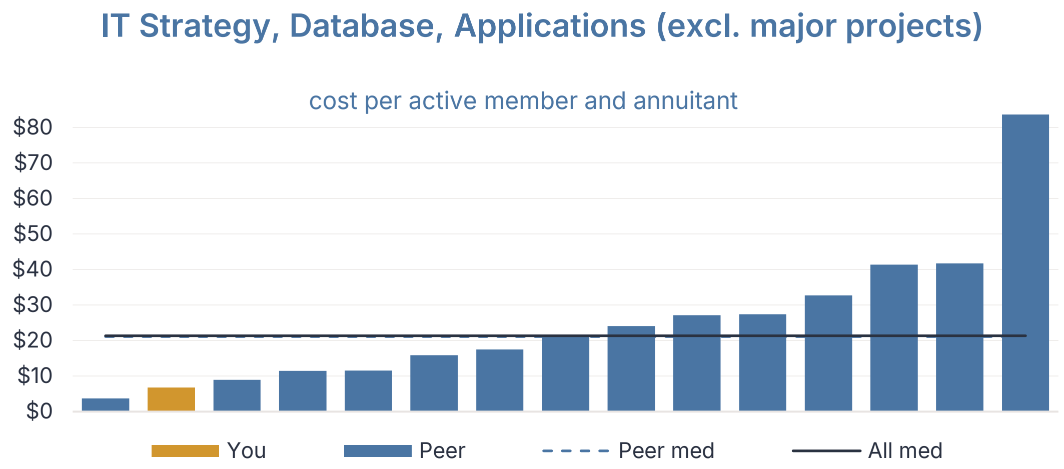


| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| You | | 0% | | 0% | | 0% | | 2% |
| Peer Avg | 8% | 8% | 7% | 7% | 7% | 8% | 8% | 11% |
| All Avg | 11% | 9% | 9% | 10% | 10% | 10% | 9% | 12% |

Trend analysis is based on systems that have provided 8 consecutive years of data (13 of 15 peers and 31 of 46 World systems).

# 6A IT Strategy, Database Management and Applications (excl. major projects)

Your IT strategy, database, applications (excl. major projects) cost per active member and annuitant was $6.76. This was $14.36 below the peer median of $21.12.



| Reasons why your cost was below median | Comparison | | Impact [1] |
|---|---|---|---|
| | You | Peer med | $s per Active Member and Annuitant |
| Lower salaries and benefits per direct FTE | $89,391 | $152,563 | -$0.17 |
| Fewer direct FTE per 10,000 active members and annuitants[2] | 0.03 | 0.63 | -$5.43 |
| Lower third party costs per active member and annuitant | $6.60 | $8.05 | -$1.45 |
| Unexplained [1] | | | -$7.31 |
| **Cost per active member and annuitant** | **$6.76** | **$21.12** | **-$14.36** |

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

2. You had 2.3 IT strategy, database, applications (excl. major projects) FTE which was 91% less than the peer median of 25.9. The percentage difference was more favorable on a 'per active member and annuitant' basis (your 0.03 FTE per 10,000 active member and annuitant was 96% less than the peer median of 0.63) because you had an economy of scale advantage.

Three key reasons for differences in FTE per 10,000 (and/or third party costs) are:

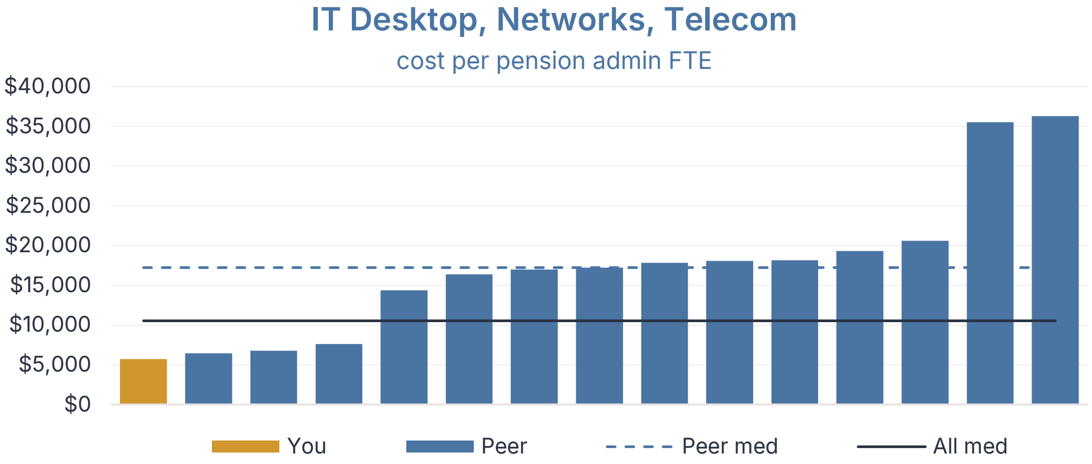
- Economies of scale - Scale is particularly important for IT strategy, database, applications (excl. major projects) because of the substantial fixed costs of maintaining the IT infrastructure necessary for pension systems to operate. You had an economy of scale advantage. Your 856,457 active members and annuitants was 58.8% higher than the peer median of 539,403. Thus you had more members over which to spread IT strategy, database, applications (excl. major projects) costs.

- Plan complexity - It is more expensive to develop and maintain IT systems for plans with complex rule sets. Your total plan complexity score was 41 out of 100. This was equal to the peer median of 41.

- IT investment cycle.

# 6B IT Desktop, Networks, Telecom

Your IT Desktop, Networks, Telecom cost per pension admin FTE was $5,723. This was $11,502 below the peer median of $17,225.



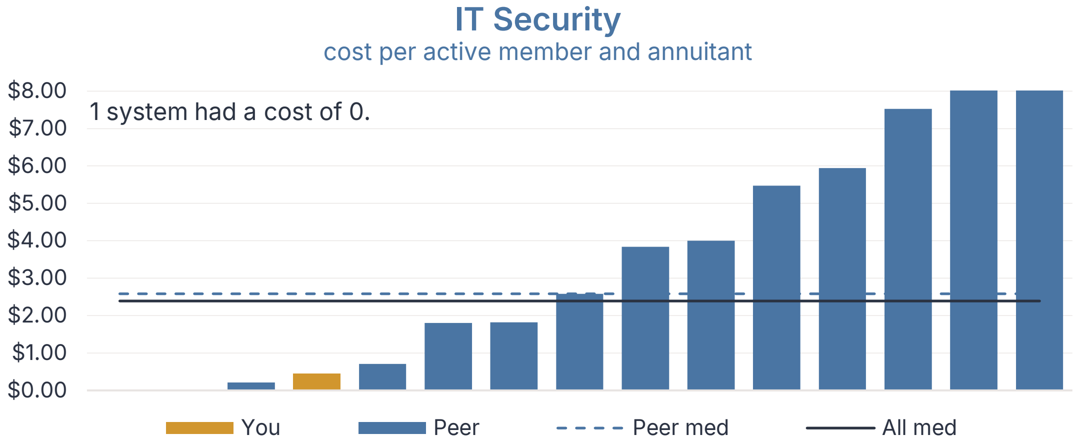
| Reasons why your cost was below median | Comparison | | Impact [1]<br>$s per Pension Admin FTE |
|---|---|---|---|
| | You | Peer med | |
| Lower salaries and benefits per direct FTE | $78,250 | $164,331 | -$383 |
| Fewer direct FTE per 100 pension admin FTE[2] | 0.44 | 3.24 | -$2,187 |
| Lower third party costs per pension admin FTE | $5,444 | $11,864 | -$6,420 |
| Unexplained [1] | | | -$2,511 |
| **Cost per pension admin FTE** | **$5,723** | **$17,225** | **-$11,502** |

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

2. You had 0.8 IT desktop, networks, telecom FTE which was 95% less than the peer median of 14.6. The percentage difference was less favorable on a 'per pension admin FTE' basis (your 0.44 FTE per 100 pension admin FTE was 86% less than the peer median of 3.24) because you had an economy of scale disadvantage.

# 6C IT Security

Your IT security cost per active member and annuitant was $0.45. This was $2.13 below the peer median of $2.58.



| Reasons why your cost was below median | Comparison | | Impact [1] |
|---|---|---|---|
| | You | Peer med | $s per Active Member and Annuitant |
| Lower third party costs per active member and annuitant | $0.46 | $0.77 | -$0.31 |
| Unexplained [1] | | | -$1.82 |
| **Cost per active member and annuitant** | **$0.45** | **$2.58** | **-$2.13** |

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

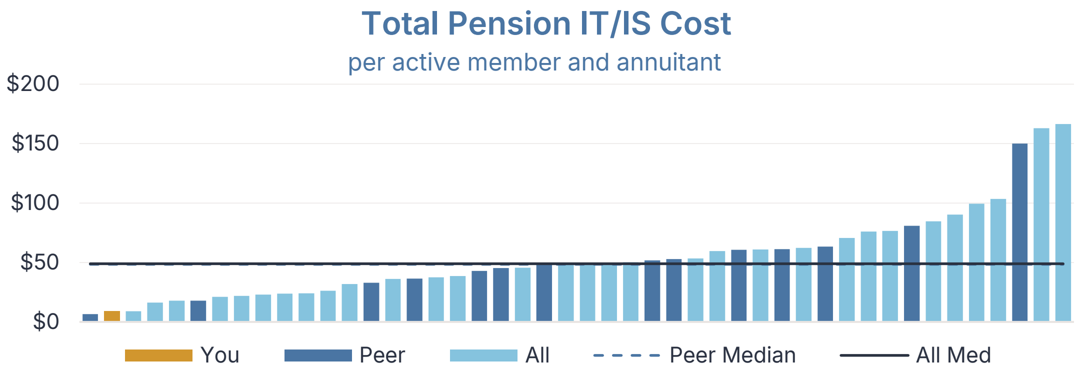
2. You had 0.0 IT security FTE which was 100% less than the peer median of 5.2. The percentage difference was less favorable on a 'per active member and annuitant' basis (your n/a FTE per 10,000 active member and annuitant was n/a the peer median of 0.14) because you had an economy of scale advantage.

Two key reasons for differences in FTE per 10,000 (and/or third party costs) are:

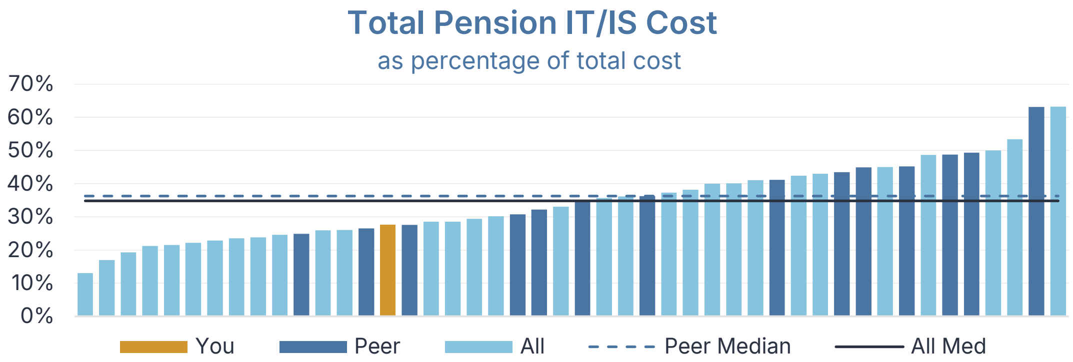
- Economies of scale - Scale is particularly important for IT security because of the substantial fixed costs of maintaining the IT infrastructure necessary for pension systems to operate. You had an economy of scale advantage. Your 856,457 active members and annuitants was 58.8% higher than the peer median of 539,403. Thus you had more members over which to spread IT security costs.
- IT investment cycle.

# IT/IS costs (including IT major project costs)

Your IT/IS cost was $9.01 per active member and annuitant. This was below the peer median of $48.48.



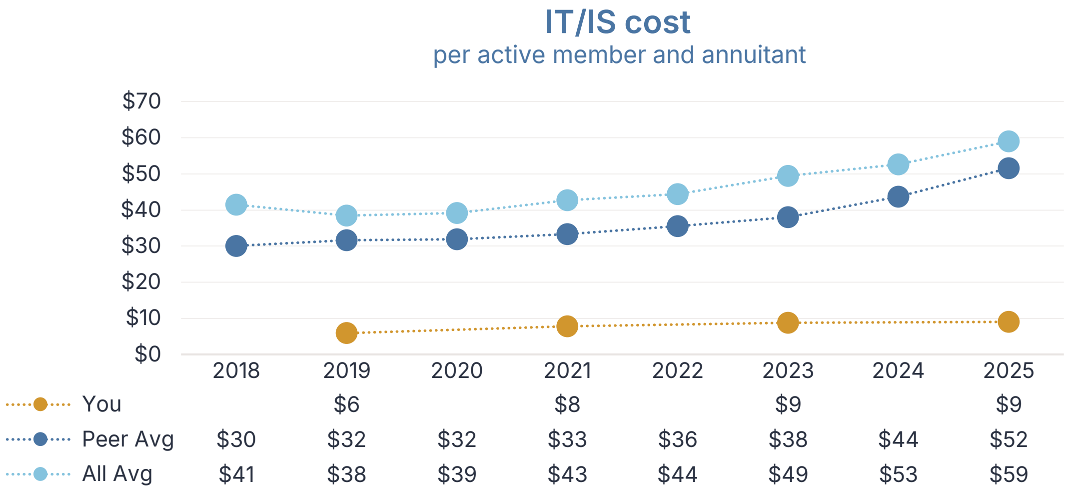
Your IT/IS cost as a percent of total pension administration cost was 28%. This was below the peer median of 36%.



| IT/IS Cost by Category | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Cost in $000s | Cost per Active Member and Annuitant | | | | | Cost as a % of Total IT/IS Cost | | |
| | | | Peer | | All | | | Peer | All |
| Activity | You | You | Med | Avg | Med | Avg | You | Avg | Avg |
| 5c. Amortization of IT Major Projects | 0 | 0.00 | 0.00 | 5.67 | 0.00 | 3.63 | 0% | 11% | 7% |
| 5d. IT Major Projects (if you don't capitalize) | 512 | 0.60 | 1.27 | 5.88 | 2.63 | 11.67 | 7% | 12% | 21% |
| 6a. IT Strategy, Database Management and Applications (excl. major projects) | 5,792 | 6.76 | 21.12 | 25.24 | 21.35 | 25.82 | 75% | 50% | 48% |
| 6b. IT Desktop, Networks, Telecom | 1,029 | 1.20 | 10.90 | 10.24 | 7.57 | 9.51 | 13% | 20% | 18% |
| 6c. IT Security | 387 | 0.45 | 2.58 | 3.66 | 2.39 | 3.68 | 5% | 7% | 7% |
| **Total Pension IT/IS cost** | **7,719** | **9.01** | **48.48** | **50.69** | **48.95** | **54.31** | **100%** | **100%** | **100%** |

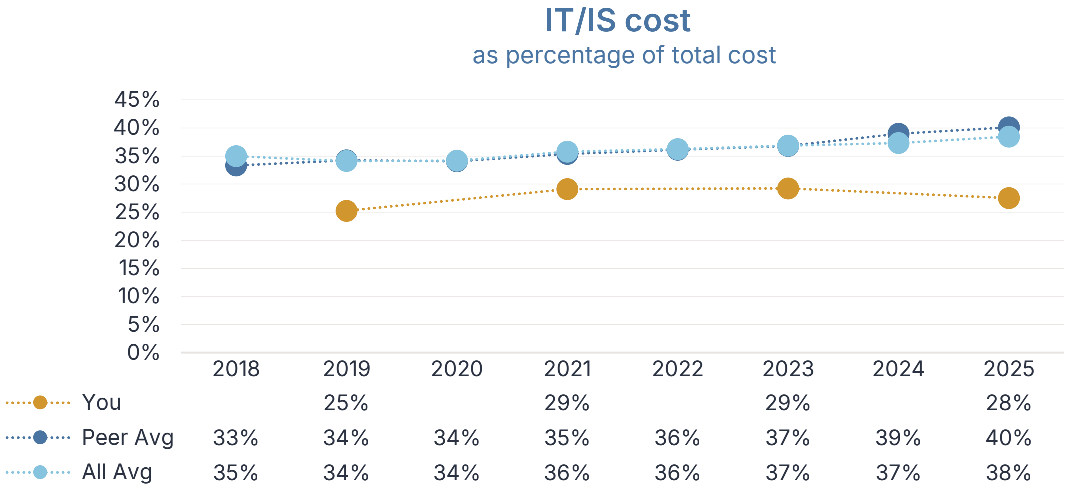
# IT/IS cost trend

Your IT/IS cost per member growth rate between 2018 and 2025 was not available. Your peers that have participated for 8 consecutive years has grown at a compound annual rate of 8.0%. The all participant average was 5.2%.


**IT/IS cost**
per active member and annuitant

| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| ● You | | $6 | | $8 | | $9 | | $9 |
| ● Peer Avg | $30 | $32 | $32 | $33 | $36 | $38 | $44 | $52 |
| ● All Avg | $41 | $38 | $39 | $43 | $44 | $49 | $53 | $59 |

Your IT/IS cost as a percentage of total cost growth rate between 2018 and 2025 was not available. Your peers that have participated for 8 consecutive years has grown at a compound annual rate of 2.7%. The all participant average was 1.4%.


**IT/IS cost**
as percentage of total cost

| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| ● You | | 25% | | 29% | | 29% | | 28% |
| ● Peer Avg | 33% | 34% | 34% | 35% | 36% | 37% | 39% | 40% |
| ● All Avg | 35% | 34% | 34% | 36% | 36% | 37% | 37% | 38% |

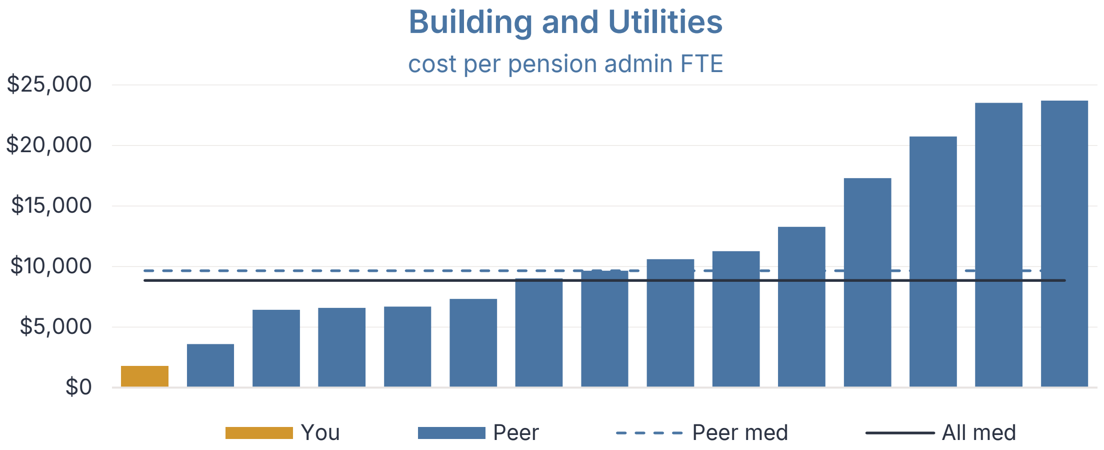
Trend analysis is based on systems that have provided 8 consecutive years of data (13 of 15 peers and 31 of 46 World systems).

# IT and major project attributions by activity

| | 6a. IT Strategy, Database Management and Applications and 6c. IT Security | | | | | | Total Major Projects (5a. through 5d.) | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | $s per Active Member and Annuitant | | | As a % of total | | | $s per Active Member and Annuitant | | | As a % of total | | |
| Activity | You | Peer avg | All avg | You | Peer avg | All avg | You | Peer avg | All avg | You | Peer avg | All avg |
| **1. Member Transactions** | | | | | | | | | | | | |
| a. Pension Payments | 0.25 | 1.81 | 1.74 | 4% | 6% | 6% | 0.02 | 1.12 | 1.31 | 4% | 6% | 6% |
| b. Pension Inceptions and Written | 1.10 | 3.22 | 3.68 | 16% | 13% | 16% | 0.10 | 2.14 | 2.63 | 16% | 13% | 16% |
| c. Refunds, Withdrawals, and Transfers-out | 0.97 | 0.97 | 1.67 | 14% | 4% | 6% | 0.09 | 0.59 | 1.24 | 14% | 4% | 6% |
| d. Purchases and Transfers-in | 0.13 | 1.09 | 1.82 | 2% | 3% | 5% | 0.01 | 0.55 | 1.12 | 2% | 3% | 6% |
| e. Disability | 0.40 | 1.19 | 0.55 | 6% | 4% | 2% | 0.04 | 0.59 | 0.41 | 6% | 4% | 2% |
| | 2.85 | 8.29 | 9.46 | 42% | 30% | 35% | 0.25 | 4.98 | 6.72 | 42% | 30% | 35% |
| **2. Member Communication** | | | | | | | | | | | | |
| a. Contact Center | 1.96 | 5.62 | 4.41 | 29% | 25% | 18% | 0.17 | 3.28 | 2.71 | 29% | 26% | 18% |
| b. Mail Room, Imaging | 0.29 | 1.21 | 1.24 | 4% | 4% | 5% | 0.03 | 0.73 | 0.91 | 4% | 4% | 5% |
| c. 1-on-1 Counseling | 0.18 | 1.45 | 1.28 | 3% | 5% | 5% | 0.02 | 0.56 | 0.66 | 3% | 4% | 5% |
| d. Member Presentations | 0.17 | 0.68 | 0.49 | 2% | 3% | 2% | 0.01 | 0.33 | 0.31 | 2% | 3% | 2% |
| e. Mass Communication | 0.12 | 1.27 | 1.23 | 2% | 5% | 5% | 0.01 | 0.63 | 0.95 | 2% | 5% | 5% |
| | 2.72 | 10.23 | 8.64 | 40% | 42% | 34% | 0.24 | 5.53 | 5.53 | 40% | 42% | 34% |
| **3. Collections and Data Maintenance** | | | | | | | | | | | | |
| a. Data and Money from Employers | 0.55 | 2.38 | 2.47 | 8% | 9% | 10% | 0.05 | 1.73 | 1.88 | 8% | 9% | 10% |
| b. Service to Employers | 0.22 | 1.58 | 1.21 | 3% | 6% | 5% | 0.02 | 0.91 | 0.79 | 3% | 6% | 5% |
| c. Data Not from Employers | 0.11 | 0.48 | 0.94 | 2% | 2% | 3% | 0.01 | 0.33 | 0.68 | 2% | 2% | 4% |
| | 0.88 | 4.44 | 4.63 | 13% | 17% | 18% | 0.08 | 2.97 | 3.35 | 13% | 17% | 19% |
| **4. Governance and Financial Control** | | | | | | | | | | | | |
| a. Financial Administration and Control | 0.18 | 1.40 | 1.55 | 3% | 6% | 7% | 0.02 | 0.77 | 1.18 | 3% | 6% | 6% |
| b. Board, Strategy, Policy | 0.07 | 0.68 | 1.24 | 1% | 3% | 5% | 0.01 | 0.39 | 0.64 | 1% | 3% | 4% |
| c. Government and Public Relations | 0.06 | 0.35 | 0.41 | 1% | 1% | 2% | 0.01 | 0.16 | 0.31 | 1% | 1% | 1% |
| | 0.31 | 2.43 | 3.19 | 5% | 10% | 13% | 0.03 | 1.32 | 2.13 | 5% | 10% | 12% |
| **Total Pension Administration** | **6.77** | **25.39** | **25.92** | **100%** | **100%** | **100%** | **0.60** | **14.80** | **17.73** | **100%** | **100%** | **100%** |

# 7A Building and Utilities

Your building and utilities cost per pension admin FTE was $1,792. This was $7,859 below the peer median of $9,651.



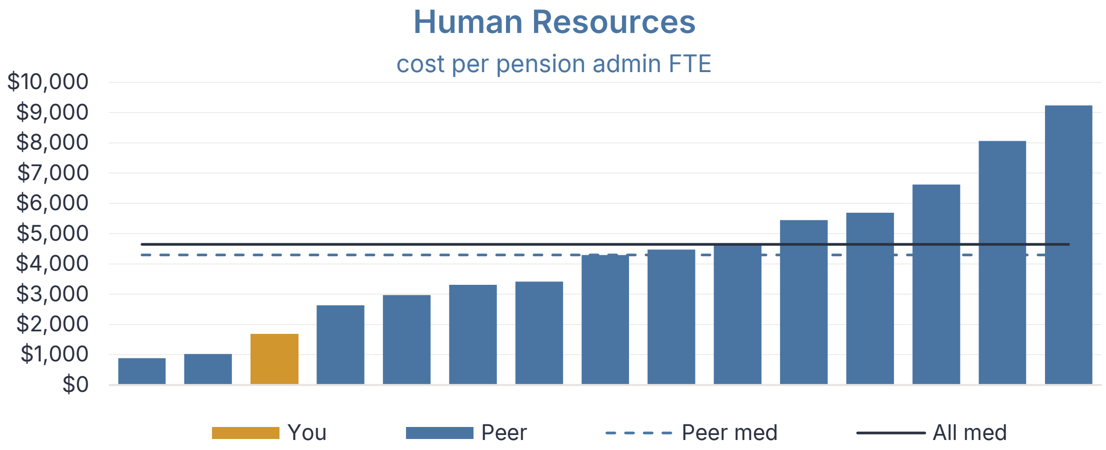
2. You had 0.0 building and utilities FTE which was 100% less than the peer median of 2.1. The percentage difference was less favorable on a 'per pension admin FTE' basis (your 0.00 FTE per 100 pension admin FTE

The biggest reason for differences in building cost is usually differences in third party and other costs (i.e., rent, lease, building and office depreciation, utilities). Reasons why these costs differ include:

- Quality of the building
- Non-market pricing on property provided by the government
- Cost environment
- Square feet of workspace per FTE

# 7B Human Resources

Your human resources cost per pension admin FTE was $1,675. This was $2,622 below the peer median of $4,297.

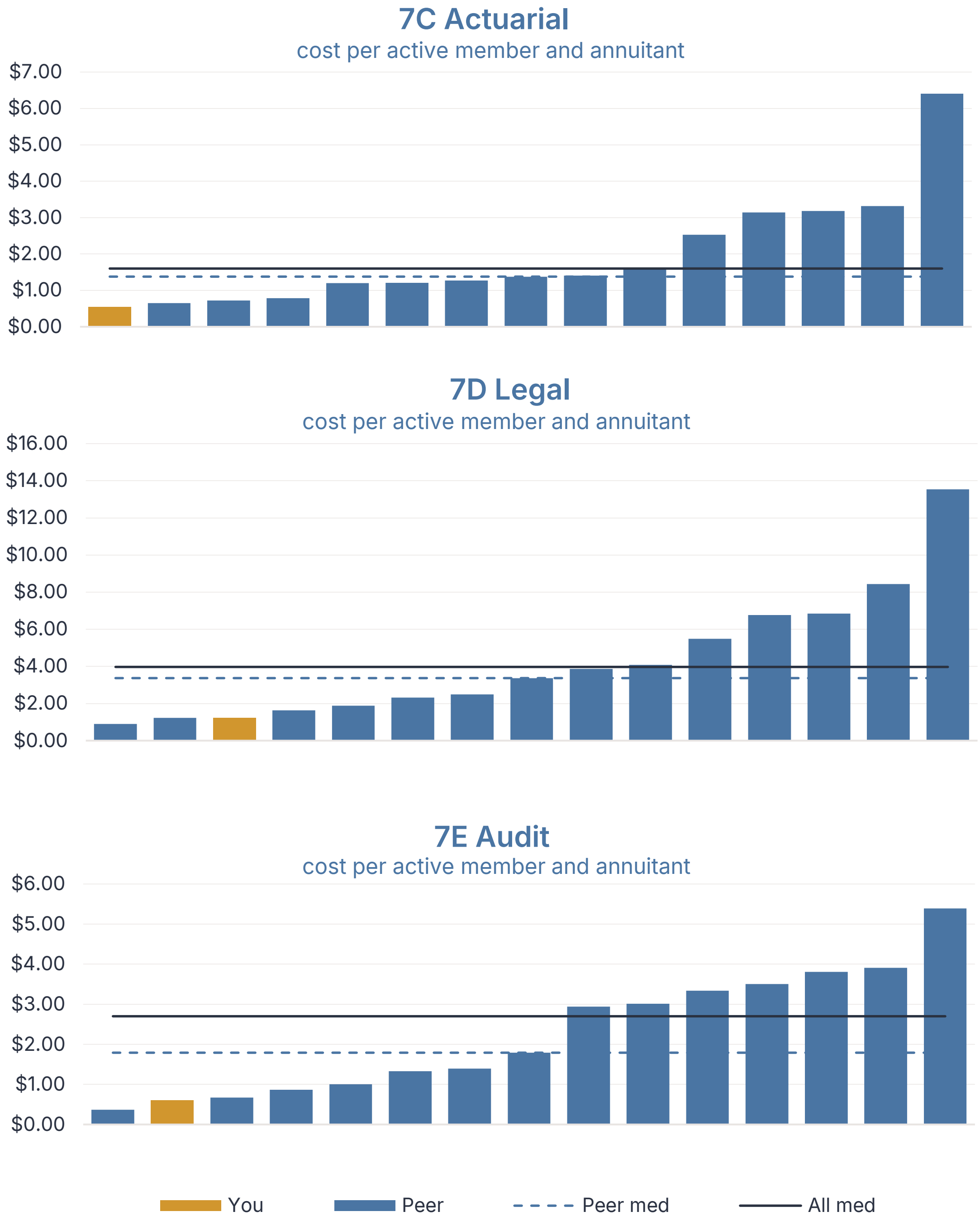


| Reasons why your cost was below median | Comparison | | Impact [1] |
|---|---|---|---|
| **Cost per pension admin FTE** | **$1,675** | **$4,297** | **-$2,622** |

# 7C-E Professional Costs

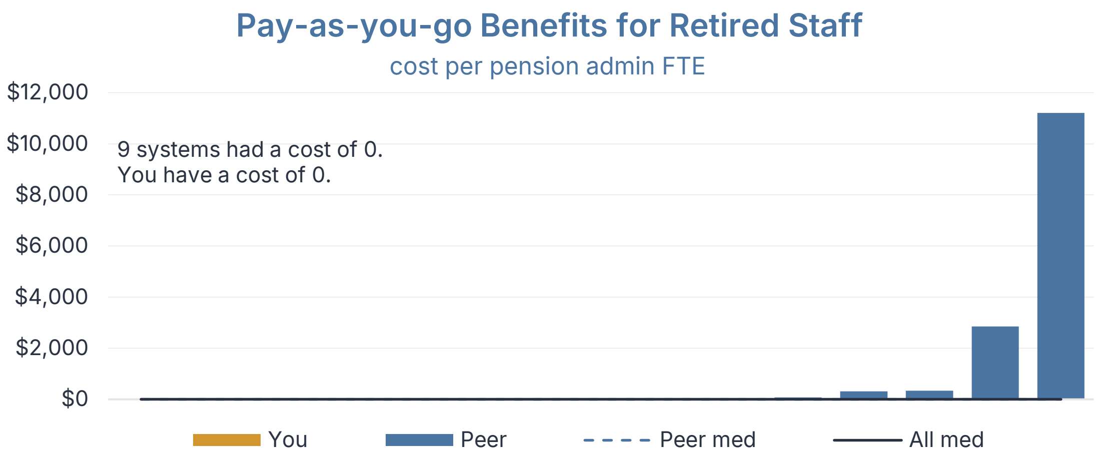
Your cost for activity:

- Your actuarial cost per active member and annuitant was $0.55. This was $0.83 below the peer median of $1.38.
- Your legal cost per active member and annuitant was $1.23. This was $2.14 below the peer median of $3.37.
- Your audit cost per active member and annuitant was $0.60. This was $1.19 below the peer median of $1.79.



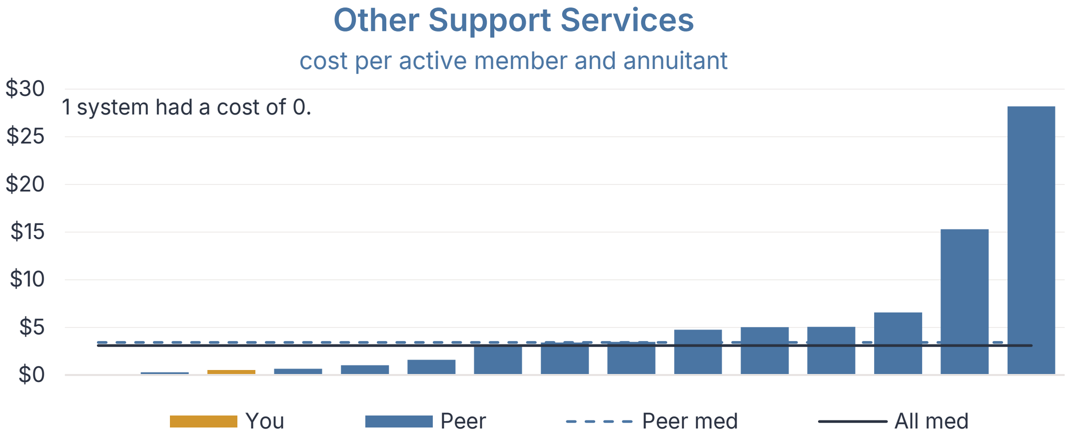
# 7F Pay-as-you-go Benefits for Retired Staff

You have no cost for this activity. The peer median cost was $0.00.



# 7G Other Support Services

Your other support services cost per active member and annuitant was $0.47. This was $2.95 below the peer median of $3.42. The biggest reason why was that you had fewer direct FTE per 10,000 active members and annuitants².



| Reasons why your cost was below median | Comparison | | Impact [1]<br>$s per Active Member and Annuitant |
|---|---|---|---|
| | You | Peer med | |
| Lower salaries and benefits per direct FTE | $110,333 | $131,196 | -$0.02 |
| Fewer direct FTE per 10,000 active members and annuitants² | 0.0 | 0.2 | -$2.15 |
| Lower third party costs per active member and annuitant | $0.36 | $0.51 | -$0.15 |
| Unexplained [1] | | | -$0.62 |
| **Cost per active member and annuitant** | **$0.47** | **$3.42** | **-$2.95** |

1. Impact equals your activity cost minus what it would have been if your value had equaled the peer median. An unexplained amount occurs using this methodology (refer to page 5 of this section).

2. You had 0.9 other support services FTE which was 89% less than the peer median of 8.2. The percentage difference was more favorable on a 'per active member and annuitant' basis (your 0.01 FTE per 10,000 active member and annuitant was 95% less than the peer median of 0.21) because you had an economy of scale advantage.

Three key reasons for differences in FTE per 10,000 (and/or third party costs) are:

- Economies of scale - Scale is particularly important for other support services because of the substantial fixed costs of maintaining the IT infrastructure necessary for pension systems to operate. You had an economy of scale advantage. Your 856,457 active members and annuitants was 58.8% higher than the peer median of 539,403. Thus you had more members over which to spread other support services costs.

- Plan complexity - It is more expensive to develop and maintain IT systems for plans with complex rule sets. Your total plan complexity score was 41 out of 100. This was below the peer average of 43.

- IT investment cycle.

# Alternative comparison: Fully-attributed front office activity costs

An alternative way of analyzing and comparing activity costs is by attributing 100% of governance and support costs (i.e., governance and financial control, major projects, IT, and support services and other) to the front office activities. Front office activities are the activities that come in contact with clients or employers, such as paying pensions, pension inceptions, and member calls. The methodology used to calculate fully-attributed costs is shown on the following page.

In 2010, CEM shifted the focus of its analysis from fully-attributed activity costs to direct activity costs because:

- Front-office managers did not recognize or trust the fully attributed costs.
- It is impossible to ensure consistency in attribution methodology for IT and major project costs. Therefore, differences in fully-attributed costs often reflected differences in attribution methodology.
- Reasons for differences in fully-attributed costs were often hidden and repetitive. For example, unusually high building and utilities costs could become a recurring reason for differences in all fully-attributed costs.

**Fully-Attributed Activity Costs ($s per unit of activity volume)**

| | | | Peer | | | | | | | All | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Activity** | **Cost per:** | **You** | **Avg** | **Max** | **Q3** | **Med** | **Q1** | **Min** | **#** | **Avg** | **Max** | **Q3** | **Med** | **Q1** | **Min** | **#** |
| **1. Member Transactions** | | | | | | | | | | | | | | | | |
| a. Pension Payments | annuitant | 3 | 23 | 68 | 30 | 17 | 12 | 3 | 15 | 29 | 132 | 35 | 22 | 12 | 3 | 46 |
| b. Pension Inceptions and Written Estimates | new payee inception | 169 | 342 | 787 | 500 | 242 | 176 | 153 | 15 | 593 | 2,554 | 748 | 524 | 308 | 153 | 44 |
| c. Refunds, Withdrawals, and Transfers-out | withdrawal and transfer-out | 219 | 373 | 2,284 | 247 | 182 | 128 | 105 | 15 | 1,274 | 10,044 | 1,240 | 422 | 162 | 65 | 42 |
| d. Purchases and Transfers-in | purchase and transfer-in | 476 | 3,018 | 18,770 | 2,831 | 1,148 | 699 | 454 | 15 | 3,788 | 56,516 | 3,420 | 1,455 | 482 | 0 | 46 |
| e. Disability | disability application | 1,662 | 7,804 | 23,008 | 11,195 | 4,785 | 2,505 | 1,273 | 15 | 7,215 | 24,145 | 9,758 | 4,785 | 2,684 | 0 | 37 |
| **2. Member Communication** | | | | | | | | | | | | | | | | |
| a. Contact Center | call and email | 15 | 61 | 141 | 91 | 58 | 29 | 15 | 15 | 59 | 240 | 88 | 43 | 27 | 3 | 46 |
| b. Mail Room, Imaging | incoming mail | 5 | 24 | 88 | 26 | 18 | 10 | 2 | 15 | 54 | 293 | 63 | 36 | 15 | 0 | 46 |
| c. 1-on-1 Counseling | member counseled 1-on-1 | 2,065 | 556 | 2,065 | 561 | 425 | 204 | 73 | 14 | 556 | 3,388 | 668 | 390 | 156 | 0 | 43 |
| d. Member Presentations | member presentation | 9,125 | 7,798 | 28,129 | 11,022 | 5,162 | 2,539 | 0 | 14 | 6,293 | 28,129 | 7,664 | 4,631 | 2,066 | 0 | 45 |
| e. Mass Communication | active member and annuitant | 1 | 9 | 18 | 12 | 8 | 5 | 1 | 15 | 10 | 25 | 15 | 8 | 5 | 1 | 46 |
| **3. Collections and Data Maintenance** | | | | | | | | | | | | | | | | |
| a. Data and Money from Employers | active member | 5 | 27 | 100 | 33 | 13 | 10 | 2 | 15 | 34 | 175 | 45 | 20 | 12 | 0 | 46 |
| b. Service to Employers | active member | 2 | 17 | 45 | 26 | 10 | 8 | 2 | 15 | 14 | 45 | 18 | 12 | 7 | 0 | 46 |
| c. Data Not from Employers | active, inactive and annuitant | 1 | 2 | 7 | 2 | 2 | 1 | 0 | 15 | 5 | 20 | 7 | 2 | 1 | 0 | 46 |
| **Total Pension Administration** | **active member and annuitant** | **33** | **130** | **293** | **176** | **130** | **77** | **25** | **15** | **154** | **407** | **201** | **133** | **96** | **25** | **46** |
| **Non-Pension** | | | | | | | | | | | | | | | | |
| 1f. Healthcare Administration | annuitant | 1 | 15 | 67 | 16 | 3 | 0 | 0 | 15 | 8 | 67 | 3 | 0 | 0 | 0 | 44 |
| 1g. Optional and Third Party Administered Benefits | active member | 0 | 13 | 59 | 20 | 8 | 1 | 0 | 15 | 5 | 59 | 7 | 0 | 0 | 0 | 44 |

# Calculation of fully-attributed front office costs

(Fully-attributed costs are compared in the alternative comparison on the previous page)

| | | | Attributions[1] | | | | Fully-Attributed | | |
|---|---|---|---|---|---|---|---|---|---|
| Activity | Direct Staff (# FTE) | Direct Costs (Salaries + Third Party) | 5. Major Projects | 6a IT Strategy + 6c. IT Security | 6b + 7a - g Support Services and Other | 4. Governance & Financial Control | $000s | Cost per unit[3] | Cost per Active Member and Annuitant |
| **1. Member Transactions** | | | | | | | | | |
| a. Pension Payments | 6.4 | 752 | 19 | 230 | 152 | 130 | 1,282 | 3 | 1.50 |
| b. Pension Inceptions and Written Estimates | 27.9 | 2,361 | 83 | 1,002 | 664 | 565 | 4,675 | 270 | 5.46 |
| c. Refunds, Withdrawals, and Transfers-out | 24.8 | 2,129 | 74 | 891 | 590 | 502 | 4,186 | 219 | 4.89 |
| d. Purchases and Transfers-in | 3.3 | 301 | 10 | 119 | 79 | 67 | 575 | 476 | 0.67 |
| e. Disability | 10.2 | 922 | 30 | 366 | 243 | 207 | 1,768 | 1,662 | 2.06 |
| f. Healthcare Administration | 1.5 | 154 | 4 | 54 | 36 | 30 | 279 | 1 | 0.33 |
| g. Optional and Third Party Administered Benefits | 0.5 | 93 | 1 | 18 | 12 | 10 | 134 | 0 | 0.16 |
| **2. Member Communication** | | | | | | | | | |
| a. Contact Center | 49.8 | 4,200 | 148 | 1,789 | 1,185 | 1,009 | 8,331 | 15 | 9.73 |
| b. Mail Room, Imaging | 7.4 | 651 | 22 | 266 | 176 | 150 | 1,265 | 5 | 1.48 |
| c. 1-on-1 Counseling | 4.6 | 401 | 14 | 165 | 109 | 93 | 782 | 2,065 | 0.91 |
| d. Member Presentations | 4.3 | 401 | 13 | 154 | 102 | 87 | 757 | 9,125 | 0.88 |
| e. Mass Communication | 3.0 | 303 | 9 | 108 | 71 | 61 | 552 | 1 | 0.64 |
| **3. Collections and Data Maintenance** | | | | | | | | | |
| a. Data and Money from Employers | 14.1 | 1,219 | 42 | 506 | 335 | 286 | 2,389 | 5 | 2.79 |
| b. Service to Employers | 5.5 | 506 | 16 | 198 | 131 | 111 | 963 | 2 | 1.12 |
| c. Data Not from Employers | 2.9 | 270 | 9 | 104 | 69 | 59 | 511 | 1 | 0.60 |
| **4. Governance and Financial Control** | | | | | | | | | |
| a. Financial Administration and Control | 4.6 | 2,334 | 14 | 165 | 109 | -2,623 | 0 | | |
| b. Board, Strategy, Policy | 1.8 | 295 | 5 | 65 | 43 | -408 | 0 | | |
| c. Government and Public Relations | 1.5 | 243 | 4 | 54 | 36 | -337 | 0 | | |
| **5. Major Projects** | | | | | | | | | |
| a. Amortization of non-IT Major Projects | n/a | 0 | 0 | | | | 0 | | |
| b. Non-IT Major Projects (if you don't capitalize) | 0.0 | 0 | 0 | | | | 0 | | |
| c. Amortization of IT Major Projects | n/a | 0 | 0 | | | | 0 | | |
| d. IT Major Projects (if you don't capitalize) | 1.9 | 518 | -518 | | | | 0 | | |
| **6. Information Technology** | | | | | | | | | |
| a. IT Strategy, Database, Applications (excl. major projects) | 2.3 | 5,862 | | -5,862 | | | 0 | | |
| b. IT Desktop, Networks, Telecom | 0.8 | 1,042 | | | -1,042 | | 0 | | |
| c. IT Security | 0.0 | 392 | | -392 | | | 0 | | |
| **7. Support Services and Other** | | | | | | | | | |
| a. Building and Utilities | 0.0 | 326 | | | -326 | | 0 | | |
| b. Human Resources | 0.0 | 305 | | | -305 | | 0 | | |
| c. Actuarial | 0.3 | 476 | | | -476 | | 0 | | |
| d. Legal and Rule Interpretation | 1.2 | 1,069 | | | -1,069 | | 0 | | |
| e. Internal and External Audit | 0.5 | 518 | | | -518 | | 0 | | |
| f. Pay-as-you-go Benefits for Retired Staff | n/a | 0 | | | 0 | | 0 | | |
| g. Other Support Services | 0.9 | 407 | | | -407 | | 0 | | |
| **Total Administration** | **182.0** | **28,450** | **0** | **0** | **0** | **0** | **28,450** | | **33.22** |
| less:[2] | | | | | | | | | |
| 1f. Healthcare Administration | 1.6 | | | | | | -279 | | -0.33 |
| 1g. Optional and Third Party Administered Benefits | 0.6 | | | | | | -134 | | -0.16 |
| **Total Pension Administration** | **179.8** | | | | | | **28,036** | | **32.74** |

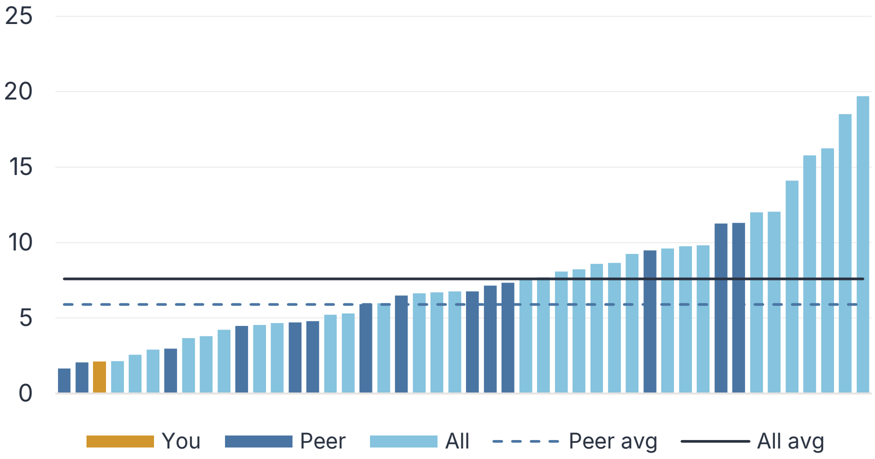
1. Attributions of activities 4, 5, 6, and 7 are pro rata based on direct FTE, unless you provided the attributions yourself.
2. The fully-attributed costs of activities 1f and 1g are excluded from pension administration costs to ensure comparability.
3. Units vary by activity. Units are described in the second column on the previous page.

# Staff Costs and Productivity

# Total FTE

Differences in the number of full-time-equivalent staff (FTE) used to serve members is a key reason for differences in costs between similarly organized systems. Generally the more FTE you use to serve members, the higher your costs. You had 2.10 pension administration FTE[1] per 10,000 members. This was below the peer average of 5.90.

Pension Administration FTE[1] per 10,000 Active Members and Annuitants



[1] Pension administration FTE excludes: FTE whose salaries are being capitalized, FTE administering healthcare and FTE administering optional benefits.

Reasons for differences in total FTEs used to serve members include differences in:

- Outsourcing. For example, if you outsource legal or actuarial work, you will have fewer FTE than systems that do this work using internal staff.
- Transactions volumes, which in turn are caused by differences in:
  - Services provided, for example, some plans do not offer financial planning
  - Member mix and demographics, for example, active members generate more transactions than inactive members
- Productivity (i.e., transaction volumes per FTE) which in turn is caused by differences in:
  - Service levels, for example, shorter wait times may require more staff
  - Staff skills and productivity
  - Organizational effectiveness
  - Economies of scale
  - Plan rule complexity
  - IT capability

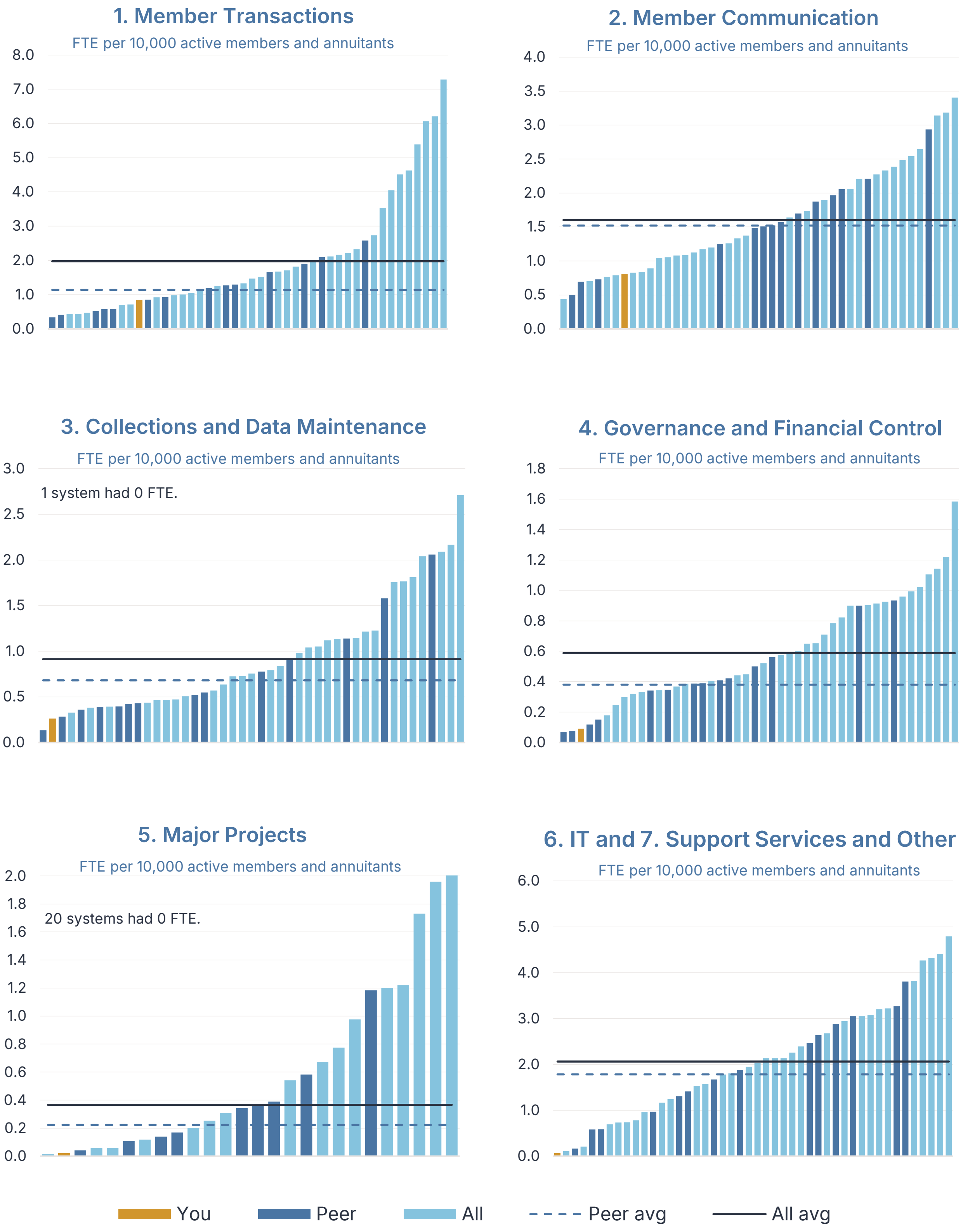
# FTE by activity

| | # of Direct[1] FTE | | | # of FTE per 10,000 Active Members and Annuitants | | |
|---|---|---|---|---|---|---|
| Activity | You | Peer avg | All avg | You | Peer avg | All avg |
| **1. Member Transactions** | | | | | | |
| a. Pension Payments | 6.4 | 16.6 | 12.3 | 0.07 | 0.23 | 0.34 |
| b. Pension Inceptions and Written Estimates | 27.9 | 34.9 | 32.3 | 0.33 | 0.47 | 0.81 |
| c. Refunds, Withdrawals, and Transfers-out | 24.8 | 10.4 | 12.1 | 0.29 | 0.16 | 0.35 |
| d. Purchases and Transfers-in | 3.3 | 10.1 | 13.1 | 0.04 | 0.12 | 0.38 |
| e. Disability | 10.2 | 13.3 | 6.1 | 0.12 | 0.15 | 0.10 |
| Total Member Transactions | 72.6 | 85.4 | 75.9 | 0.85 | 1.14 | 1.98 |
| **2. Member Communication** | | | | | | |
| a. Contact Center | 49.8 | 60.0 | 38.9 | 0.58 | 0.86 | 0.77 |
| b. Mail Room, Imaging | 7.4 | 10.7 | 10.3 | 0.09 | 0.17 | 0.24 |
| c. 1-on-1 Counseling | 4.6 | 15.7 | 11.1 | 0.05 | 0.21 | 0.28 |
| d. Member Presentations | 4.3 | 6.5 | 4.1 | 0.05 | 0.10 | 0.09 |
| e. Mass Communication | 3.0 | 11.2 | 9.3 | 0.04 | 0.19 | 0.21 |
| Total Member Communication | 69.1 | 104.0 | 73.6 | 0.81 | 1.52 | 1.60 |
| **3. Collections and Data Maintenance** | | | | | | |
| a. Data and Money from Employers | 14.1 | 26.9 | 21.7 | 0.16 | 0.37 | 0.53 |
| b. Service to Employers | 5.5 | 17.7 | 10.7 | 0.06 | 0.23 | 0.21 |
| c. Data Not from Employers | 2.9 | 4.2 | 7.2 | 0.03 | 0.08 | 0.17 |
| Total Collections and Data Maintenance | 22.5 | 48.8 | 39.6 | 0.26 | 0.68 | 0.91 |
| **4. Governance and Financial Control** | | | | | | |
| a. Financial Administration and Control | 4.6 | 17.6 | 13.5 | 0.05 | 0.23 | 0.32 |
| b. Board, Strategy, Policy | 1.8 | 8.1 | 10.3 | 0.02 | 0.12 | 0.22 |
| c. Government and Public Relations | 1.5 | 4.1 | 3.7 | 0.02 | 0.06 | 0.07 |
| Total Governance and Financial Control | 7.9 | 29.9 | 27.5 | 0.09 | 0.41 | 0.60 |
| **5. Major Projects** | | | | | | |
| a. Amortization of non-IT Major Projects[2] | n/a | n/a | n/a | n/a | n/a | n/a |
| b. Non-IT Major Projects (if you don't capitalize) | 0.0 | 3.6 | 3.2 | n/a | 0.08 | 0.08 |
| c. Amortization of IT Major Projects[2] | n/a | n/a | n/a | n/a | n/a | n/a |
| d. IT Major Projects (if you don't capitalize) | 1.9 | 8.1 | 7.8 | 0.02 | 0.16 | 0.29 |
| Total Major Projects | 1.9 | 11.7 | 11.0 | 0.02 | 0.24 | 0.37 |
| **6. Information Technology** | | | | | | |
| a. IT Strategy, Database, Applications (excl. major projects) | 2.3 | 54.8 | 35.2 | 0.03 | 0.76 | 0.79 |
| b. IT Desktop, Networks, Telecom | 0.8 | 14.5 | 8.6 | 0.01 | 0.24 | 0.21 |
| c. IT Security | 0.0 | 7.5 | 5.0 | n/a | 0.13 | 0.14 |
| Total Information Technology | 3.1 | 76.8 | 48.8 | 0.04 | 1.13 | 1.13 |
| **7. Support Services and Other** | | | | | | |
| a. Building and Utilities | 0.0 | 5.3 | 3.4 | n/a | 0.11 | 0.08 |
| b. Human Resources | 0.0 | 14.7 | 10.4 | n/a | 0.17 | 0.24 |
| c. Actuarial | 0.3 | 5.1 | 3.1 | 0.00 | 0.05 | 0.07 |
| d. Legal and Rule Interpretation | 1.2 | 12.9 | 10.4 | 0.01 | 0.18 | 0.27 |
| e. Internal and External Audit | 0.5 | 5.6 | 5.6 | 0.01 | 0.10 | 0.15 |
| f. Pay-as-you-go Benefits for Retired Staff | n/a | n/a | n/a | n/a | n/a | n/a |
| g. Other Support Services | 0.9 | 13.3 | 7.5 | 0.01 | 0.18 | 0.18 |
| Total Support Services and Other | 2.9 | 56.9 | 40.4 | 0.03 | 0.79 | 0.99 |
| **Total Pension Admin FTE (excludes below)** | **180.0** | **413.4** | **316.7** | **2.10** | **5.90** | **7.60** |
| FTE whose salaries are being capitalized | 0.0 | 10.7 | 7.2 | n/a | 0.14 | 0.12 |
| 1f. Healthcare Administration | 1.5 | 4.3 | 2.3 | 0.02 | 0.10 | 0.07 |
| 1g. Optional and Third Party Administered Benefits | 0.5 | 6.5 | 2.7 | 0.01 | 0.12 | 0.06 |
| **Total Administration FTE** | **182.0** | **435.0** | **329.0** | **2.13** | **6.27** | **7.84** |

1. Direct staff includes staff directly performing the activity, plus related support and management staff that are in the same department and directly support the activity.

2. We are unable to identify the historic FTE embedded in activities 5a. and 5c. amortization of major projects.

# FTE per 10,000 members by activity aggregates

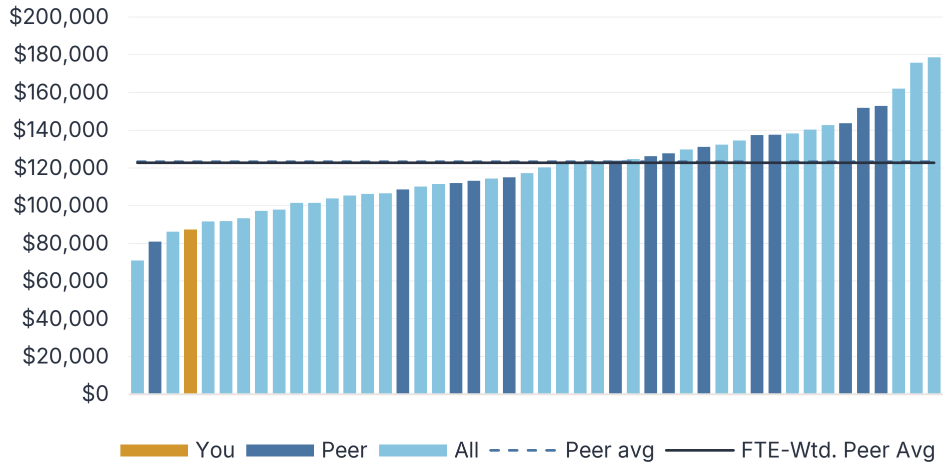


# Salaries and benefits

Your salaries and benefits per pension administration FTE[1] was $87,310. This was 29% below the peer average of $123,310.

If you want to understand how salaries and benefits impact relative cost performance, the more relevant average is the FTE-weighted peer average because salary differences matter more for peers with more FTEs. Your salaries and benefits per pension administration FTE of $87,310 was below the FTE-weighted peer average of $122,735.

Salary and Benefits per Pension Administration FTE[1]



1. Pension administration FTE excludes: FTE whose salaries are being capitalized, FTE administering healthcare and FTE administering optional benefits. In order to avoid double counting when explaining why your total administration costs differ from the peer average, it also excludes the salaries and FTE of activity 6b. IT Desktop, Networks, Telecom, 7a. Building and Utilities, 7b. Human Resources, and, 7f. Pay-as-you-go Benefits for Retired Staff.

Salaries and benefits include compensation (salary, wages, overtime, bonuses), benefits (pensions, healthcare), related payroll taxes, and charges paid by the employer (as opposed to the employee). Salary and benefits per FTE may differ because of:

- Cost environment.
- Staff with different skills and experience. Different activities require different skills sets. Therefore, salaries and benefits are compared by activity on page 7 of this section.
- Outsourcing. For example, if you outsource higher paying jobs by using consultants (i.e., legal, actuarial) your average salary might be lower.

Other costs that tend to vary per FTE include activities: 6b. IT Desktop, Networks, Telecom, 7a. Building and Utilities, 7b. Human Resources, and, 7f. Pay-as-you-go Benefits for Retired Staff. These costs are compared in Section 4 - Activity Costs.

# Salaries and benefits per FTE by activity

| | Salaries and Benefits per FTE | | | Salaries and Benefits as a % of Direct Activity Cost | | |
|---|---|---|---|---|---|---|
| **Activity** | **You** | **Peer avg** | **All avg** | **You** | **Peer avg** | **All avg** |
| **1. Member Transactions** | | | | | | |
| a. Pension Payments | $86,188 | $110,799 | $104,096 | 73% | 71% | 68% |
| b. Pension Inceptions and Written Estimates | $83,996 | $109,208 | $100,726 | 99% | 92% | 93% |
| c. Refunds, Withdrawals, and Transfers-out | $83,032 | $108,544 | $100,933 | 97% | 92% | 92% |
| d. Purchases and Transfers-in | $85,818 | $110,249 | $100,644 | 94% | 88% | 91% |
| e. Disability | $88,647 | $113,815 | $106,093 | 98% | 70% | 75% |
| | $84,596 | $109,700 | $100,404 | | | |
| **2. Member Communication** | | | | | | |
| a. Contact Center | $83,986 | $99,427 | $95,550 | 100% | 94% | 92% |
| b. Mail Room, Imaging | $85,568 | $90,450 | $87,399 | 97% | 77% | 79% |
| c. 1-on-1 Counseling | $83,304 | $110,343 | $104,786 | 96% | 95% | 95% |
| d. Member Presentations | $87,628 | $121,285 | $115,796 | 94% | 88% | 90% |
| e. Mass Communication | $94,767 | $130,500 | $122,238 | 94% | 68% | 58% |
| | $84,805 | $104,471 | $101,956 | | | |
| **3. Collections and Data Maintenance** | | | | | | |
| a. Data and Money from Employers | $85,199 | $114,044 | $108,231 | 99% | 93% | 92% |
| b. Service to Employers | $88,855 | $118,589 | $112,496 | 97% | 94% | 93% |
| c. Data Not from Employers | $87,034 | $108,585 | $102,710 | 93% | 85% | 85% |
| | $86,329 | $114,072 | $107,190 | | | |
| **4. Governance and Financial Control** | | | | | | |
| a. Financial Administration and Control | $100,087 | $146,427 | $146,109 | 20% | 75% | 82% |
| b. Board, Strategy, Policy | $146,167 | $192,465 | $215,361 | 89% | 83% | 77% |
| c. Government and Public Relations | $139,667 | $177,274 | $179,963 | 86% | 85% | 82% |
| | $118,101 | $160,303 | $167,851 | | | |
| **5. Major Projects** | | | | | | |
| a. Amortization of non-IT Major Projects | n/a | n/a | n/a | n/a | n/a | n/a |
| b. Non-IT Major Projects (if you don't capitalize) | n/a | $123,105 | $145,271 | n/a | 65% | 60% |
| c. Amortization of IT Major Projects | n/a | n/a | n/a | n/a | n/a | n/a |
| d. IT Major Projects (if you don't capitalize) | $92,526 | $138,369 | $145,536 | 34% | 44% | 43% |
| | $92,526 | $137,301 | $148,181 | | | |
| **6. Information Technology** | | | | | | |
| a. IT Strategy, Database, Applications (excl. major projects) | $89,391 | $156,648 | $146,526 | 4% | 48% | 48% |
| b. IT Desktop, Networks, Telecom | $78,250 | $151,544 | $140,747 | 6% | 32% | 34% |
| c. IT Security | n/a | $165,032 | $148,962 | 0% | 59% | 57% |
| | $86,516 | $155,004 | $143,898 | | | |
| **7. Support Services and Other** | | | | | | |
| a. Building and Utilities | n/a | $120,911 | $118,081 | 0% | 12% | 11% |
| b. Human Resources | n/a | $142,316 | $140,632 | 0% | 76% | 74% |
| c. Actuarial | $177,000 | $200,656 | $190,770 | 11% | 36% | 36% |
| d. Legal and Rule Interpretation | $151,417 | $158,535 | $160,221 | 17% | 62% | 73% |
| e. Internal and External Audit | $116,400 | $154,703 | $158,829 | 11% | 64% | 67% |
| f. Pay-as-you-go Benefits for Retired Staff | n/a | n/a | n/a | n/a | n/a | n/a |
| g. Other Support Services | $110,333 | $124,375 | $134,142 | 24% | 62% | 56% |
| | $135,276 | $147,255 | $153,889 | | | |
| **Total Pension Administration[1]** | **$74,237** | **$115,842** | **$111,204** | **48%** | **53%** | **54%** |
| **Total Pension Admin excluding activities 6b, 7a, 7b, and 7f[2]** | **$87,310** | **$123,310** | **$119,693** | **50%** | **57%** | **58%** |

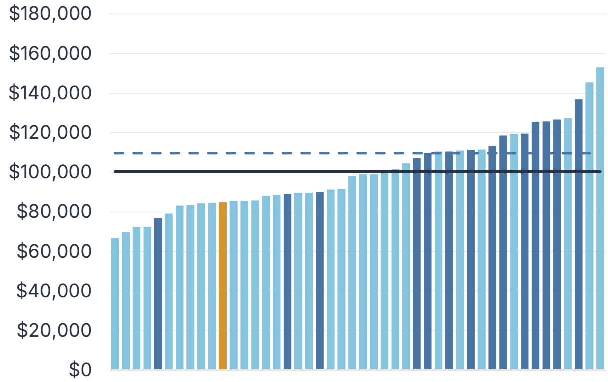
1. Pension administration FTE excludes: FTE whose salaries are being capitalized, FTE administering healthcare and FTE administering optional benefits.

2. Section 3 'Total Costs' and the Executive Summary use the FTE-weighted peer average of $122,735 to explain cost differences. It is used to explain cost differences because salary differences matter more for peers with more FTEs. To avoid double counting items quantified separately in the cost model, the FTE-weighted average also: (i) excludes activities 6b, 7a, 7b and 7f, and, (ii) weights front and governance and support salaries per your ratio of front to governance and support FTE.

# Salaries and benefits per FTE by activity aggregates

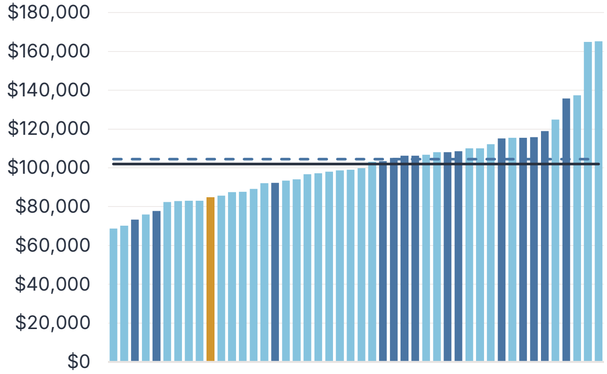
## 1. Member Transactions

Salary and Benefits per FTE



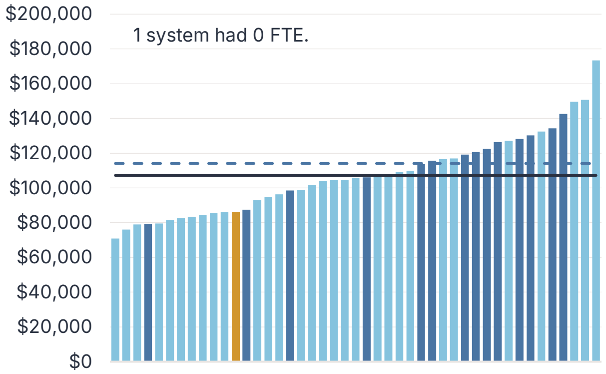
## 2. Member Communication

Salary and Benefits per FTE



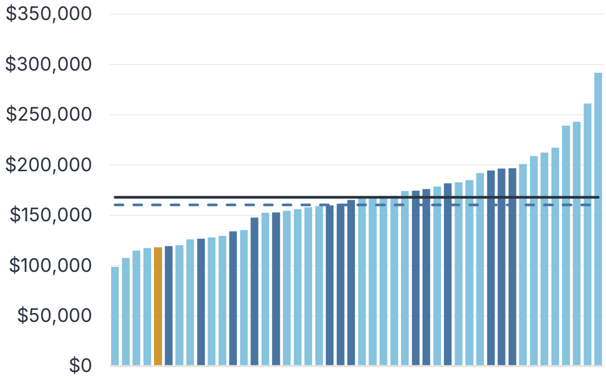
## 3. Collections and Data Maintenance

Salary and Benefits per FTE


1 system had 0 FTE.

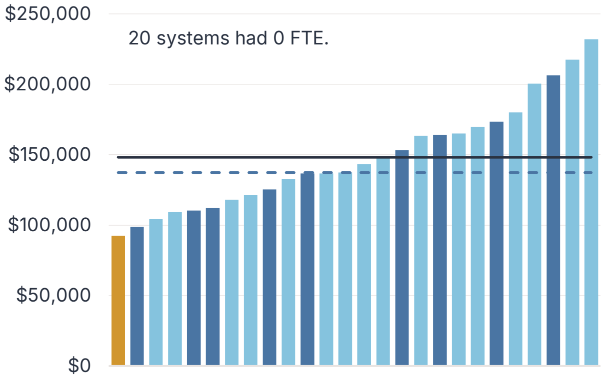
## 4. Governance and Financial Control

Salary and Benefits per FTE



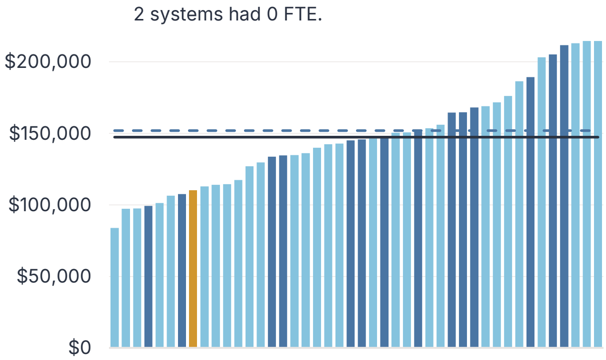
## 5. Major Projects

Salary and Benefits per FTE


20 systems had 0 FTE.

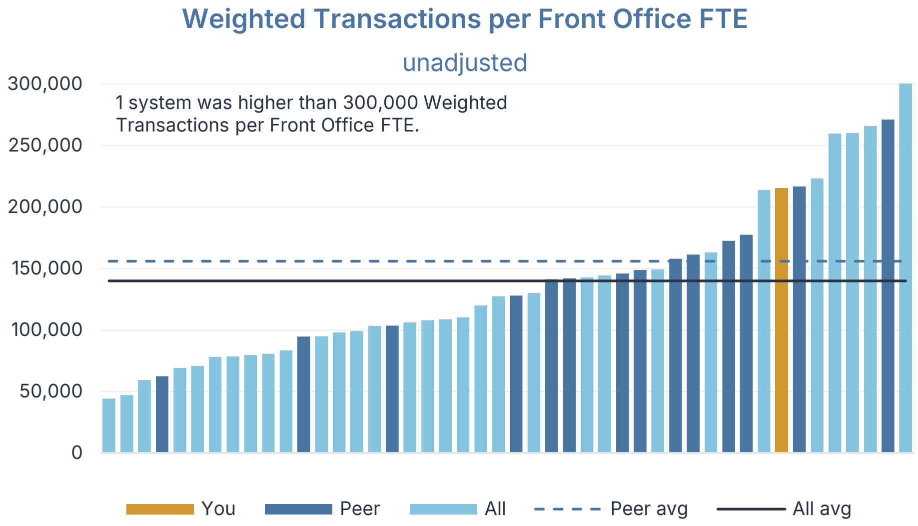
## 6. IT and 7. Support Services and Other

Salary and Benefits per FTE


2 systems had 0 FTE.

# Productivity

Total productivity is defined as the number of weighted transactions per front office, full-time-equivalent staff (FTE). Your productivity was 215,061 per front office FTE. This was above the in-house peer average of 155,965.



Weighted transaction volumes equal the cost-weighted average of front office activity volumes. It is a measure of work. Details of the calculation are shown in Section 6 Transaction Volumes. Front office activities are the activities that come in contact with clients or employers, such as paying pensions, pension inceptions and member calls. It excludes support activities such as Governance and Financial Control, Major Projects and Support Services.

Differences in productivity are caused by differences in:

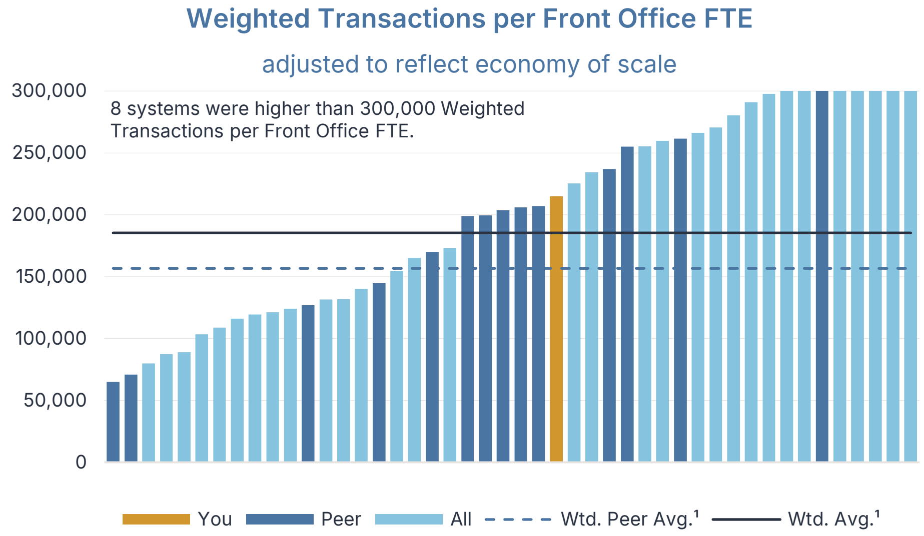
- Economies of scale (see next page)
- Staff skills and staff productivity
- IT capability / online transactions
- Service levels, for example, shorter wait times may require more staff
- Complexity of plan rules
- Using more consultants and third parties to do part of the work
- Projects
- Organization design

It is important to emphasize that total productivity is not a measure of staff productivity; staff productivity is however a component of total productivity.

# Productivity - adjusted for economies of scale

Productivity is impacted by economies of scale. CEM research shows that, on average, smaller systems have lower productivity than larger systems. Thus we need to adjust the productivity of your peers for economies of scale in order to produce an accurate comparison.

After adjusting for economies of scale, your productivity (weighted transaction volumes per FTE) was 37% above the weighted peer average.



1. The peer and all averages are weighted by workloads (i.e., weighted transactions per member) because differences in productivity matter more for peers with higher workloads when explaining cost differences.

# Productivity by activity

Productivity by activity must be interpreted cautiously because annual fluctuations in activity volumes can cause large swings in productivity. Unusually high volumes in a given year will make you look more productive than normal. Unusually low volumes will make you look less productive.

**Productivity by Front Office Activity**

| | | Activity Volume per FTE | | |
|---|---|---|---|---|
| **Front-Office Activities** | **Activity Volume Description** | **You** | **Peer avg** | **All avg** |
| **1. Member Transactions** | | | | |
| a. Pension Payments | Annuitants | 58,135 | 28,906 | 28,760 |
| b. Pension Inceptions and Written Estimates | New Payee Inceptions | 621 | 626 | 424 |
| c. Refunds, Withdrawals, and Transfers-out | Refunds, Withdrawals, and Transfers-out | 771 | 1,954 | 1,320 |
| d. Purchases and Transfers-in | Purchases and Transfers-in | 366 | 316 | 818 |
| e. Disability | Disability Applications | 104 | 108 | 121 |
| **2. Member Communication** | | | | |
| a. Contact Center | Calls and Emails | 10,886 | 8,051 | 12,235 |
| b. Mail Room, Imaging | Incoming Mail | 33,825 | 39,187 | 21,221 |
| c. 1-on-1 Counseling | Members Counseled 1-on-1 | 82 | 1,199 | 1,657 |
| d. Member Presentations | Member Presentations | 19 | 122 | 133 |
| e. Mass Communication | Active Members and Annuitants | 285,486 | 119,629 | 89,492 |
| **3. Collections and Data Maintenance** | | | | |
| a. Data and Money from Employers | Active Members | 34,354 | 28,946 | 23,472 |
| b. Service to Employers | Active Members | 88,071 | 40,692 | 41,068 |
| c. Data Not from Employers | Actives, Inactives, Annuitants | 349,585 | 302,532 | 203,845 |
| Weighted Transactions per Front Office FTE | | 215,061 | 155,965 | 139,938 |
| adjusted for Economies of Scale [1], [2] | | 215,061 | 156,699 | 185,374 |

1. Productivity is impacted by economies of scale. CEM research shows that, on average, smaller systems have lower productivity than larger systems. Thus we need to adjust the productivity of your peers for economies of scale in order to produce an accurate comparison.

2. The peer and all averages, for this value only, are weighted by workloads (i.e., weighted transactions per member) because differences in productivity matter more for peers with higher workloads when explaining cost differences.

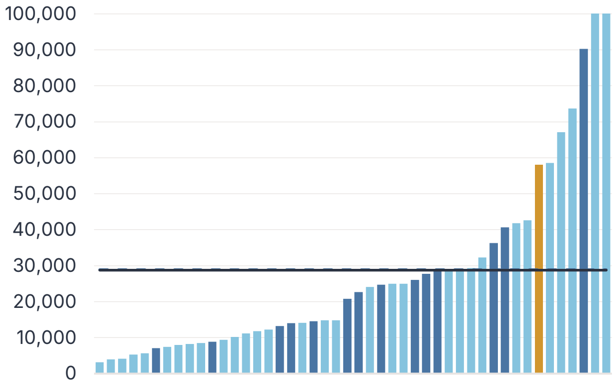
Differences in productivity are caused by differences in:
- Economies of scale (see previous page)
- Staff skills and staff productivity
- IT capability / online transactions
- Service levels, for example, shorter wait times may require more staff
- Complexity of plan rules
- Using more consultants and third parties to do part of the work
- Projects
- Organization design

It is important to emphasize that total productivity is not a measure of staff productivity; staff productivity is however a component of total productivity.

# Productivity by activity - member transactions

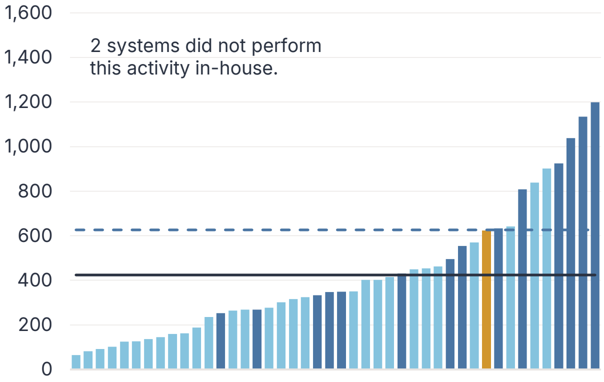
### 1A Pension Payments

annuitants per pension payments FTE



### 1B New Payee Inceptions

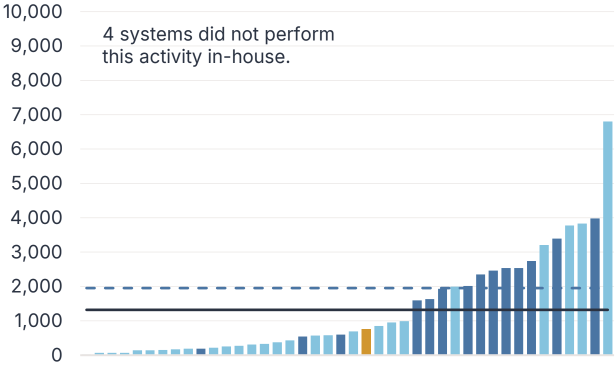
per pension inceptions and written estimates FTE



2 systems did not perform this activity in-house.

### 1C Refunds, Withdrawals, and Transfers-out

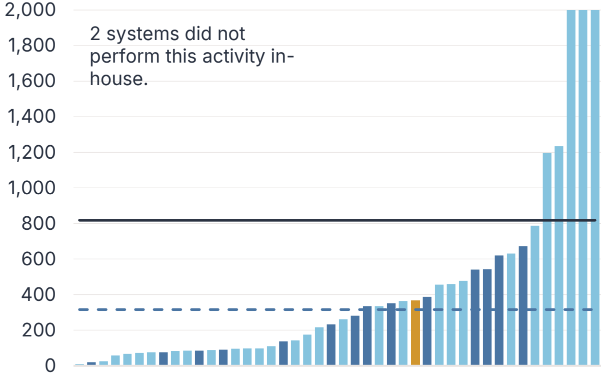
per refunds, withdrawals, and transfers-out FTE



4 systems did not perform this activity in-house.

### 1D Purchases and Transfers-in

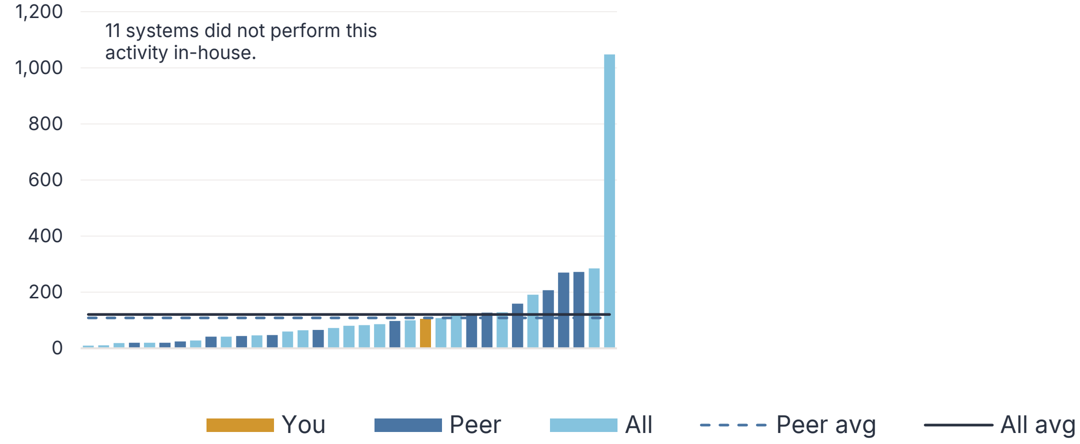
per purchases and transfers-in FTE



2 systems did not perform this activity in-house.

### 1E Disability Applications

per disability FTE

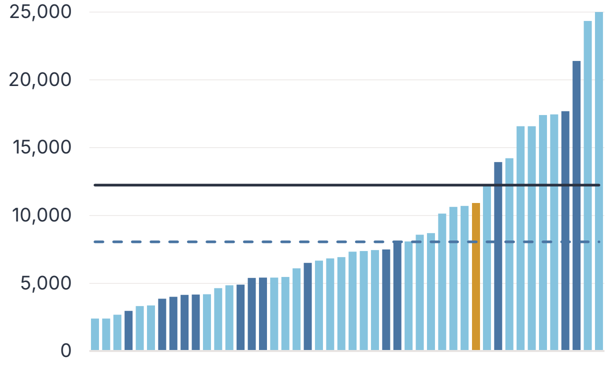


11 systems did not perform this activity in-house.

# Productivity by activity - member communication

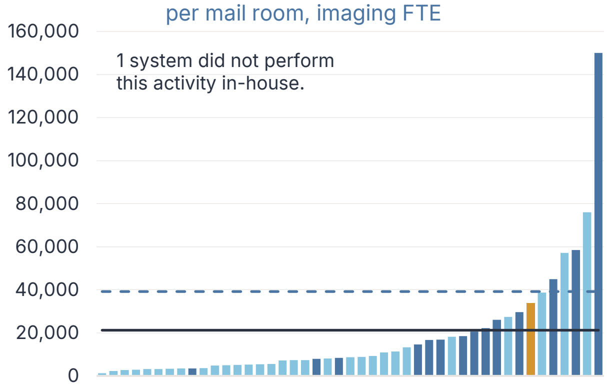
### 2A Calls and Emails

per contact center FTE



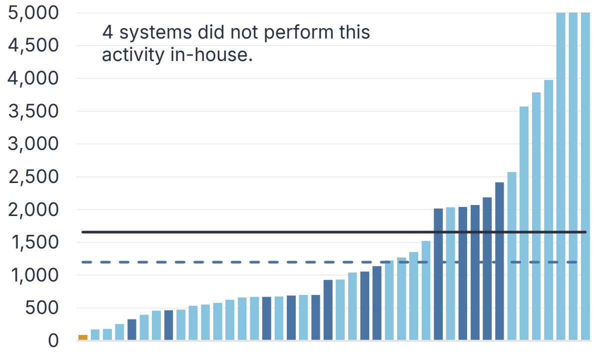
### 2B Incoming Mail

per mail room, imaging FTE


1 system did not perform this activity in-house.

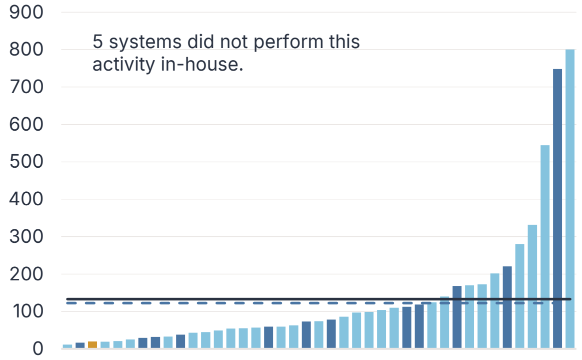
### 2C Members Counseled 1-on-1

per 1-on-1 counseling FTE


4 systems did not perform this activity in-house.

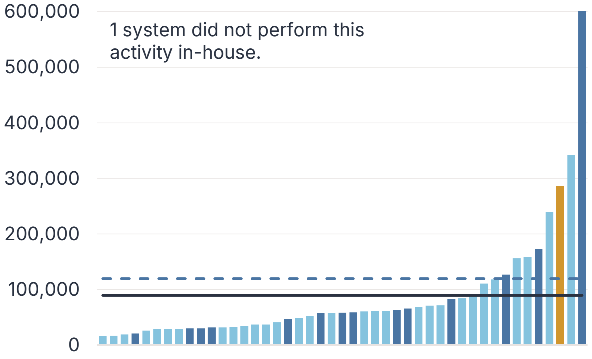
### 2D Member Presentations

per member presentations FTE


5 systems did not perform this activity in-house.

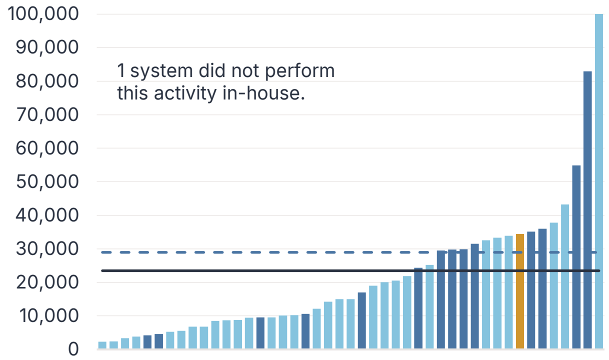
### 2E Mass Communication

active members and annuitants per mass communication FTE


1 system did not perform this activity in-house.

You Peer All Peer avg All avg

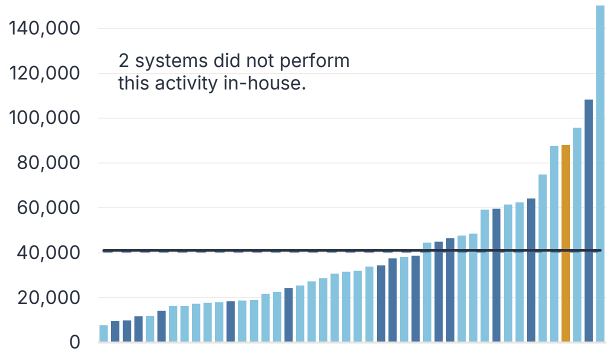
# Productivity by activity - collections and data maintenance



### 3A Data and Money from Employers

active members per data and money from employers FTE

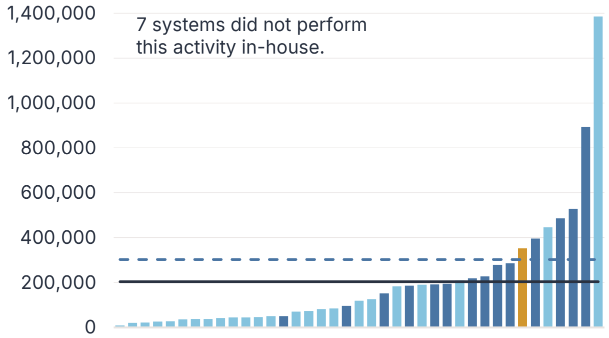
1 system did not perform this activity in-house.



### 3B Service to Employers

active members per service to employers FTE

2 systems did not perform this activity in-house.



### 3C Data Not from Employers

actives, inactives, annuitants per data not from employers FTE

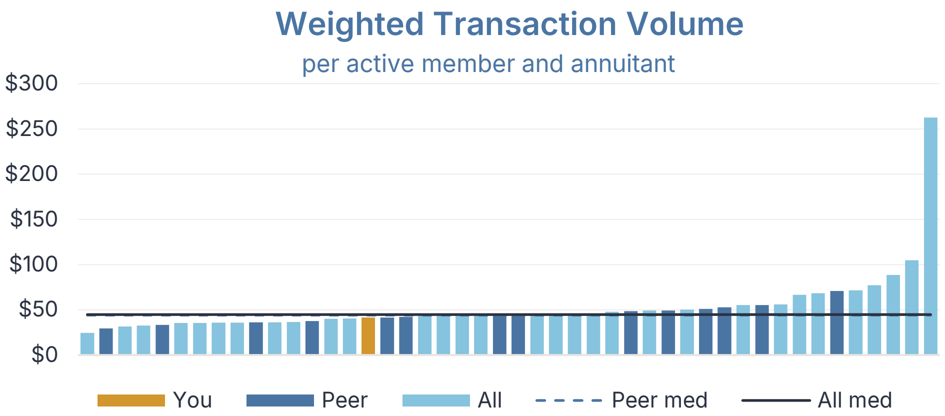
7 systems did not perform this activity in-house.

🟧 You ■ Peer ■ All - - - - Peer avg ——— All avg

# Transaction Volumes

# Workload: Weighted transaction volume per member

Your weighted transaction volume was $41.23 per active member and annuitant. This was below the peer median of $44.17.



Your weighted transaction volume per member indicates whether you are doing more or less administration work per member in aggregate than your peers. This could be due to reasons that are beyond your control, or because you are voluntarily doing more work for your members. Differences in work reflect differences in:

- Activities that you administer. For example, some systems do not administer disability.
- Service levels
- Membership mix
- Member demographics

The calculation of your weighted transaction volume is shown on the following page.

**Interpreting your weighted transaction volumes**
Transaction volumes are an important driver of costs. As shown in 'section 3 - Total Cost', your below average weighted transaction volumes decreased your total cost by an estimated $1.75 per member relative to the peer average.

Mindful that transaction volumes are a significant driver of cost, this is one area to focus attention on in terms of potentially saving money. You may look at where you process more work than your peers with a view to reducing that volume (provided you have control over the volume).

# Calculation of your weighted transaction volume

Your weighted transaction volume equals the cost weighted average of the 13 'front office' pension administration transaction volumes shown in the table below.

**Calculation of Your Weighted Transactions per Member**

| Transaction (or Cost Driver) by Front Office Activity | Your Volume (A) | Weight = All Median Cost per Transaction (B) | Weighted Volume (A x B) |
|---|---|---|---|
| **1. Member Transactions** | | | |
| a. Pension Payments (Annuitants) | 372,067 | $10.26 | 3,816,204 |
| b. New Payee Inceptions | 17,335 | $308.01 | 5,339,347 |
| c. Refunds, Withdrawals, and Transfers-out | 19,133 | $179.02 | 3,425,273 |
| d. Purchases and Transfers-in | 1,208 | $470.33 | 568,153 |
| e. Disability Applications | 1,064 | $1,875.84 | 1,995,897 |
| **2. Member Communication** | | | |
| a. Calls and Emails | 542,113 | $13.43 | 7,282,542 |
| b. Incoming Mail | 250,304 | $11.56 | 2,893,904 |
| c. Members Counseled 1-on-1 | 379 | $116.19 | 44,036 |
| d. Member Presentations | 83 | $1,368.02 | 113,546 |
| e. Mass Communication (Active Members and Annuitants) | 856,457 | $4.38 | 3,751,082 |
| **3. Collections and Data Maintenance** | | | |
| a. Data and Money from Employers (Active Members) | 484,390 | $7.03 | 3,403,612 |
| b. Service to Employers (Active Members) | 484,390 | $3.83 | 1,853,402 |
| c. Data Not from Employers (Actives, Inactives, Annuitants) | 1,013,797 | $0.81 | 826,074 |
| **Total** | | | **35,313,074** |
| **Total per active member and annuitant** | | | **$41.23** |

# Methodology notes

- Weights - The weights used for all activities are the all median cost per transaction. This enables us to normalize for the substantial differences in time and effort expended on each type of task. For example, a 1-on-1 counseling session is more costly and time consuming than answering a telephone call. This difference is reflected in the weights where the cost per 1-on-1 counseling session of $116.19 is approximately 9 times higher than the cost per call of $13.43.

- Back Office Activities (e.g., Governance and Financial Control, Major Projects and Support Services) - The work of back office activities is excluded from the weighted transaction volume score. This is because most work of back office activities cannot be analyzed in terms of transaction volumes. For example, it would be nearly impossible to consider the role of a CEO in terms of the number of transactions that he or she processes.

- Web - Transaction volumes are weighted the same regardless of channel. Online transactions typically cost less, but if we applied a lower weight, then a system that has achieved a high level of online functionality would be unfairly penalized.

- Secondary versus primary cost drivers - The activity volumes used to determine your weighted transaction volume score are the primary cost drivers for each activity. Secondary cost drivers are ignored in this section because they are usually relatively immaterial.

- Using members as a proxy - For some activities, we have used members (or member subsets such as annuitants) as a proxy for the activity's transactions. For example, active members are used as a proxy for the transactions of the Collections and Data Maintenance activity. The implicit assumption is that data maintenance transactions, such as address changes, will occur at similar ratios of members for all systems.

# Comparison of transaction volumes by activity

The table below shows whether you are doing more or fewer transactions per member than your peers by front office activity. All volumes in the table are compared 'per 1,000 active members and annuitants' even if all member types do not always cause the volume. This is because active members and annuitants is the divisor when comparing total cost per member. Therefore, to know how volumes impact your relative total cost performance, they need to be compared on the same basis.

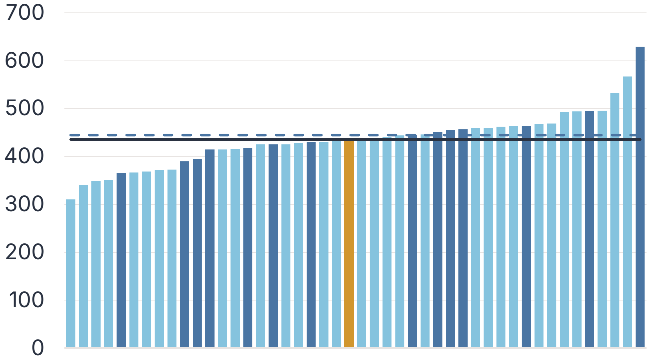
**Comparisons of Transaction Volumes by Activity**

| Transaction (or Cost Driver) by Front Office Activity | Your Volume | Volume per 1,000 Active Members and Annuitants You | Peer avg | All avg |
|---|---|---|---|---|
| **1. Member Transactions** | | | | |
| a. Pension Payments (Annuitants) | 372,067 | 434 | 445 | 436 |
| b. New Payee Inceptions | 17,335 | 20 | 22 | 22 |
| c. Refunds, Withdrawals, and Transfers-out | 19,133 | 22 | 23 | 20 |
| d. Purchases and Transfers-in | 1,208 | 1 | 4 | 23 |
| e. Disability Applications | 1,064 | 1 | 1 | 1 |
| **2. Member Communication** | | | | |
| a. Calls and Emails | 542,113 | 633 | 550 | 555 |
| b. Incoming Mail | 250,304 | 292 | 301 | 240 |
| c. Members Counseled 1-on-1 | 379 | 0 | 18 | 30 |
| d. Member Presentations | 83 | 0 | 1 | 1 |
| e. Mass Communication (Active Members and Annuitants) | 856,457 | 1,000 | 1,000 | 1,000 |
| **3. Collections and Data Maintenance** | | | | |
| a. Data and Money from Employers (Active Members) | 484,390 | 566 | 555 | 564 |
| b. Service to Employers (Active Members) | 484,390 | 566 | 555 | 564 |
| c. Data Not from Employers (Actives, Inactives, Annuitants) | 1,013,797 | 1,184 | 1,529 | 1,384 |
| **Weighted Total** | | **41,232** | **45,220** | **52,535** |

# Member transactions per 1,000 members: Graphical comparisons

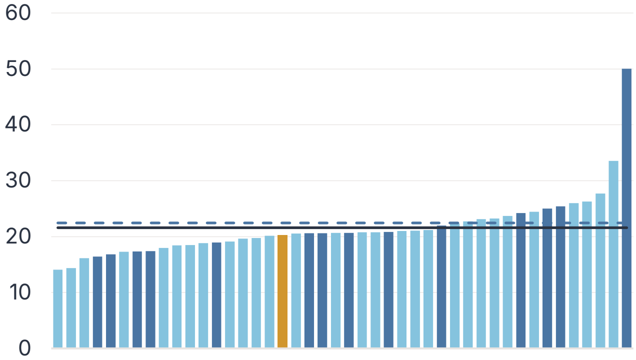
## 1A Pension Payments (Annuitants)

per 1,000 active members and annuitants



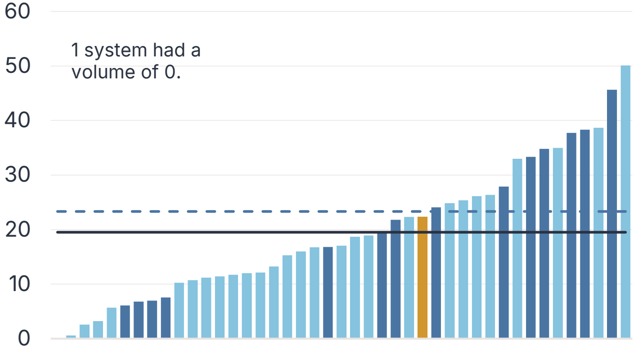
## 1B New Payee Inceptions

per 1,000 active members and annuitants



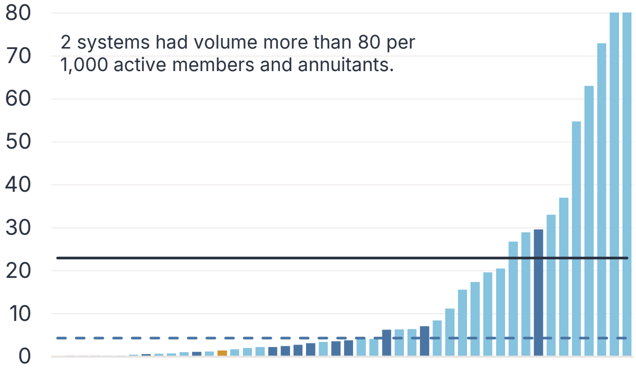
## 1C Refunds, Withdrawals, and Transfers-out

per 1,000 active members and annuitants



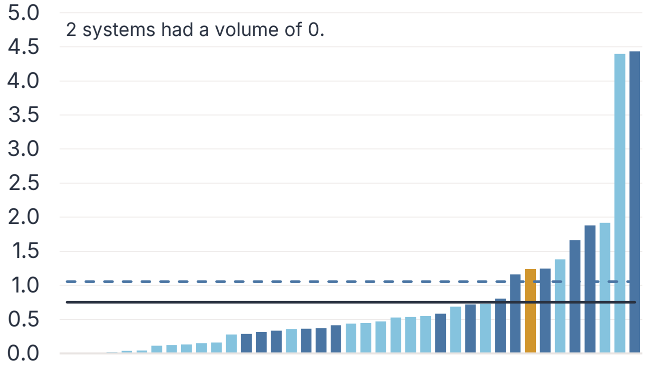
## 1D Purchases and Transfers-in

per 1,000 active members and annuitants



## 1E Disability Applications

per 1,000 active members and annuitants

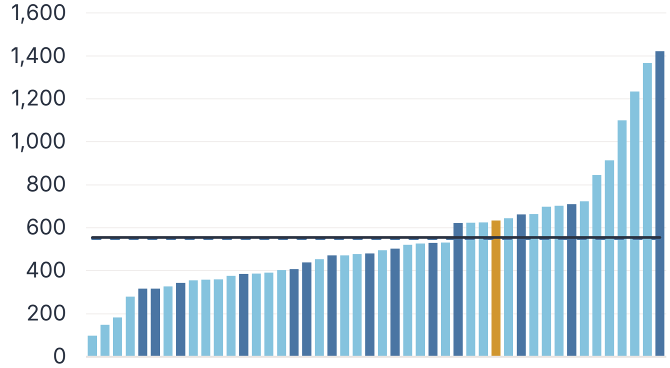


▬ You ▬ Peer ▬ All - - - - Peer avg —— All avg

# Communications transactions per 1,000 members: Graphical comparisons

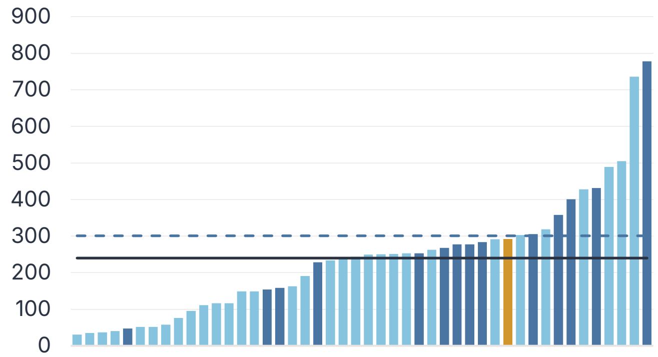
**2A Calls and Emails**

per 1,000 active members and annuitants



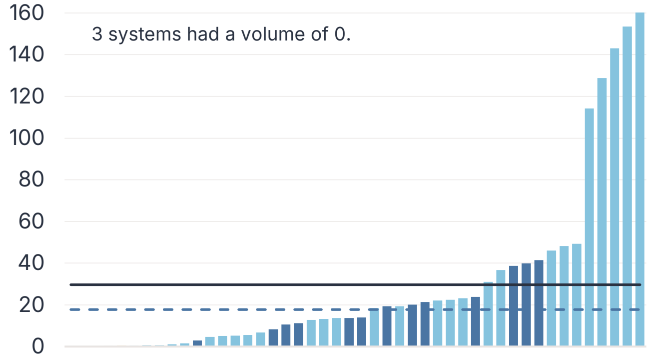
**2B Incoming Mail**

per 1,000 active members and annuitants



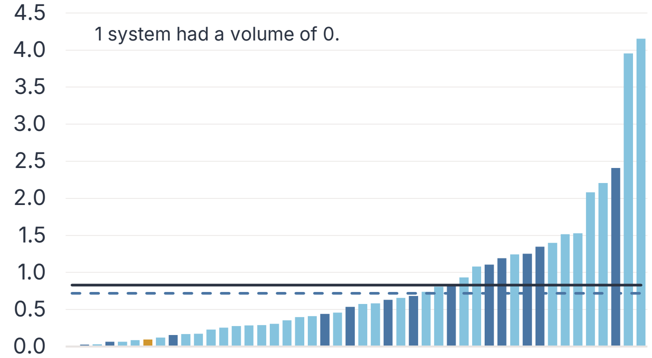
**2C Members Counseled 1-on-1**

per 1,000 active members and annuitants


3 systems had a volume of 0.

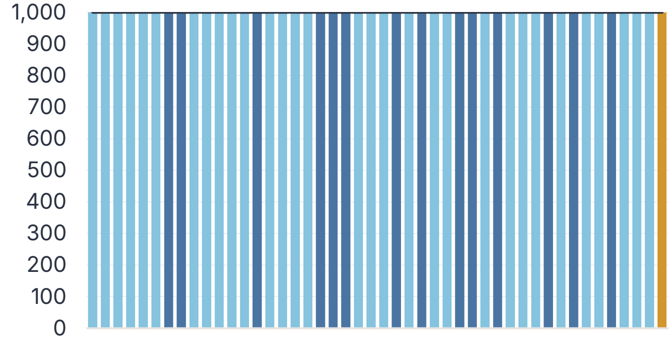
**2D Member Presentations**

per 1,000 active members and annuitants


1 system had a volume of 0.

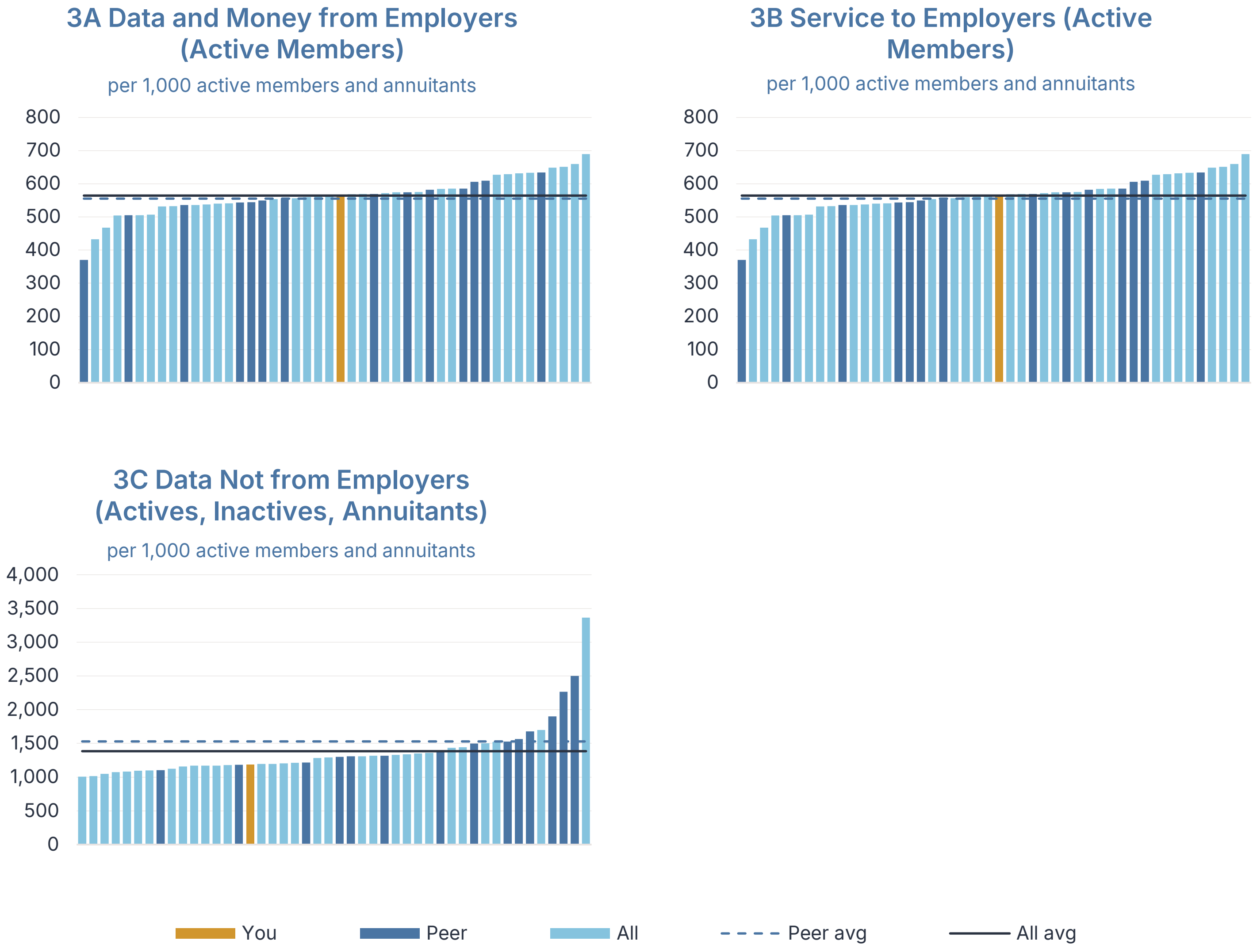
**2E Mass Communication (Active Members and Annuitants)**

per 1,000 active members and annuitants



🟧 You 🟦 Peer ▬ All - - - - Peer avg —— All avg

# Collections and data transactions per 1,000 members: Graphical comparisons



3A Data and Money from Employers (Active Members)

per 1,000 active members and annuitants

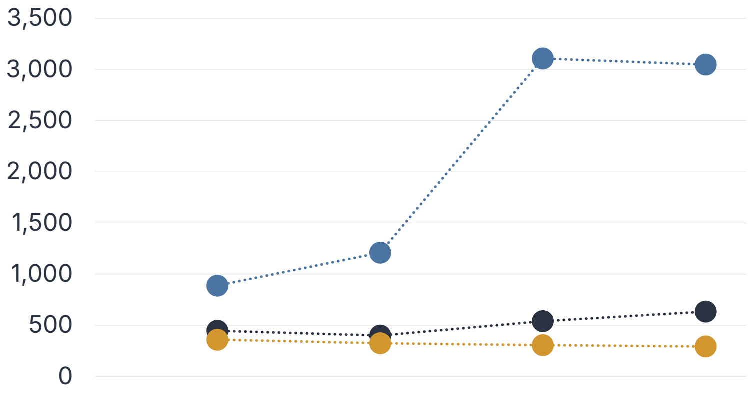
3B Service to Employers (Active Members)

per 1,000 active members and annuitants

3C Data Not from Employers (Actives, Inactives, Annuitants)

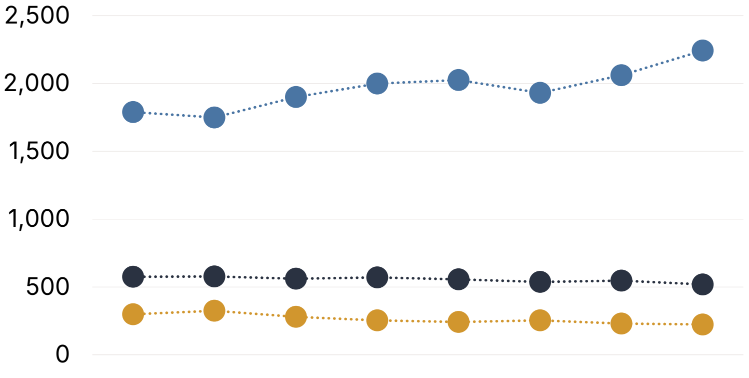
per 1,000 active members and annuitants

# Transaction trends



Transactions per 1,000 members - You

| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| Secure webvisits | | 888 | | 1,208 | | 3,107 | | 3,047 |
| Calls | | 444 | | 399 | | 538 | | 633 |
| Incoming mail | | 359 | | 323 | | 305 | | 292 |



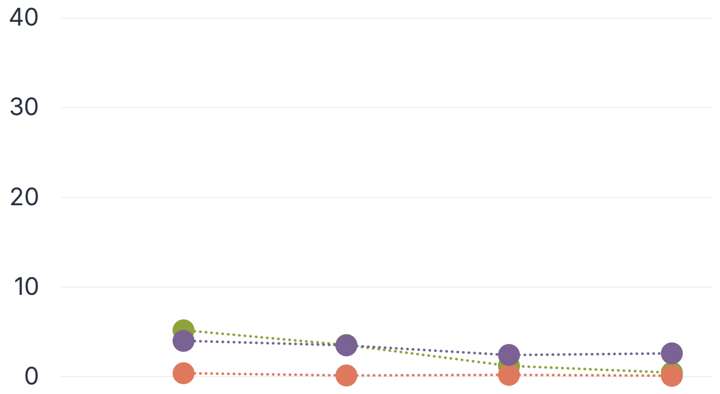
Transactions per 1,000 members - All Avg

| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| Secure webvisits | 1,789 | 1,750 | 1,900 | 2,000 | 2,026 | 1,931 | 2,060 | 2,243 |
| Calls | 575 | 578 | 561 | 571 | 556 | 537 | 546 | 519 |
| Incoming mail | 300 | 325 | 280 | 254 | 241 | 253 | 231 | 224 |

Trend analysis is based on 30 systems that provided 8 consecutive years of data.

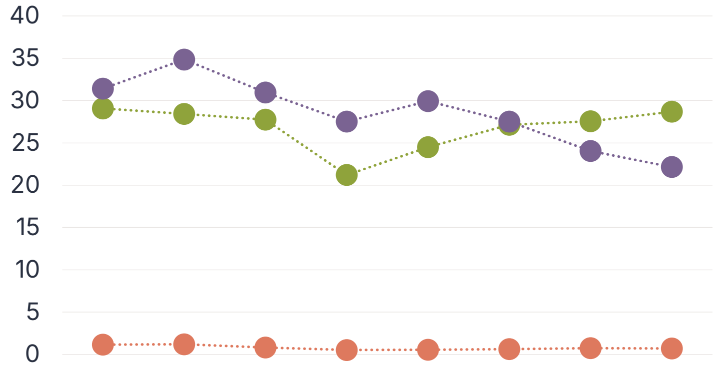
# Transaction trends

## Transactions per 1,000 members - You



| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| 🟩 1on1 | | 5 | | 4 | | 1 | | 0 |
| 🟥 Presentations | | 0 | | 0 | | 0 | | 0 |
| 🟪 Estimates | | 4 | | 3 | | 2 | | 3 |

## Transactions per 1,000 members - All Avg



| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| 🟩 1on1 | 29 | 28 | 28 | 21 | 24 | 27 | 28 | 29 |
| 🟥 Presentations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 🟪 Estimates | 31 | 35 | 31 | 28 | 30 | 28 | 24 | 22 |

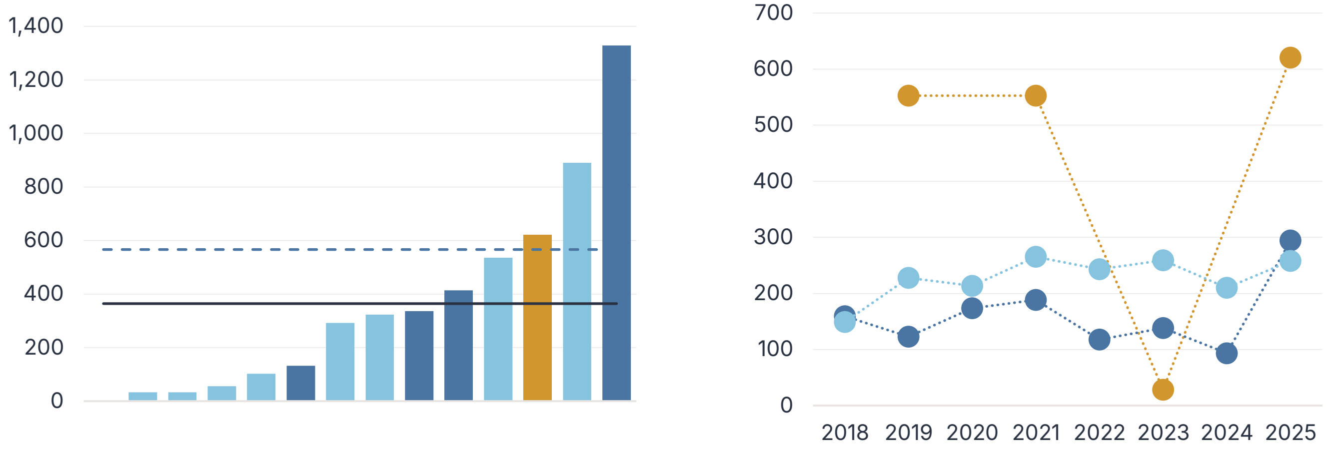
Trend analysis is based on 30 systems that provided 8 consecutive years of data.

# Online transactions

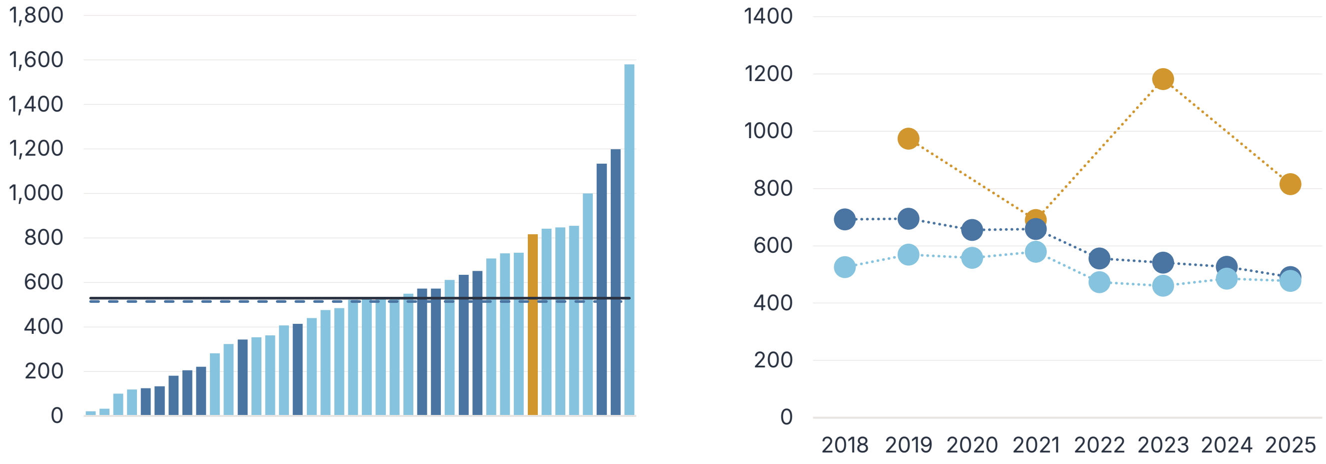
| **Online Tool** | **% offering tool** | | |
|---|---|---|---|
| | **You** | **Peer** | **All** |
| Benefit calculators: | | | |
| In non-secure area | Yes | 47% Yes | 48% Yes |
| In secure area linked to member's salary and service data | Yes | 93% Yes | 91% Yes |
| Member can: | | | |
| Model different retirement start dates | Yes | 100% Yes | 100% Yes |
| Model salary changes | Yes | 100% Yes | 93% Yes |
| Model different working percentages (e.g., part-time or early termination) | Yes | 93% Yes | 79% Yes |
| Model alternative payment options | Yes | 93% Yes | 90% Yes |
| Model gross and net retirement income | Gross | 86% Both | 74% Both |
| Model monthly and annual retirement income | monthly | 58% Both | 55% Both |
| View retirement incomes in one-page summary for comparative purposes | Yes | 57% Yes | 55% Yes |
| Capabilities on your website: | | | |
| Submit a retirement application online | Yes | 93% Yes | 74% Yes |
| Member provided with an estimate, final gross (or net) amount, or neither | Estimate | 8% Final | 15% Final |
| Percent of online applications require follow-up | 100% | 68% | 65% |
| Member view the status of online retirement application | Yes | 79% Yes | 74% Yes |
| Prior service credit purchase calculator | Yes | 87% Yes | 73% Yes |
| Prior service credit estimate is final | No | 23% Yes | 21% Yes |
| In-service credit purchase calculator | Yes | 53% Yes | 48% Yes |
| In-service credit estimate is final | No | 38% Yes | 33% Yes |
| Apply for a prior service credit purchase | No | 53% Yes | 41% Yes |
| Apply for an in-service credit purchase | No | 47% Yes | 36% Yes |
| Apply for a transfer-in | No | 27% Yes | 26% Yes |
| Apply for transfer-out | Yes | 73% Yes | 48% Yes |
| Change address | Yes | 100% Yes | 95% Yes |
| Change beneficiary | Yes | 93% Yes | 82% Yes |
| Change email address | Yes | 100% Yes | 96% Yes |
| Change banking information for direct deposit | Yes | 100% Yes | 73% Yes |
| Change tax withholding amount | Yes | 93% Yes | 73% Yes |
| View or download duplicate tax receipts [i.e., 1099s in the U.S.] | Yes | 100% Yes | 93% Yes |
| View pension payment details [i.e., gross amounts, deductions] | Yes | 100% Yes | 89% Yes |
| Secure portal that includes a member's history of recent correspondence | No | 80% Yes | 74% Yes |
| View most recent member statement | Yes | 93% Yes | 93% Yes |
| Upload documents | Yes | 80% Yes | 78% Yes |
| View pensionable earnings and/or service without downloading | Yes | 93% Yes | 83% Yes |
| If yes: | | | |
| Both salary and service data are available | Yes | 100% Yes | 100% Yes |
| Is online data up-to-date to the most recent pay period | Yes | 93% Yes | 84% Yes |
| Is a complete annual history from the beginning of employment provided | Yes | 86% Yes | 66% Yes |

# Online transaction trends

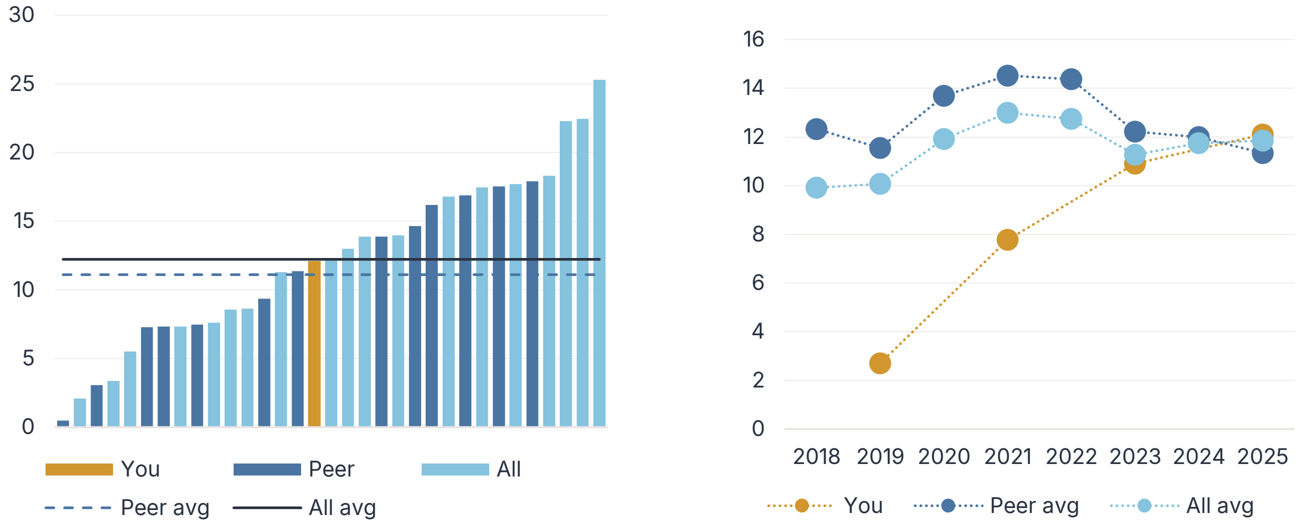
### Public-website benefit calculator volumes per 1,000 active members and annuitants



### Secure area benefit calculator volumes per 1,000 active members and annuitants



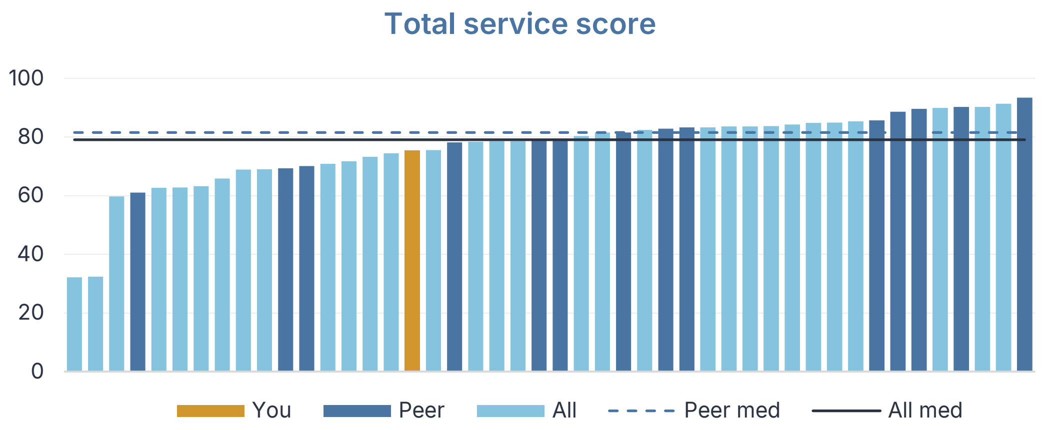
### Online retirement applications per 1,000 active members and annuitants



# Service Levels

# Total service score

Your total service score was 75 out of 100. This was below the peer median of 82.



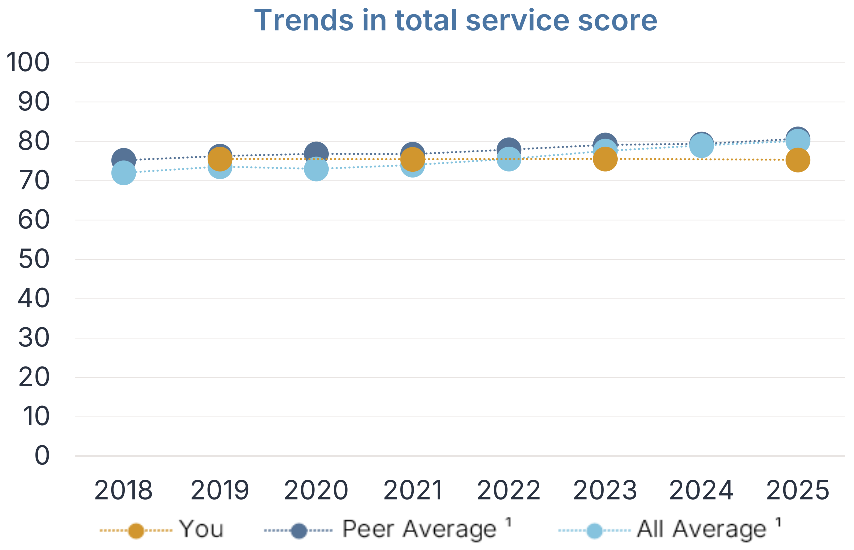
Your total service score is the weighted average of the service scores for each of the four member journeys below.

| Member journey | Weight | You | Peer median |
|---|---|---|---|
| Active member experience | 30% | 67 | 79 |
| Inactive member experience | 5% | 81 | 75 |
| Retiring experience | 35% | 73 | 80 |
| Annuitant experience | 30% | 85 | 89 |
| **Weighted total service score** | **100%** | **75** | **82** |

- High service may not always be cost-effective or optimal. For example, it is higher service for your members to have a contact center open 24 hours a day but few systems would be able to justify the cost.
- The service measures are most useful for identifying what you do differently than your peers. Understanding these differences gives you ideas on how you may want to improve or reduce the service you provide to your members.
- Our 'weights' are an approximation of the importance of an individual service element. The weights will not always reflect the relative importance that you or your members attach to an individual service element.

# Service trends

Your service score has decreased from 76 to 75 between 2019 and 2025.



**Total Service Score Trends**

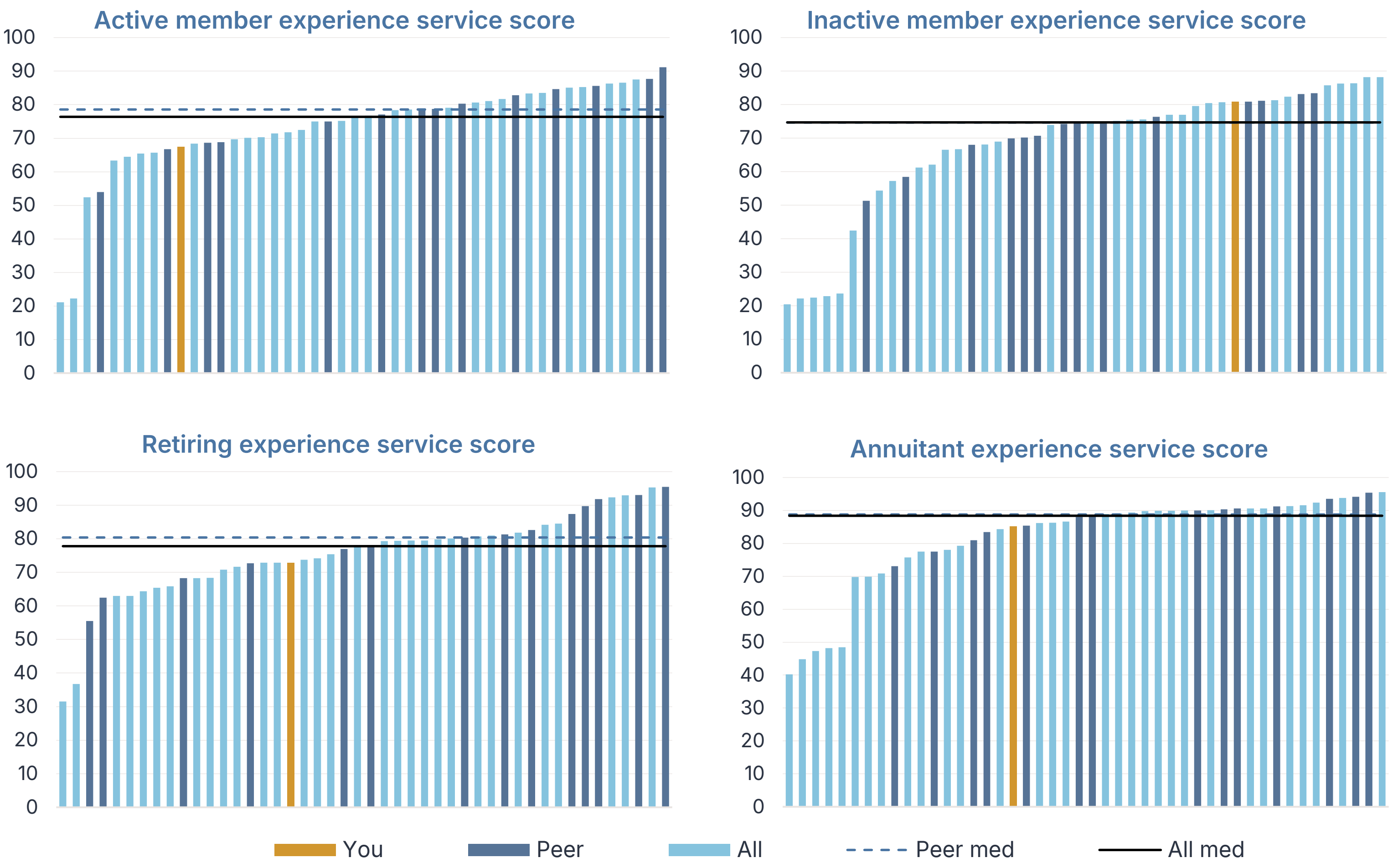
| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| You | | 76 | | 75 | | 76 | | 75 |
| Peer Average [1] | 75 | 76 | 77 | 77 | 78 | 79 | 79 | 81 |
| All Average [1] | 72 | 74 | 73 | 74 | 76 | 78 | 79 | 80 |

1. Trend analysis is based on systems that have participated for 8 consecutive years (13 peers and 31 World systems). This ensures that trends are not caused by changes in the composition of the participants.

Historic scores have been restated to reflect changes in methodology. If any service question was not asked in a prior year, we used your response this year as a default. Defaults are applied historically to ensure year-on-year consistency.

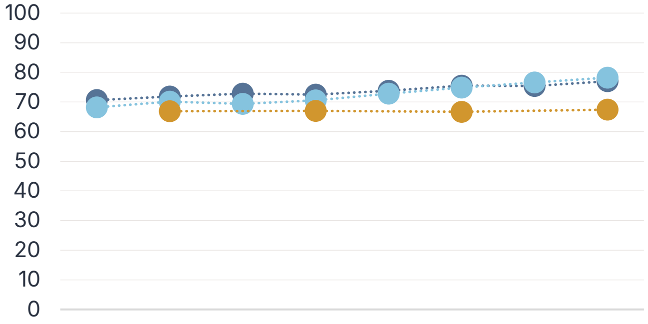
# Service score by member journey

Your total service score is the weighted average of your service scores for each of the member journeys shown below.



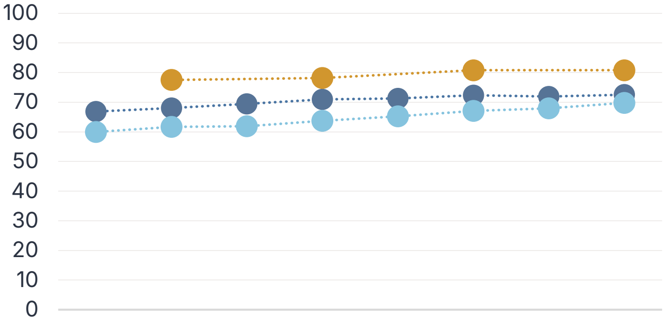
# Service trends by member journey

Active member experience service score



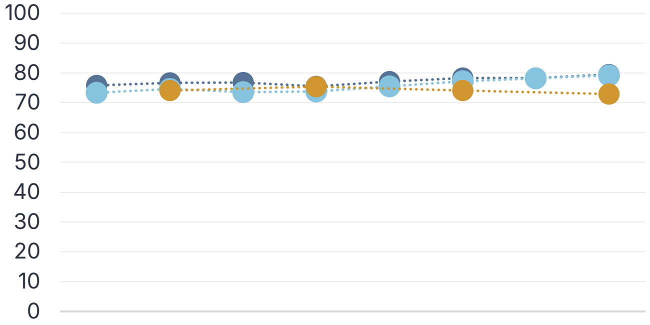
| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| You | | 67 | | 67 | | 67 | | 67 |
| Peer avg[1] | 71 | 72 | 73 | 73 | 74 | 76 | 75 | 77 |
| All avg[1] | 68 | 70 | 69 | 71 | 73 | 75 | 77 | 78 |

Inactive member experience service score



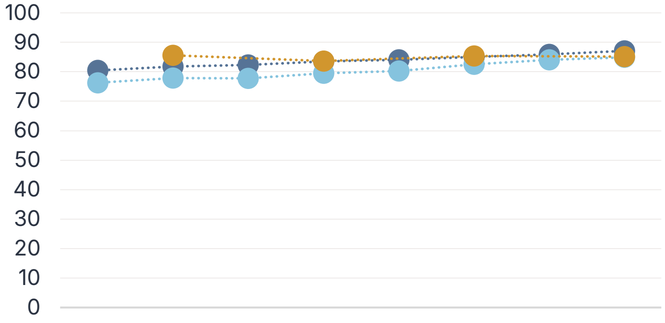
| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| You | | 78 | | 78 | | 81 | | 81 |
| Peer avg[1] | 67 | 68 | 69 | 71 | 71 | 72 | 72 | 73 |
| All avg[1] | 60 | 62 | 62 | 64 | 65 | 67 | 68 | 70 |

Retiring experience service score



| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| You | | 74 | | 75 | | 74 | | 73 |
| Peer avg[1] | 76 | 77 | 77 | 75 | 77 | 78 | 78 | 79 |
| All avg[1] | 73 | 75 | 74 | 74 | 75 | 77 | 78 | 79 |

Annuitant experience service score



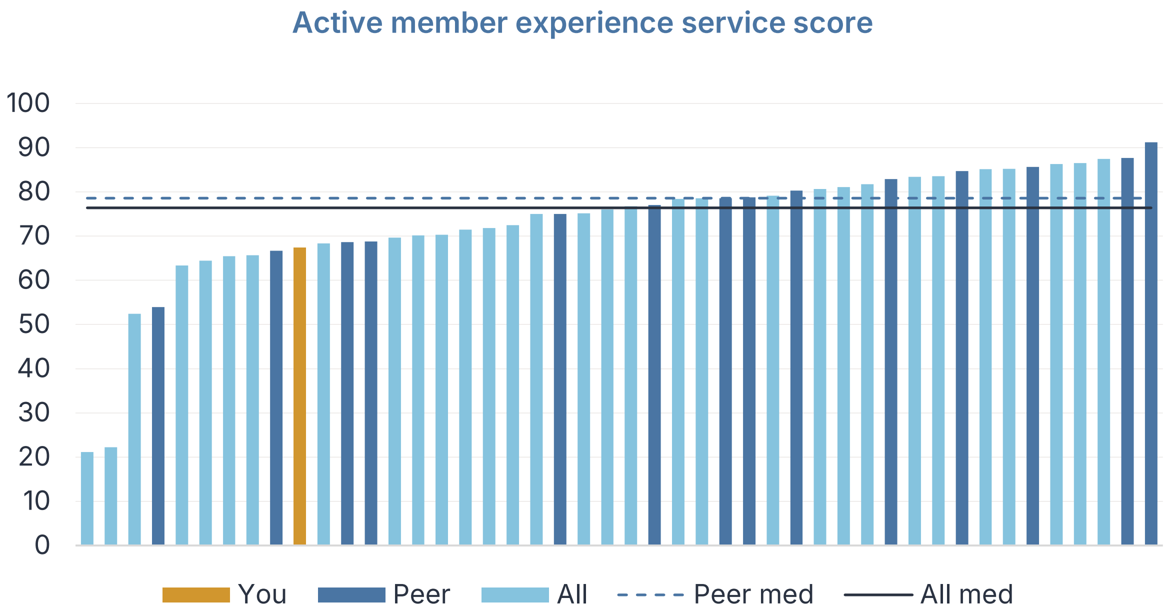
| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| You | | 86 | | 84 | | 85 | | 85 |
| Peer avg[1] | 80 | 82 | 82 | 84 | 84 | 85 | 86 | 87 |
| All avg[1] | 76 | 78 | 78 | 79 | 80 | 82 | 84 | 85 |

● You ● Peer Avg[1] ● All Avg[1]

1. Trend analysis is based on systems that have participated for 8 consecutive years (13 peers and 31 World systems). This ensures that trends are not caused by changes in the composition of the participants.

# Total service score for active members

Your service score for active member experience was 67 out of 100. This was below the peer median of 79.

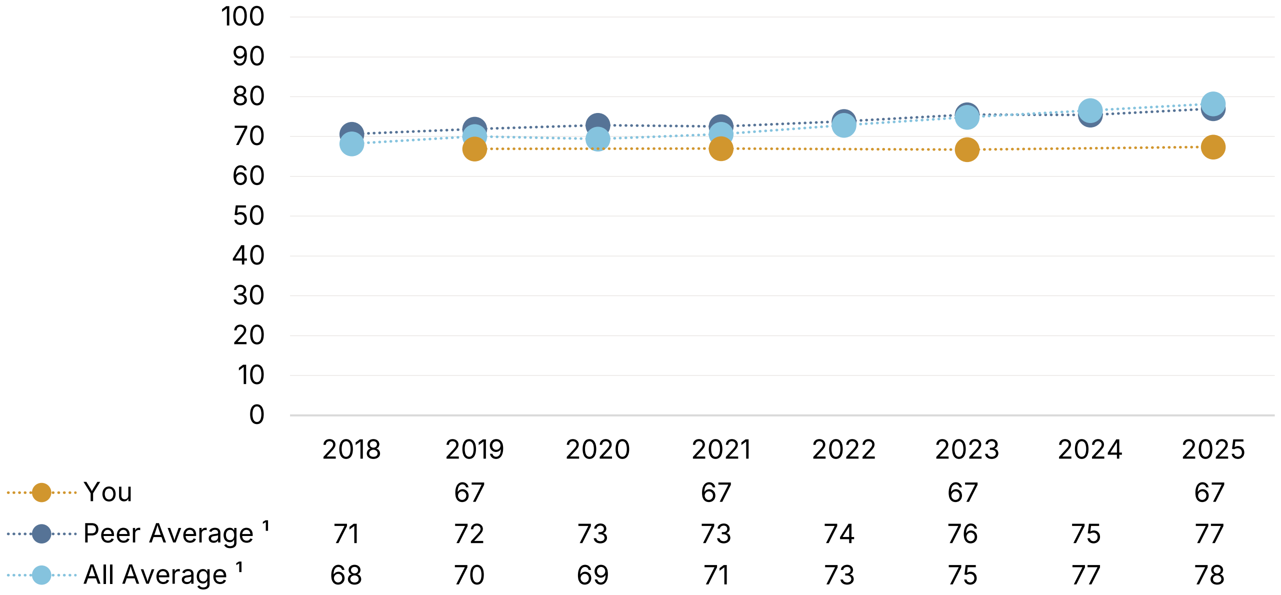


Your total service score for active members is the weighted average of the activity service scores below:

| **Activity** | **Weight** | **You** | **Peer median** | **Higher/ Lower** |
|---|---|---|---|---|
| Outbound Communication | 7.5% | 30 | 49 | -19 |
| Purchases and Transfers-in | 10.0% | 64 | 57 | 7 |
| Member statements | 12.5% | 64 | 75 | -11 |
| Personal information | 5.0% | 80 | 100 | -20 |
| Salary and service credit information | 5.0% | 100 | 100 | 0 |
| Secure website: users | 30.0% | 79 | 93 | -14 |
| Contact center: accessibility | 7.5% | 33 | 41 | -8 |
| Contact center: capability | 5.0% | 78 | 88 | -10 |
| Contact center: call quality | 5.0% | 80 | 88 | -8 |
| 1-on-1 counseling | 5.0% | 35 | 90 | -55 |
| Member presentations | 2.5% | 100 | 100 | 0 |
| Feedback | 5.0% | 70 | 70 | 0 |
| **Weighted total service score** | **100.0%** | **67** | **79** | **-11** |

# Trend in service score for active members

Active member experience service trend



| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| You | | 67 | | 67 | | 67 | | 67 |
| Peer Average [1] | 71 | 72 | 73 | 73 | 74 | 76 | 75 | 77 |
| All Average [1] | 68 | 70 | 69 | 71 | 73 | 75 | 77 | 78 |

**Trend in service score for active members by activity**

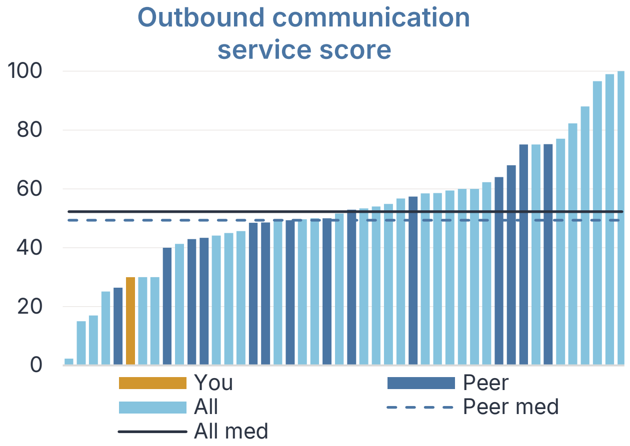
| | | Your service score | | | | | | | | Change | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Activity** | **Weight** | **2018** | **2019** | **2020** | **2021** | **2022** | **2023** | **2024** | **2025** | **1-Yr** | **8-Yr** |
| Outbound Communication | 7.5% | | 31 | | 32 | | 30 | | 30 | | |
| Purchases and Transfers-in | 10.0% | | 66 | | 69 | | 65 | | 64 | | |
| Member statements | 12.5% | | 66 | | 66 | | 66 | | 64 | | |
| Personal information | 5.0% | | 60 | | 60 | | 80 | | 80 | | |
| Salary and service credit information | 5.0% | | 100 | | 100 | | 100 | | 100 | | |
| Secure website: users | 30.0% | | 75 | | 75 | | 75 | | 79 | | |
| Contact center: accessibility | 7.5% | | 54 | | 36 | | 33 | | 33 | | |
| Contact center: capability | 5.0% | | 75 | | 75 | | 78 | | 78 | | |
| Contact center: call quality | 5.0% | | 80 | | 80 | | 80 | | 80 | | |
| 1-on-1 counseling | 5.0% | | 45 | | 49 | | 40 | | 35 | | |
| Member presentations | 2.5% | | 100 | | 100 | | 100 | | 100 | | |
| Feedback | 5.0% | | 55 | | 70 | | 70 | | 70 | | |
| **Weight total** | **100%** | | **67** | | **67** | | **67** | | **67** | | |

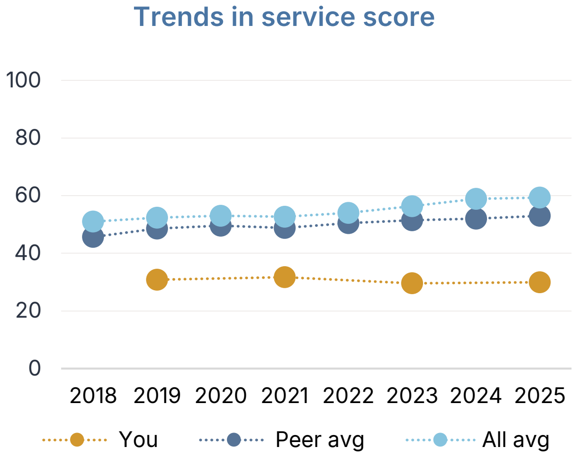
1. Trend analysis is based on systems that have participated for 8 consecutive years (13 peers and 31 World systems). This ensures that trends are not caused by changes in the composition of the participants.

ACTIVE MEMBER EXPERIENCE

# Outbound Communication

Your service score for outbound communication was 30 out of 100. This was below the peer median of 49.

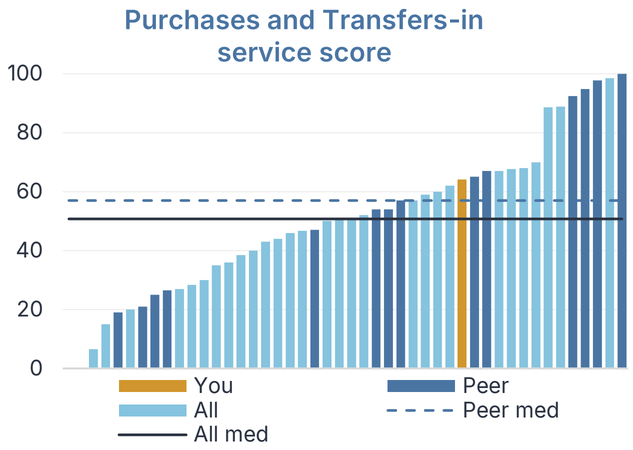


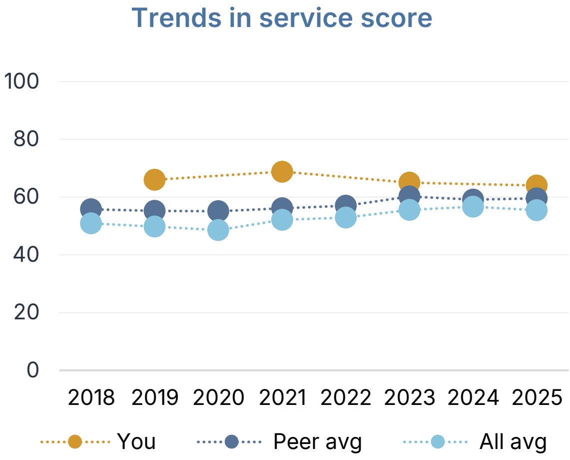


| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Email addresses** | | | |
| +30 | If you have email addresses for 90% or more of your active members, otherwise 33.3 X % of active members you have email addresses for. Your scorewill be 10 if unknown | 75.0% | 76.3% | 25.0 |
| | **Targeted campaigns** | | | |
| | If you send targeted communication to active members for the following: | | | |
| +10 | new member enrollment | No | 86.7% Yes | 0.0 |
| +10 | (likely) eligibility to purchase prior service credit | No | 13.3% Yes | 0.0 |
| +10 | vested for pension benefits | No | 40.0% Yes | 0.0 |
| +10 | eligibility to purchase credit for in-service-leave | No | 0.0% Yes | 0.0 |
| +10 | missing beneficiary | No | 26.7% Yes | 0.0 |
| +10 | missing email address | No | 6.7% Yes | 0.0 |
| | **Newsletters** | | | |
| +2 | If you send active members a newsletter | Yes | 100.0% Yes | 2.0 |
| +3 | If active members receive a different newsletter from inactive members or annuitants | Yes | 93.3% Yes | 3.0 |
| | **Presentations** | | | |
| +3 | If you have presentations targeted specifically to mid-career members | No | 80.0% Yes | 0.0 |
| +2 | If you have presentations targeted specifically to new members | No | 73.3% Yes | 0.0 |
| | **Total score** | | | **30.0** |

# Purchases and Transfers-in

Your service score for purchases and transfers-in was 64 out of 100. This was above the peer median of 57.





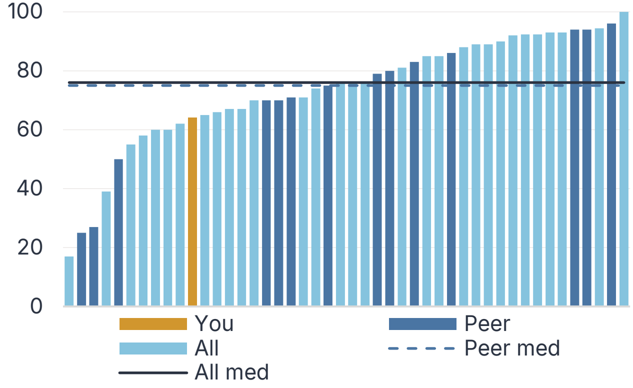
| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Service credit purchase calculator**<br>If you have an online calculator for: | | | |
| +15 | prior service credit purchases | Yes | 86.7% Yes | 15.0 |
| +15 | in-service-leave credit purchases (e.g., maternity, parental, sabbatical, educational, illness leave) | Yes | 53.3% Yes | 15.0 |
| | **Service credit purchase** | | | |
| +7.5 | If a member can apply for a service credit purchase online | No | 53.3% Yes | 0.0 |
| +7.5 | If a member can apply for a in-service credit purchase online | No | 46.7% Yes | 0.0 |
| | **Service credit purchase estimates** | | | |
| +15 | If you can provide an estimate of the cost to purchase service credit on a real-time basis over the phone | No | 60.0% Yes | 0.0 |
| +40 | If you can provide a written estimate in 1 day or less, otherwise 40 - 2 per day over 1 day | 4.0 days | 27.3 days | 34.0 |
| | **Transfers-in** | | | |
| n/a | If a member can apply for a transfer-in online | No | 26.7% Yes | n/a |
| n/a | If a member's transfer-in application is processed within 1 month, otherwise 35 - 3.5 per month over 1 month | n/a | 1.9 months | n/a |
| | **Total score** | | | **64.0** |

ACTIVE MEMBER EXPERIENCE

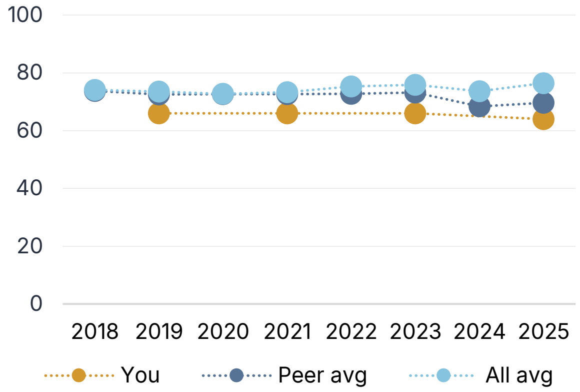
# Member statements

Your service score for member statements was 64 out of 100. This was below the peer median of 75.

Member statements service score



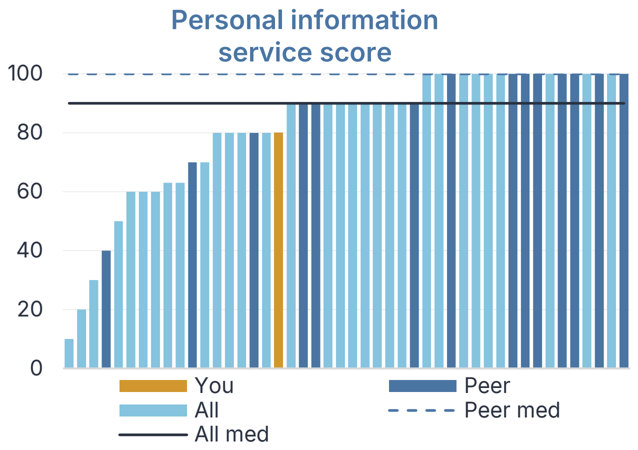
Trends in service score

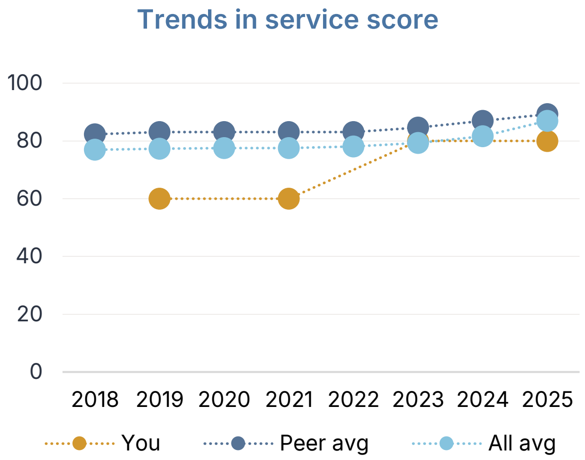


| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Availability** | | | |
| +15 | If the most recent member statement is available online | Yes | 93.3% Yes | 15.0 |
| +10 | If you send notice to all active members (that have opted not to receive mail) in the last year that member statements are available online | Yes | 60.0% Yes | 10.0 |
| +5 | If you send paper member statements to all active members (that have opted to receive mail) in the last year | No | 40.0% Yes | 0.0 |
| | **Timeliness** | | | |
| +20 | If the online member statement data is real time or less than 1 month, otherwise 20 - 4 for each month in excess of 1 month out of date | 5.0 months | 33% real time / 2.9 months | 4.0 |
| +10 | If the paper statement data is current to 1 month, otherwise 10 - 2 for each month in excess of 1 month out of date | n/a | 2.9 months | 0.0 |
| | **Content** | | | |
| | If your online and / or paper member statement: | | | |
| +10 | summarizes service credit | Yes | 100.0% Yes | 10.0 |
| +10 | provides pensionable earnings | Yes | 80.0% Yes | 10.0 |
| +5 | provides a historical summary of salary and service credit earned each year | No | 46.7% Yes | 0.0 |
| +15 | shows an estimate of future pension entitlement | Yes | 80.0% Yes | 15.0 |
| | **Total score** | | | **64.0** |

# Personal information

Your service score for personal information was 80 out of 100. This was below the peer median of 100.

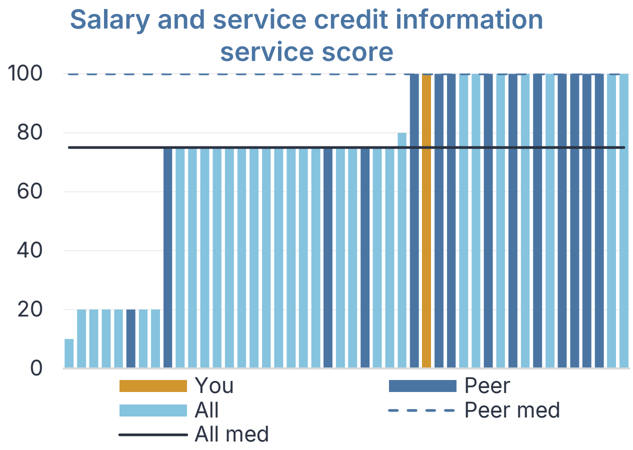


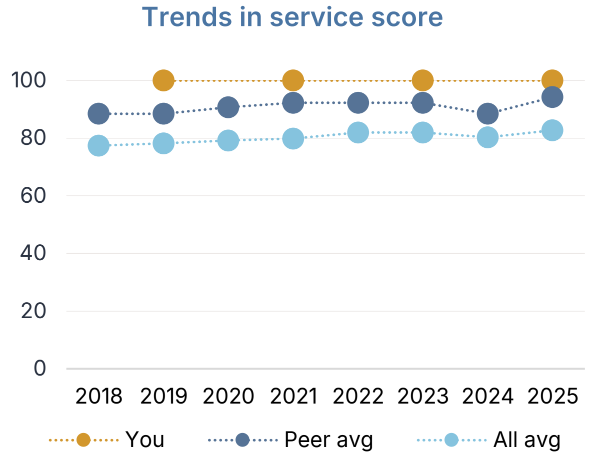


| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Self-service** | | | |
| | If members can do the following online: | | | |
| +15 | change address | Yes | 100.0% Yes | 15.0 |
| +15 | change email address | Yes | 100.0% Yes | 15.0 |
| +10 | change communication preferences | Yes | 80.0% Yes | 10.0 |
| +10 | change beneficiary | Yes | 93.3% Yes | 10.0 |
| | **Secure messaging** | | | |
| | If you have a secure portal for members: | | | |
| +10 | that includes a history of recent correspondence | No | 80.0% Yes | 0.0 |
| +20 | where members can upload documents | Yes | 80.0% Yes | 20.0 |
| | **Assisted service** | | | |
| | If members can do the following over the phone: | | | |
| +10 | change address | No | 86.7% Yes | 0.0 |
| +10 | change email address | Yes | 93.3% Yes | 10.0 |
| | **Total score** | | | **80.0** |

# Salary and service credit information

Your service score for salary and service credit information was 100 out of 100. This was equal to the peer median.

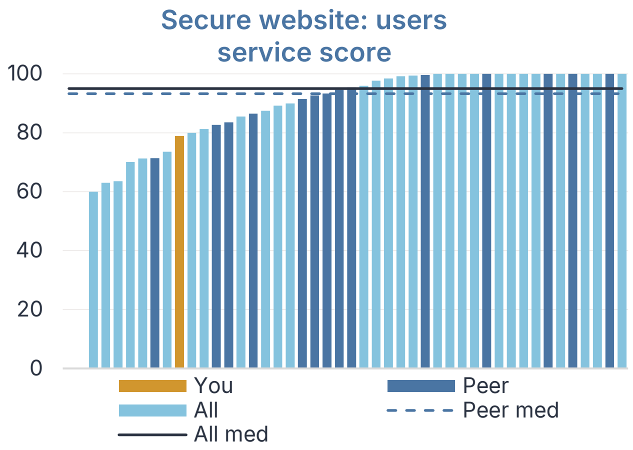


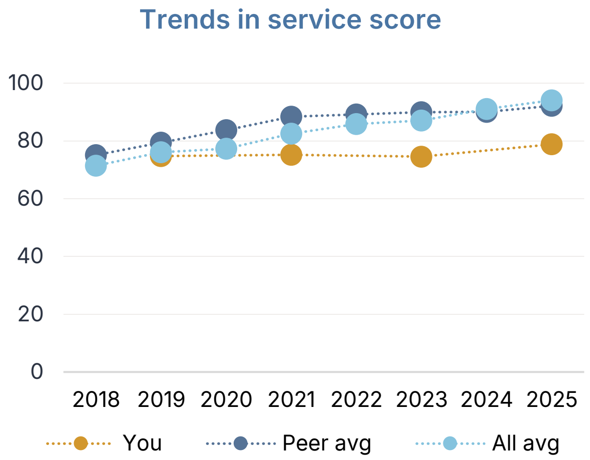


| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Self-service** | | | |
| +30 | If you offer secure access to both salary and service credit data | Yes | 93.3% Yes | 30.0 |
| +25 | If salary and service credit data is up-to-date to the most recent pay period | Yes | 86.7% Yes | 25.0 |
| +25 | If a complete annual history since employment began of salary and service credit data is available online | Yes | 80.0% Yes | 25.0 |
| | **Assisted service** | | | |
| | If you can provide the following on a real-time basis over the phone: | | | |
| +10 | pensionable salary | Yes | 100.0% Yes | 10.0 |
| +10 | service credit history including gaps | Yes | 100.0% Yes | 10.0 |
| | **Total score** | | | **100.0** |

# Secure website: users

Your service score for secure website: users was 79 out of 100. This was below the peer median of 93.

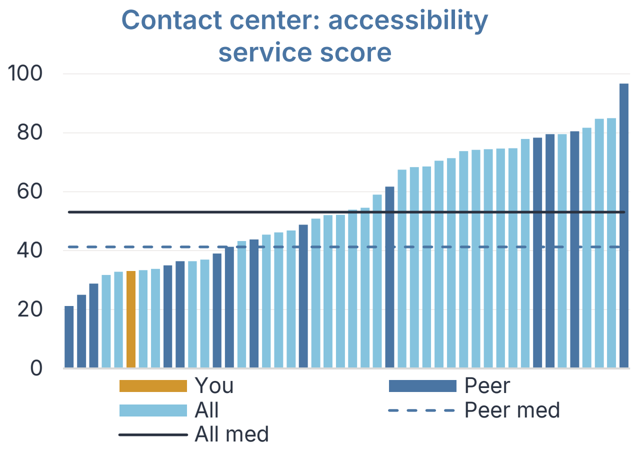


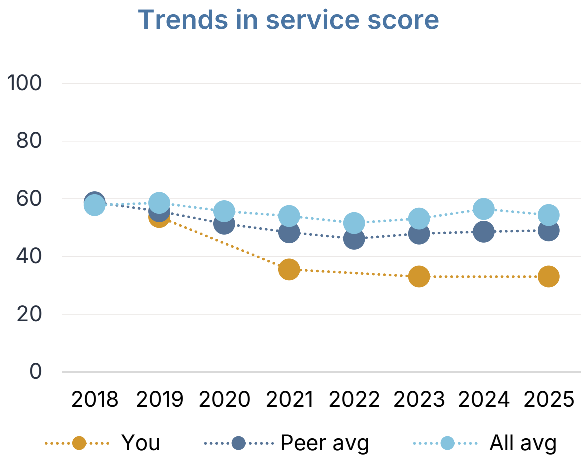


| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Access** | | | |
| +10 | If you have a secure website accessible for active members | Yes | 100.0% Yes | 10.0 |
| +20 | If the secure member area is customized to only show options relevant to active members (e.g., active members see different options than annuitants) | Yes | 100.0% Yes | 20.0 |
| +10 | If the member's name is prominent on the home page | Yes | 100.0% Yes | 10.0 |
| | **Secure website use** | | | |
| | Number of active members that accessed the secure area in the year (A) | 125,332 | | |
| | Number of active members (B) | 484,390 | | |
| +60 | If 40% or more of your active members accessed the secure area at least once in the past year, otherwise 150 X % of active members that accessed the secure area = (A) / (B)<br>Score of 20 if total unique visit is unknown | 25.9% | 36.0% | 38.8 |
| | **Total score** | | | **78.8** |

# Contact center: accessibility

Your service score for contact center: accessibility was 33 out of 100. This was below the peer median of 41.





| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Access** | | | |
| +5 | If you have a toll-free phone number | Yes | 100.0% Yes | 5.0 |
| +10 | If your call center is open 50 or more hours a week, otherwise 10 - 0.5 for each hour less than 50 hours per week | 35 h | 44.9 h | 2.5 |
| | **Phone menu layers and wait times** | | | |
| -10 | If a receptionist is the first point of contact | No | 0.0% Yes | 0.0 |
| +15 | If there are none or 1 menu layer, otherwise 10 if 2 layers, 5 if 3 layers or 0 if 4 plus layers | 4 layers | 2.1 layers | 0.0 |
| +5 | If your system notifies the caller of the expected wait time or their place in the queue for reaching a knowledgeable service representative | Yes | 86.7% Yes | 5.0 |
| | Average time to navigate the menu (A) | 30 s | | |
| | Average time waiting in queue for a service agent (B) | 175 s | | |
| | Total wait time | 205 s | | |
| +30 | If members reach a service agent in 120 seconds or less, otherwise 54 - 0.2 per second to reach a knowledgeable person = (A) + (B) | 205 s | 646 s | 13.0 |

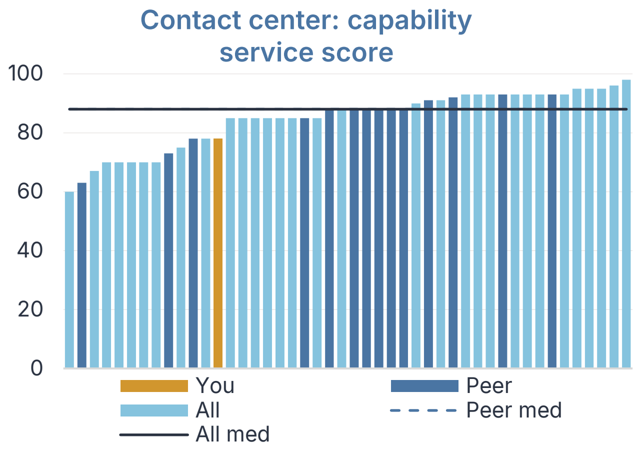
# Contact center: accessibility (continued)

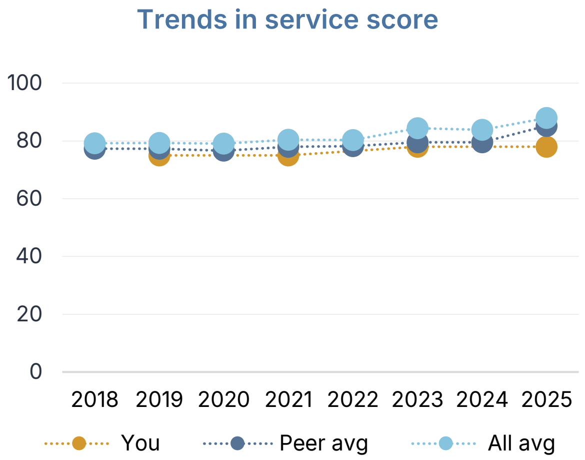
| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Undesired call outcomes** | | | |
| | Desired call outcomes | | | |
| | a) Incoming calls that reach and are responded to by a knowledgeable service representative (i.e., exclude messages, etc.)? | 248,098 | | |
| | c) Incoming calls satisfied by self-serve options, if any? | 189,896 | | |
| | Total desired call outcomes (A) | 437,994 | | |
| | Undesired call outcomes during business hours | | | |
| | a) Busy signal, never enters the system? | n/a | | |
| | b) Caller gets pre-recorded 'call another time' message during business hours? | n/a | | |
| | c) Abandoned calls (i.e., caller hangs-up while in a menu)? | 16,066 | | |
| | d) Abandoned calls (i.e., caller hangs-up while in a queue or on hold)? | 37,005 | | |
| | e) Busy signal after navigating an automated attendant menu, or after being transferred by a receptionist? | n/a | | |
| | f) Call rings unanswered during business hours? | n/a | | |
| | If you have a callback feature, # of callback requests that were not completed | 2,691* | | |
| | Total undesired call outcomes during business hours (B) | 55,762 | | |
| | Total incoming calls (C = A + B) | 491,065 | | |
| | Undesired outcomes as a percentage of total incoming calls (B / C) | 11.4% | 20.5% | |
| +20 | If undesired outcomes were 0%, otherwise 20 - percentage of undesired outcomes X 200 (Minimum of 0) | 11.4% | 20.5% | 0.0 |
| | **Email turnaround times** | | | |
| +15 | If the wait time is 0.5 days or less, otherwise 15 - 5 for each day over 0.5 days | 2.0 days | 1.8 days | 7.5 |
| | **Total score** | | | **33.0** |

* Your response was 'unknown'. A default was applied. See 'Appendix D' for details.

# Contact center: capability

Your service score for contact center: capability was 78 out of 100. This was below the peer median of 88.



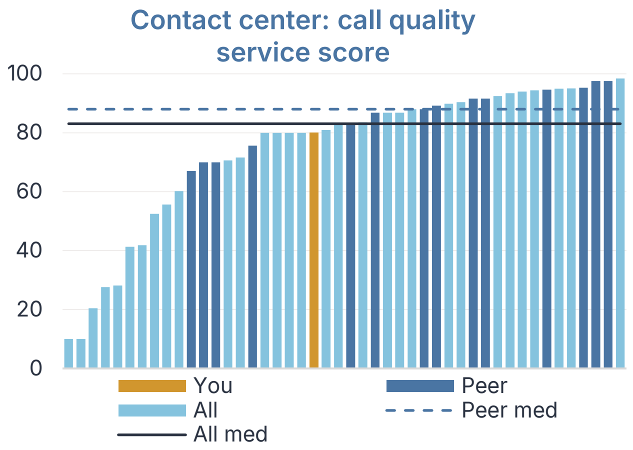


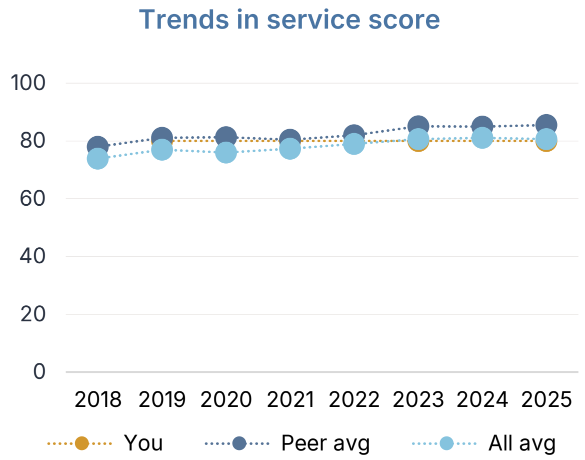
| Scoring method | | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Workflow system**<br>If you have a workflow system that provides service agents with real time information about each member's: | | | |
| +15 | previous calls or emails to the system | Yes | 93.3% Yes | 15.0 |
| +15 | recent online correspondence | Yes | 100.0% Yes | 15.0 |
| +15 | real-time status of open items | Yes | 100.0% Yes | 15.0 |
| +15 | member’s use of digital tools | No | 73.3% Yes | 0.0 |
| +15 | most recent member statement | Yes | 100.0% Yes | 15.0 |
| +10 | beneficiary information | Yes | 100.0% Yes | 10.0 |
| | **Other capabilities**<br>If you offer the following tools to help serve members better: | | | |
| +5 | co-browsing | No | 26.7% Yes | 0.0 |
| +5 | request a call back online and over the phone, 3 if over the phone only, 2 if online | Both | 13.3% Both | 5.0 |
| +3 | live web chat | Yes | 20.0% Yes | 3.0 |
| +2 | chatbot | No | 6.7% Yes | 0.0 |
| | **Total score** | | | **78.0** |

ACTIVE MEMBER EXPERIENCE

# Contact center: call quality

Your service score for contact center: call quality was 80 out of 100. This was below the peer median of 88.

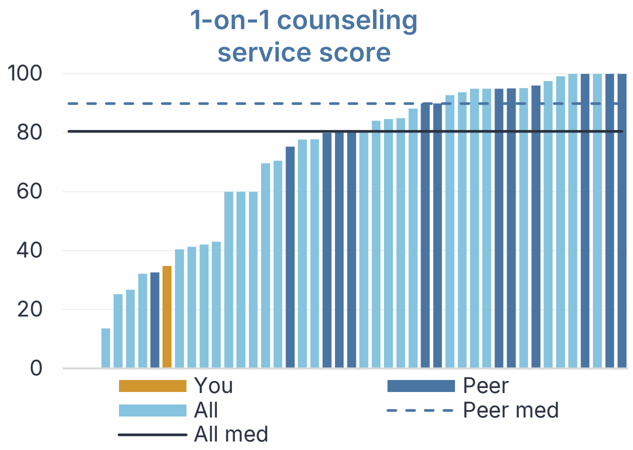


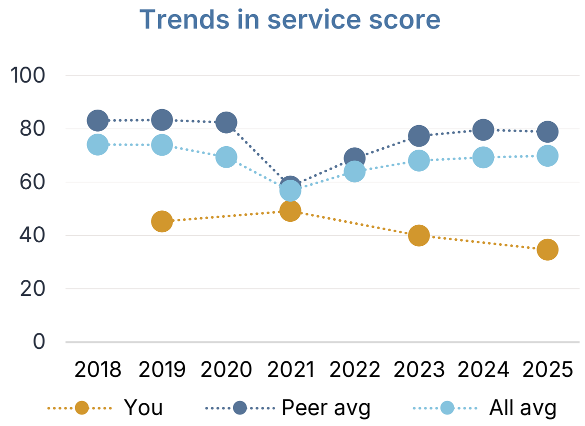


| Scoring method | | Your data | Peer average | Your score |
|---|---|---|---|---|
| +30 | **First Contact Resolution**<br>If 100% of calls are satisfied by their first contact, 0 if 75% or fewer calls are satisfied by the first contact, otherwise 30 - 120 X (1 - % satisfied by the first contact) [Subject to a minimum score of 0, and 10 if not measured] | Unknown | 88.0% | 10.0 |
| +55 | **Call quality monitoring**<br>If you review your staff's responses to member calls for coaching purposes 4 or more times per month; otherwise 13.75 X # of times per month you review calls | 4 times | 6.9 times | 55.0 |
| +15 | If the review is based on listening in on a recording (versus a live call) | Recording | 54% Recording | 15.0 |
| | **Total score** | | | **80.0** |

# 1-on-1 counseling

Your service score for 1-on-1 counseling was 35 out of 100. This was below the peer median of 90.



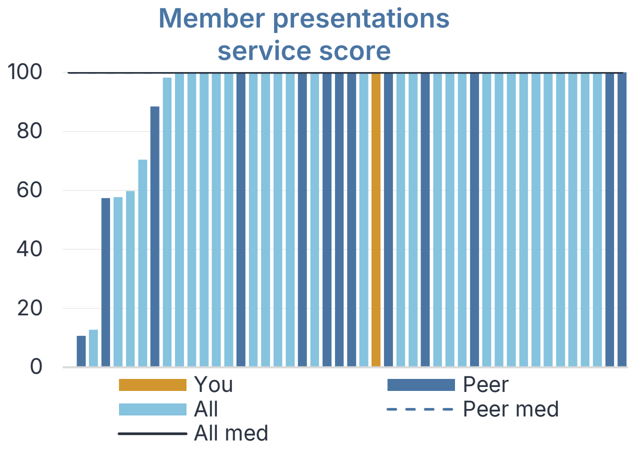


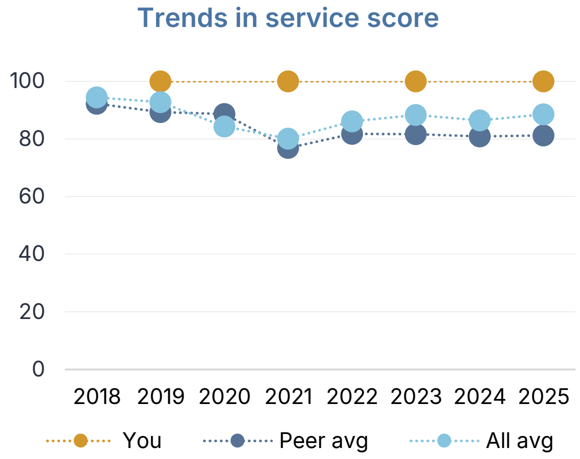
| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Availability** | | | |
| | Number of members you counseled: | | | |
| | In-house | 4 | 3,960 | |
| | In the field (C) | 0 | 2,965 | |
| | At the employer | 0 | 295 | |
| | Via teleconference | 0 | 3,948 | |
| | Online, via videoconference (D) | 375 | 2,850 | |
| | Total number of 1-on-1 counseling sessions (A) | 379 | 14,018 | |
| | Total active members (B) | 484,390 | 373,765 | |
| +60 | If the number of members counseled 1-on-1 was 1.01%[1] or more of active members, otherwise 5,966[1] X # of members you met individually as a % of active members = (A) / (B) | 0.078% | 3.2% | 4.7 |
| +20 | If the percentage of sessions in the field, separate from the member's place of employment and/or video conference, was 50% or more, otherwise 40 X percentage of sessions in the field separate from the employer = (C + D) / (A) | 98.9% | 38.7% | 20.0 |
| | **Capability** | | | |
| +10 | If you provide counseling to all members who walk-in to your office | No | 73.3% Yes | 0.0 |
| +5 | If you have real-time access to the member's data | Yes | 86.7% Yes | 5.0 |
| +5 | If all in-person counseling takes place in a private office with a door | Yes | 86.7% Yes | 5.0 |
| | **Total score** | | | **34.7** |

[1] Better website content and functionality reduces the number of members that attend 1-on-1 sessions. Using your percentage of pensions incepted online as a proxy for the strength of your website, we reduce the 1.0% attendee cutoff rate for a perfect availability score to a minimum of 0.15% (i.e. if 59.78% of your pension inceptions occur online, you need attendees equal to 1.01% of your active member population to achieve a perfect score of 60; we use a multiplication factor of 5,966 because 60 / 1.01% = 5,966).

# Member presentations

Your service score for member presentations was 100 out of 100. This was equal to the peer median.





| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Availability** | | | |
| | Number of presentations: | | | |
| | - In-house | 0 | 47 | |
| | - In the field | 6 | 161 | |
| | - Live webinars | 77 | 236 | |
| | Total presentations | 83 | 444 | |
| | Total number of presentation attendees (A) | 7,940 | 16,541 | |
| | Total active members (B) | 484,390 | 373,765 | |
| +100 | If the total number of attendees was 1.0%[1] or more of active members, otherwise 9,944[1] X attendees as percent of active members (including those attending webinars) = (A) / (B) | 1.6% | 4.9% | 100.0 |
| | **Total score** | | | **100.0** |

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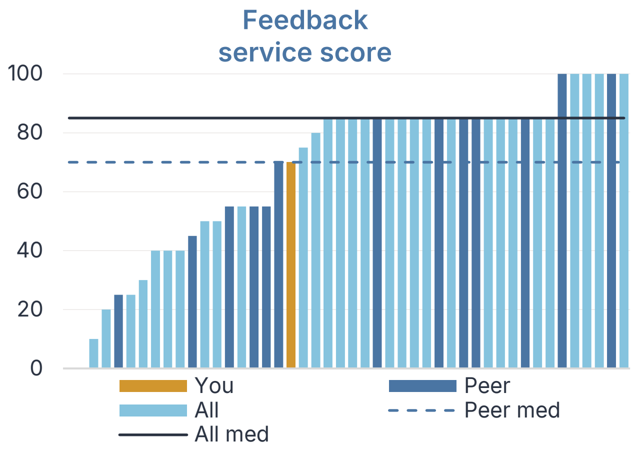
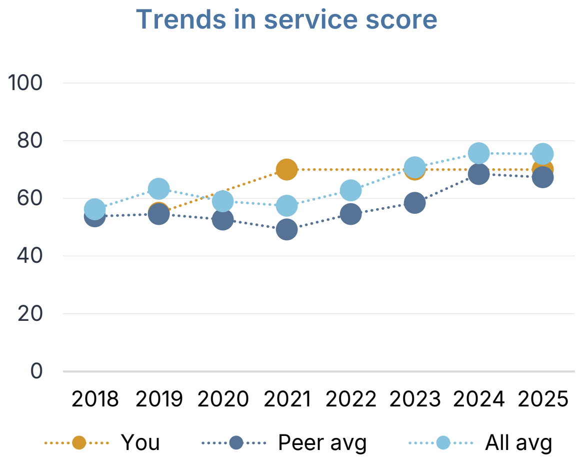
[1] Better website content and functionality reduces the number of members that attend presentations. Using your percentage of pensions incepted online as a proxy for the strength of your website, we reduce the 2.5% attendee cutoff rate for a perfect availability score to a minimum of 0.4% (i.e. if 59.78% of your pension inceptions occur online, you need attendees equal to 1.01% of your active member population to achieve a perfect score of 100; we use a multiplication factor of 9,944 because 100 / 1.01% = 9,944).

# Feedback

Your service score for feedback was 70 out of 100. This was equal to the peer median.

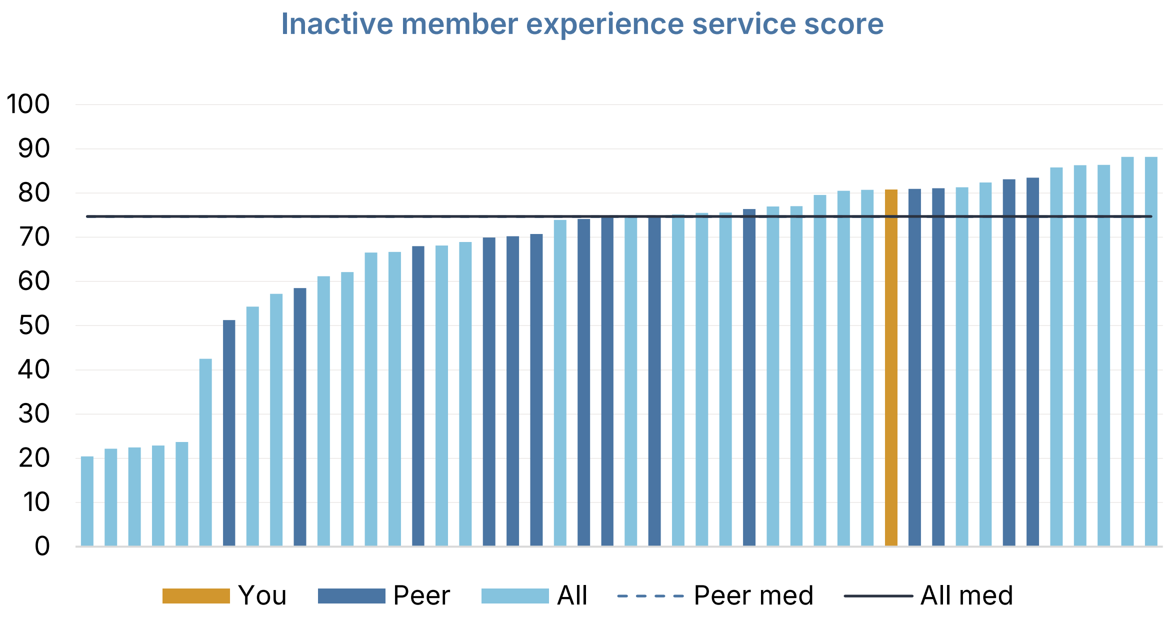




| Scoring method | | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Member experience surveying**<br>If you survey member satisfaction, NPS or effort exclusively for each of the following: | | | |
| +15 | active members | No | 80.0% Yes | 0.0 |
| +15 | new members | No | 13.3% Yes | 0.0 |
| +30 | secure website | Yes | 60.0% Yes | 30.0 |
| +30 | telephone calls | Yes | 86.7% Yes | 30.0 |
| +5 | 1-on-1 counseling | Yes | 86.7% Yes | 5.0 |
| +5 | member presentations | Yes | 86.7% Yes | 5.0 |
| | **Total score** | | | **70.0** |

# Total service score for inactive members

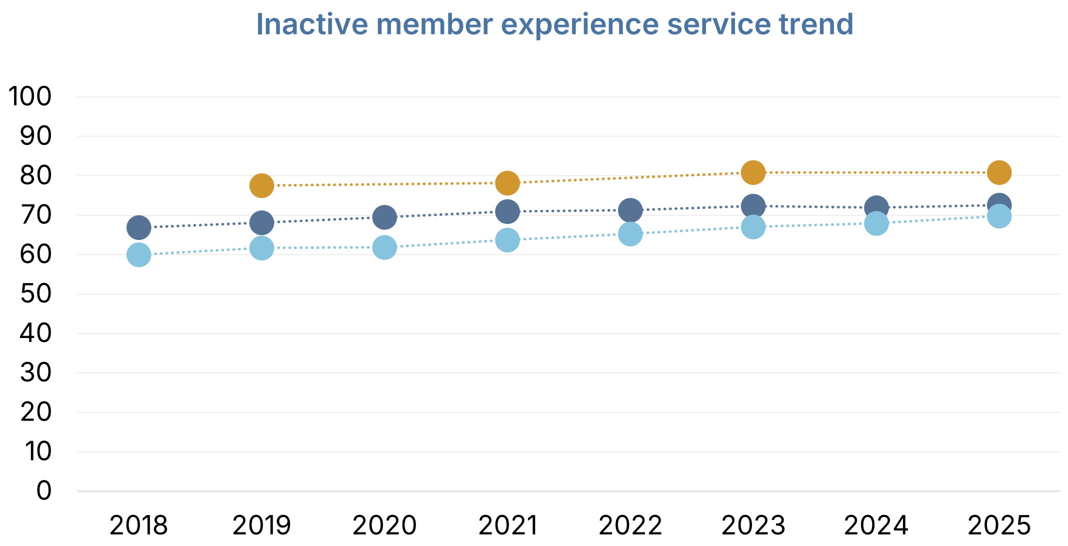
Your service score for inactive member experience was 81 out of 100. This was above the peer median of 75.



Your total service score for pre-retirement inactive members is the weighted average of the activity service scores below

| **Activity** | **Weight** | **You** | **Peer median** | **Higher/ Lower** |
|---|---|---|---|---|
| Outbound Communication | 10.0% | 27 | 20 | 7 |
| Tracking inactive members | 10.0% | 80 | 80 | 0 |
| Transfers-out | 5.0% | 100 | 80 | 20 |
| Personal information | 7.5% | 80 | 100 | -20 |
| Salary and service credit information | 5.0% | 100 | 100 | 0 |
| Secure website: users | 40.0% | 100 | 88 | 12 |
| Contact center: accessibility | 7.5% | 33 | 41 | -8 |
| Contact center: capability | 5.0% | 78 | 88 | -10 |
| Contact center: call quality | 5.0% | 80 | 88 | -8 |
| Feedback | 5.0% | 75 | 75 | 0 |
| **Weighted total service score** | **100.0%** | **81** | **75** | **6** |

# Trend in service score for inactive members



| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| ● You | | 78 | | 78 | | 81 | | 81 |
| ● Peer Average [1] | 67 | 68 | 69 | 71 | 71 | 72 | 72 | 73 |
| ● All Average [1] | 60 | 62 | 62 | 64 | 65 | 67 | 68 | 70 |

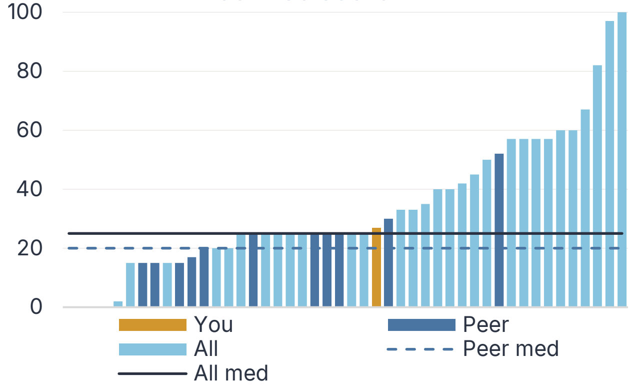
**Trend in service score for inactive members by activity**

| | | Your service score | | | | | | | | Change | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Activity** | **Weight** | **2018** | **2019** | **2020** | **2021** | **2022** | **2023** | **2024** | **2025** | **1-Yr** | **8-Yr** |
| Outbound Communication | 10.0% | | 25 | | 25 | | 27 | | 27 | | |
| Tracking inactive members | 10.0% | | 80 | | 80 | | 80 | | 80 | | |
| Transfers-out | 5.0% | | 80 | | 80 | | 100 | | 100 | | |
| Personal information | 7.5% | | 60 | | 60 | | 80 | | 80 | | |
| Salary and service credit information | 5.0% | | 100 | | 100 | | 100 | | 100 | | |
| Secure website: users | 40.0% | | 100 | | 100 | | 100 | | 100 | | |
| Contact center: accessibility | 7.5% | | 54 | | 36 | | 33 | | 33 | | |
| Contact center: capability | 5.0% | | 75 | | 75 | | 78 | | 78 | | |
| Contact center: call quality | 5.0% | | 80 | | 80 | | 80 | | 80 | | |
| Feedback | 5.0% | | 35 | | 75 | | 75 | | 75 | | |
| **Weight total** | **100%** | | **78** | | **78** | | **81** | | **81** | | |

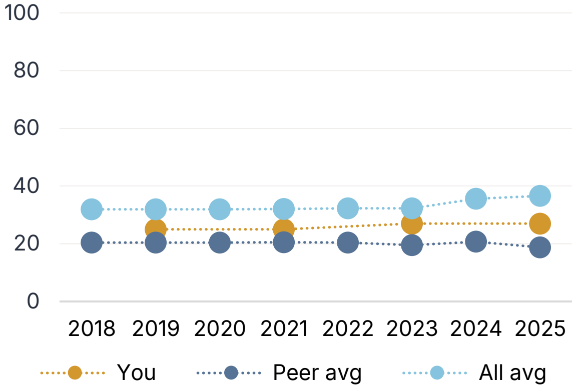
1. Trend analysis is based on systems that have participated for 8 consecutive years (13 peers and 31 World systems). This ensures that trends are not caused by changes in the composition of the participants.

# Outbound Communication

Your service score for outbound communication was 27 out of 100. This was above the peer median of 20.



Outbound communication service score



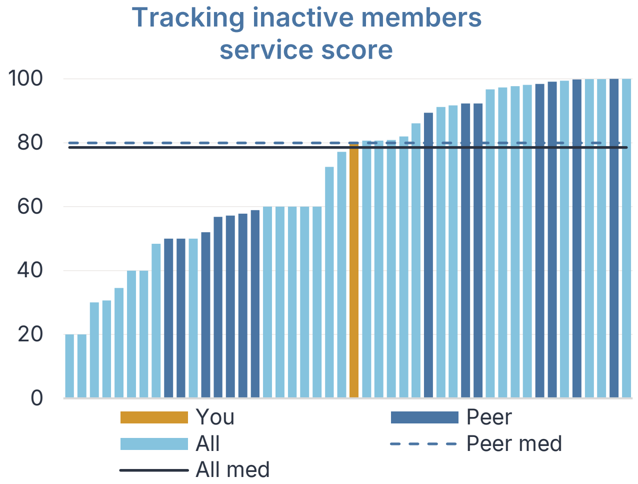
Trends in service score

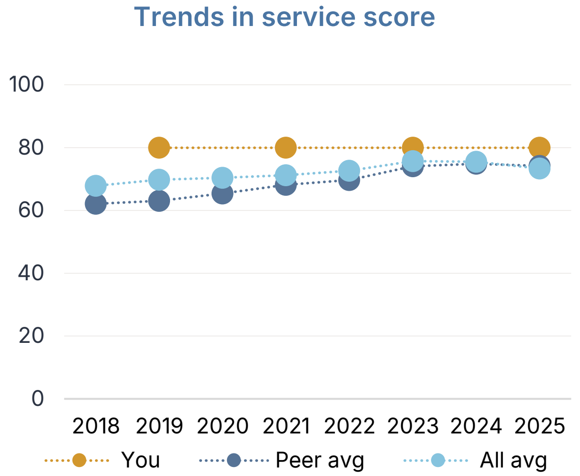
| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Targeted campaigns**<br>If you send targeted communication to inactive members for the following: | | | |
| +15 | leaving the plan | Yes | 33.3% Yes | 25.0 |
| +15 | missing beneficiary | No | 20.0% Yes | 0.0 |
| +25 | missing email address | No | 0.0% Yes | 0.0 |
| +25 | missing address | No | 0.0% Yes | 0.0 |
| | **Member statements** | | | |
| +15 | If you send paper member statements to inactive members annually | n/a | 83.3% Yes | 0.0 |
| | **Newsletters** | | | |
| +2 | If you send inactive members a newsletter | Yes | 33.3% Yes | 2.0 |
| +3 | If inactive members receive a different newsletter from active members or annuitants | No | 13.3% Yes | 0.0 |
| | **Total score** | | | **27.0** |

INACTIVE MEMBER EXPERIENCE

# Tracking inactive members

Your service score for tracking inactive members was 80 out of 100. This was equal to the peer median.



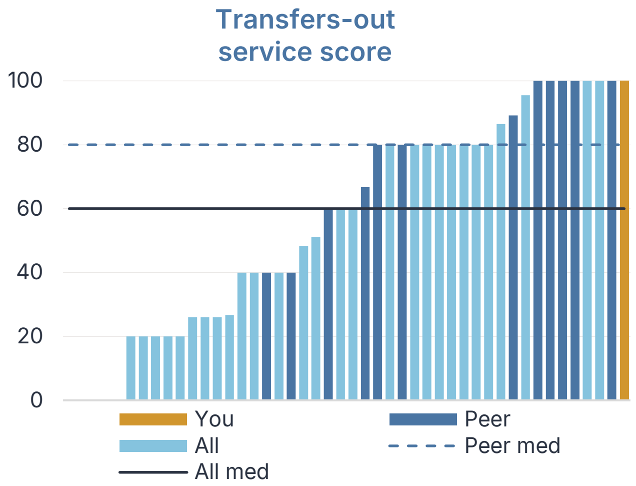


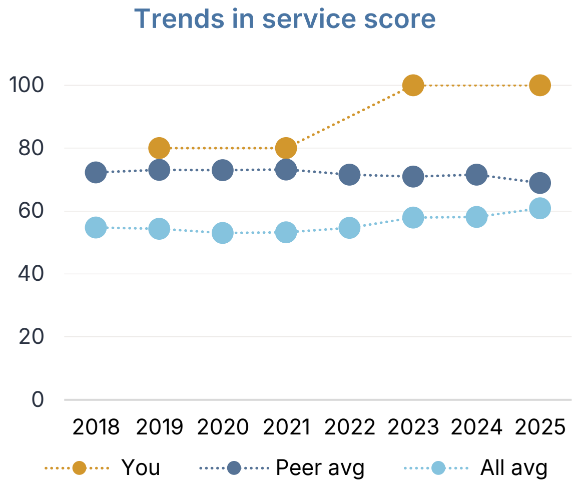
| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| +10 | If you actively keep track of the addresses of inactive members | Yes | 86.7% Yes | 10.0 |
| +30 | If you have email addresses for 50% or more of your vested inactive members, otherwise 60 X % of vested inactive members you have email addresses. Your score will be 10 if unknown. | Unknown | 49.1% | 10.0 |
| +60 | 60 - 60 X % of inactive members that reached their normal retirement age in the year that have not received any benefits yet because mail has been returned and the member has been recorded as 'gone away'. Your score will be 20 if unknown. | 0.1% | 5.8% | 59.9 |
| | **Total score** | | | **79.9** |

INACTIVE MEMBER EXPERIENCE

# Transfers-out

Your service score for transfers-out was 100 out of 100. This was above the peer median of 80.

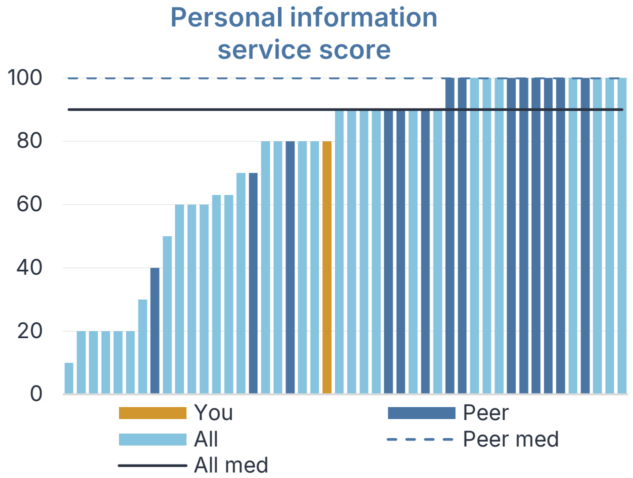

Transfers-out service score

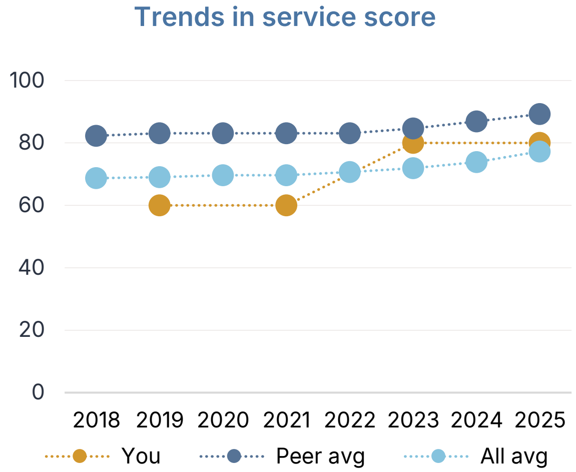

Trends in service score

| Scoring method | | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Self-service** | | | |
| +20 | If a member can apply for a transfer-out application online | Yes | 73.3% Yes | 20.0 |
| | **Assisted service** | | | |
| +20 | If you can provide a member leaving the plan with their transfer value on a real-time basis over the phone | Yes | 86.7% Yes | 20.0 |
| | **Timeliness** | | | |
| +60 | If transfers-out are completed in 30 days or less, otherwise 60 - 0.9 for each day over 30 days | 27.3 days | 53.1 days | 60.0 |
| | **Total score** | | | **100.0** |

# Personal information

Your service score for personal information was 80 out of 100. This was below the peer median of 100.

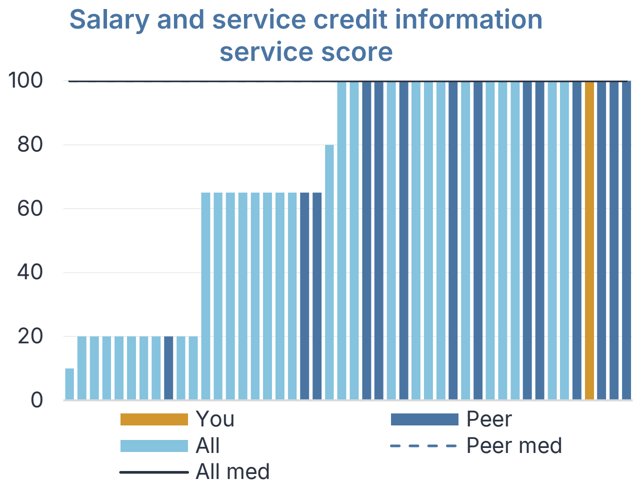


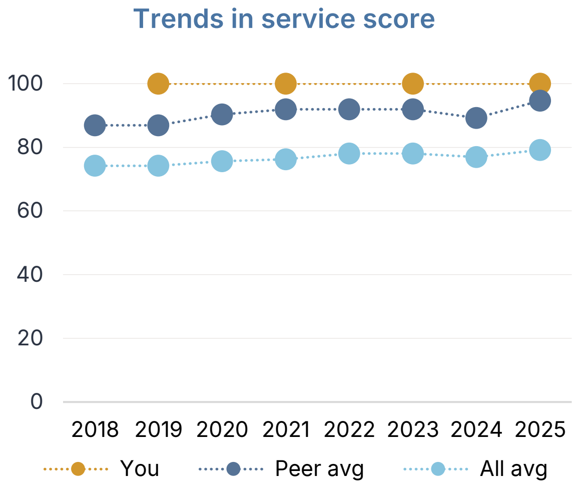


| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Self-service** | | | |
| | If members can do the following online: | | | |
| +15 | change address | Yes | 100.0% Yes | 15.0 |
| +15 | change email address | Yes | 100.0% Yes | 15.0 |
| +10 | change communication preferences | Yes | 80.0% Yes | 10.0 |
| +10 | change beneficiary | Yes | 93.3% Yes | 10.0 |
| | **Secure messaging** | | | |
| | If you have a secure portal for members: | | | |
| +10 | that includes a history of recent correspondence | No | 80.0% Yes | 0.0 |
| +20 | where members can upload documents | Yes | 80.0% Yes | 20.0 |
| | **Assisted service** | | | |
| | If members can do the following over the phone: | | | |
| +10 | change address | No | 86.7% Yes | 0.0 |
| +10 | change email address | Yes | 93.3% Yes | 10.0 |
| | **Total score** | | | **80.0** |

# Salary and service credit information

Your service score for salary and service credit information was 100 out of 100. This was equal to the peer median.



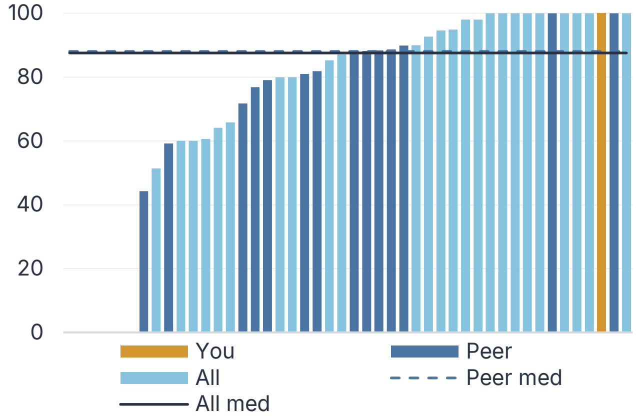


| Scoring method | | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Self-service** | | | |
| +45 | If you offer secure access to both salary and service credit data | Yes | 93.3% Yes | 45.0 |
| +35 | If a complete annual history since employment began of salary and service credit data is available online | Yes | 80.0% Yes | 35.0 |
| | **Assisted service** | | | |
| | If you can provide the following on a real-time basis over the phone: | | | |
| +10 | pensionable salary | Yes | 100.0% Yes | 10.0 |
| +10 | service credit history including gaps | Yes | 100.0% Yes | 10.0 |
| | **Total score** | | | **100.0** |

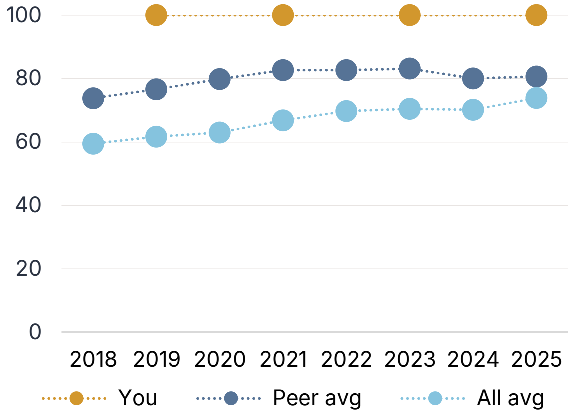
# Secure website: users

Your service score for secure website: users was 100 out of 100. This was above the peer median of 88.

Secure website: users service score



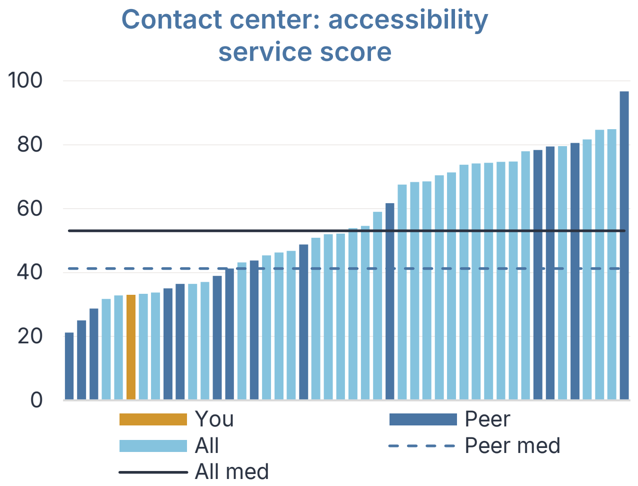
Trends in service score

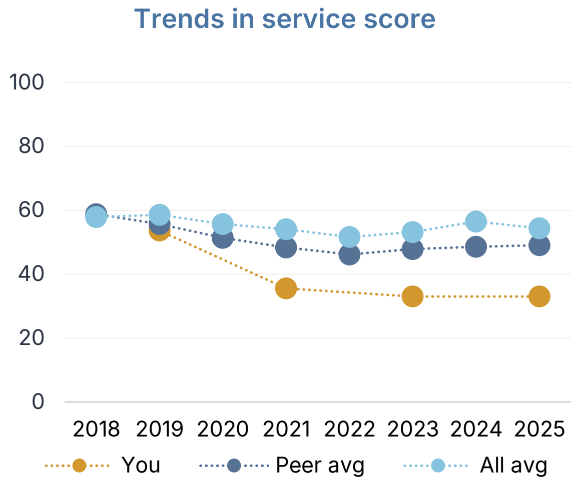


| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Access** | | | |
| +10 | If you have a secure website accessible for inactive members | Yes | 100.0% Yes | 10.0 |
| +20 | If the secure member area is customized to only show options relevant to inactive members (e.g., inactive members see different options than annuitants) | Yes | 100.0% Yes | 20.0 |
| +10 | If the member's name is prominent on the home page | Yes | 100.0% Yes | 10.0 |
| | **Secure website use** | | | |
| | Number of inactive members that accessed the secure area in the year (A) | 41,777 | | |
| | Number of inactive members (B) | 157,340 | | |
| +60 | If 15% or more of your inactive members accessed the secure area in the past year, otherwise 400 X % of inactive members that accessed the secure area = (A) / (B) | | | |
| | Score of 20 if total unique visit is unknown | 26.6% | 11.9% | 60.0 |
| | **Total score** | | | **100.0** |

# Contact center: accessibility

Your service score for contact center: accessibility was 33 out of 100. This was below the peer median of 41.





| Scoring method | | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Access** | | | |
| +5 | If you have a toll-free phone number | Yes | 100.0% Yes | 5.0 |
| +10 | If your call center is open 50 or more hours a week, otherwise 10 - 0.5 for each hour less than 50 hours per week | 35 h | 44.9 h | 2.5 |
| | Phone menu layers and wait times | | | |
| -10 | If a receptionist is the first point of contact | No | 0.0% Yes | 0.0 |
| +15 | If there are none or 1 menu layer, otherwise 10 if 2 layers, 5 if 3 layers or 0 if 4 plus layers | 4 layers | 2.1 layers | 0.0 |
| +5 | If your system notify the caller of the expected wait time or their place in the queue for reaching a knowledgeable service representative | Yes | 86.7% Yes | 5.0 |
| | Average time to navigate the menu (A) | 30 s | | |
| | Average time waiting in queue for a service agent (B) | 175 s | | |
| | Total wait time | 205 s | | |
| +30 | If members reach a service agent in 120 seconds or less, otherwise 54 - 0.2 per second to reach a knowledgeable person = (A) + (B) | 205 s | 646 s | 13.0 |

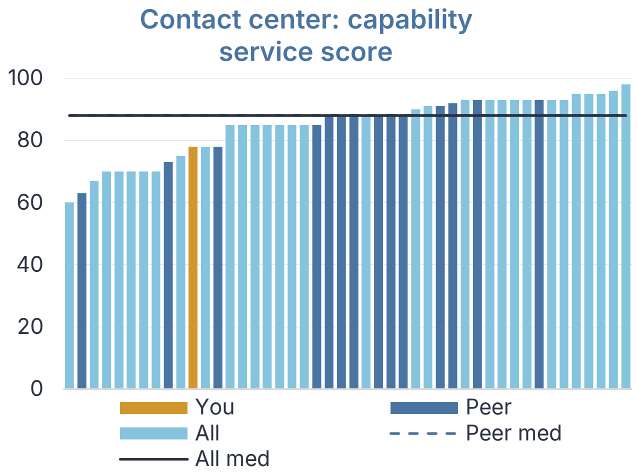
# Contact center: accessibility (continued)

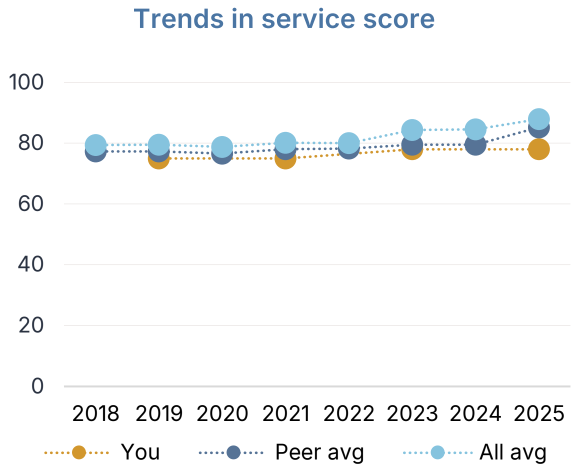
| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Undesired call outcomes** | | | |
| | Desired call outcomes | | | |
| | a) Incoming calls that reach and are responded to by a knowledgeable service representative (i.e., exclude messages, etc.)? | 248,098 | | |
| | c) Incoming calls satisfied by self-serve options, if any? | 189,896 | | |
| | Total desired call outcomes (A) | 437,994 | | |
| | Undesired call outcomes during business hours | | | |
| | a) Busy signal, never enters the system? | n/a | | |
| | b) Caller gets pre-recorded 'call another time' message during business hours? | n/a | | |
| | c) Abandoned calls (i.e., caller hangs-up while in a menu)? | 16,066 | | |
| | d) Abandoned calls (i.e., caller hangs-up while in a queue or on hold)? | 37,005 | | |
| | e) Busy signal after navigating an automated attendant menu, or after being transferred by a receptionist? | n/a | | |
| | f) Call rings unanswered during business hours? | n/a | | |
| | If you have a callback feature, # of callback requests that were not completed | 2,691* | | |
| | Total undesired call outcomes during business hours (B) | 55,762 | | |
| | Total incoming calls (C = A + B) | 491,065 | | |
| | Undesired outcomes as a percentage of total incoming calls (B / C) | 11.4% | 20.5% | |
| +20 | If undesired outcomes were 0%, otherwise 20 - percentage of undesired outcomes X 200 (Minimum of 0) | 11.4% | 20.5% | 0.0 |
| | **Email turnaround times** | | | |
| +15 | If the wait time is 0.5 days or less, otherwise 15 - 5 for each day over 0.5 days | 2.0 days | 1.8 days | 7.5 |
| | **Total score** | | | **33.0** |

* Your response was 'unknown'. A default was applied. See 'Appendix D' for details.

# Contact center: capability

Your service score for contact center: capability was 78 out of 100. This was below the peer median of 88.

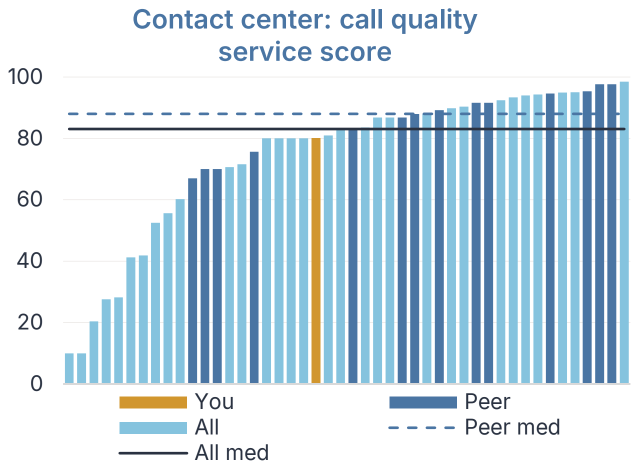




| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Workflow system**<br>If you have a workflow system that provides service agents with real time information about each member's: | | | |
| +15 | previous calls or emails to the system | Yes | 93.3% Yes | 15.0 |
| +15 | recent online correspondence | Yes | 100.0% Yes | 15.0 |
| +15 | real-time status of open items | Yes | 100.0% Yes | 15.0 |
| +15 | member’s use of digital tools | No | 73.3% Yes | 0.0 |
| +15 | most recent member statement | Yes | 100.0% Yes | 15.0 |
| +10 | beneficiary information | Yes | 100.0% Yes | 10.0 |
| | **Other capabilities**<br>If you offer the following tools to help serve members better: | | | |
| +5 | co-browsing | No | 26.7% Yes | 0.0 |
| +5 | request a call back online and over the phone, 3 if over the phone only, 2 if online | Both | 13.3% Both | 5.0 |
| +3 | live web chat | Yes | 20.0% Yes | 3.0 |
| +2 | chatbot | No | 6.7% Yes | 0.0 |
| | **Total score** | | | **78.0** |

# Contact center: call quality

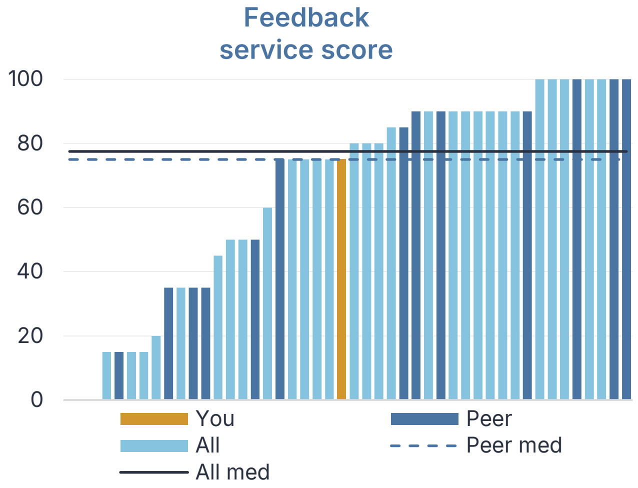
Your service score for contact center: call quality was 80 out of 100. This was below the peer median of 88.

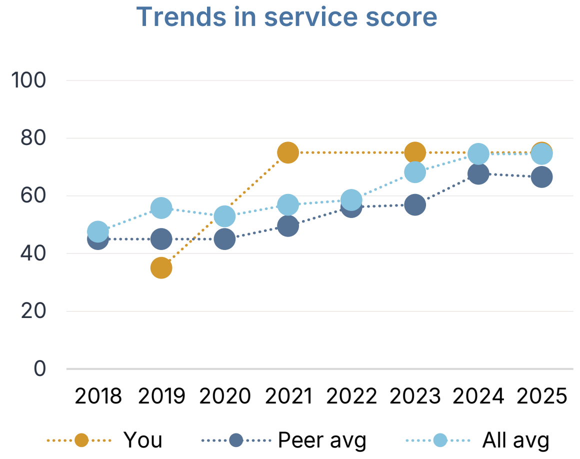


| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| +30 | **First Contact Resolution**<br>If 100% of calls are satisfied by their first contact, 0 if 75% or fewer calls are satisfied by the first contact, otherwise 30 - 120 X (1 - % satisfied by the first contact) [Subject to a minimum score of 0, and 10 if not measured] | Unknown | 88.0% | 10.0 |
| +55 | **Call quality monitoring**<br>If you review your staff's responses to member calls for coaching purposes 4 or more times per month; otherwise 13.75 X # of times per month you review calls. | 4 times | 6.9 times | 55.0 |
| +15 | If the review is based on listening in on a recording (versus a live call) | Recording | 54% Recording | 15.0 |
| | **Total score** | | | **80.0** |

# Feedback

Your service score for feedback was 75 out of 100. This was equal to the peer median.

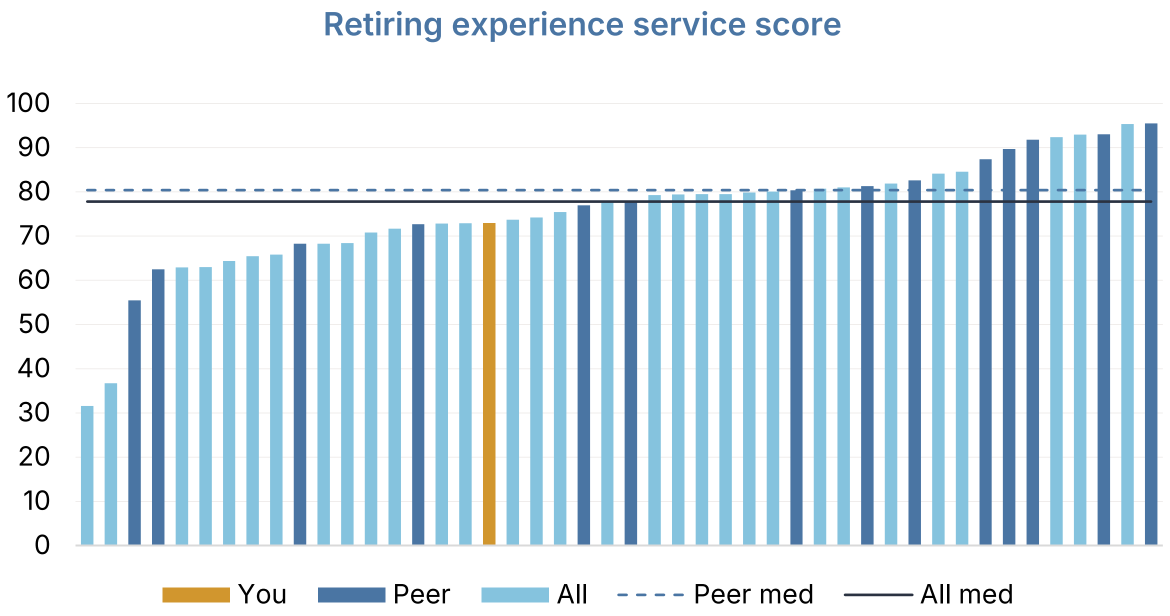




| **Scoring method** | | Your data | Peer average | Your score |
|---|---|---|---|---|
| | Member experience surveying<br>If you survey member satisfaction, NPS or effort exclusively for each of the following: | | | |
| +15 | inactive members | No | 53.3% Yes | 0.0 |
| +10 | member leaving the plan | No | 26.7% Yes | 0.0 |
| +40 | secure website | Yes | 60.0% Yes | 40.0 |
| +35 | telephone calls | Yes | 86.7% Yes | 35.0 |
| | **Total score** | | | **75.0** |

# Total service score for retiring members

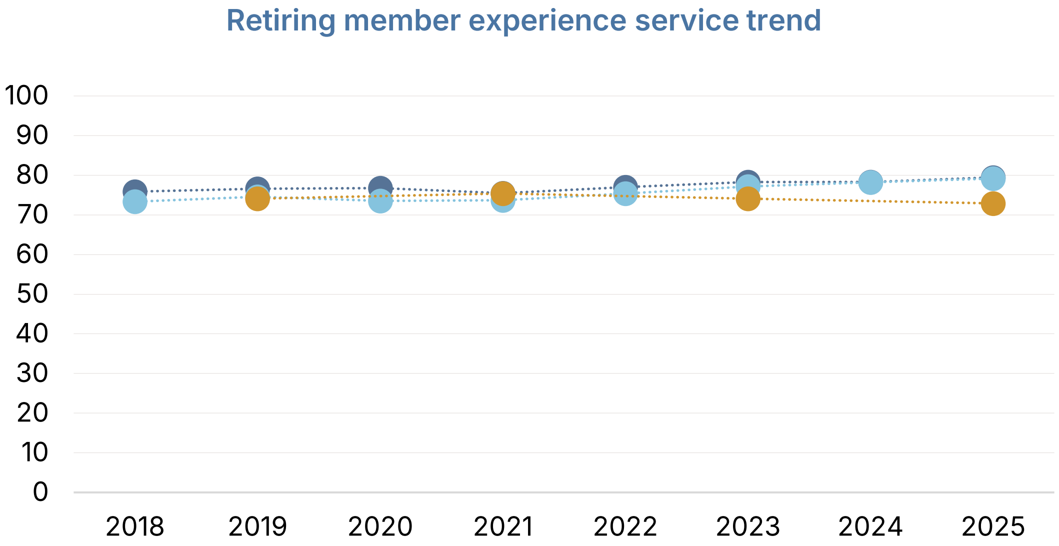
Your service score for retiring experience was 73 out of 100. This was below the peer median of 80.



Your total service score for retiring members is the weighted average of the activity service scores below:

| Activity | Weight | You | Peer median | Higher/ Lower |
|---|---|---|---|---|
| Outbound Communication | 7.5% | 0 | 55 | -55 |
| Pension estimates: self-service | 7.5% | 88 | 88 | 0 |
| Pension estimates: assisted service | 2.5% | 65 | 90 | -25 |
| Retirement applications | 7.5% | 100 | 75 | 25 |
| Pension inceptions | 10.0% | 70 | 94 | -24 |
| Disability inceptions | 5.0% | 90 | 80 | 10 |
| Personal information | 2.5% | 80 | 100 | -20 |
| Salary and service credit information | 2.5% | 100 | 100 | 0 |
| Secure website: users | 20.0% | 93 | 96 | -3 |
| Contact center: accessibility | 7.5% | 33 | 41 | -8 |
| Contact center: capability | 5.0% | 78 | 88 | -10 |
| Contact center: call quality | 5.0% | 80 | 88 | -8 |
| 1-on-1 counseling | 7.5% | 35 | 90 | -55 |
| Member presentations | 5.0% | 100 | 100 | 0 |
| Feedback | 5.0% | 90 | 90 | 0 |
| **Weighted total service score** | **65.0%** | **73** | **80** | **-7** |

# Trend in service score for retiring members



| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| ● You | | 74 | | 75 | | 74 | | 73 |
| ● Peer Average [1] | 76 | 77 | 77 | 75 | 77 | 78 | 78 | 79 |
| ● All Average [1] | 73 | 75 | 74 | 74 | 75 | 77 | 78 | 79 |

**Trend in service score for retiring members by activity**

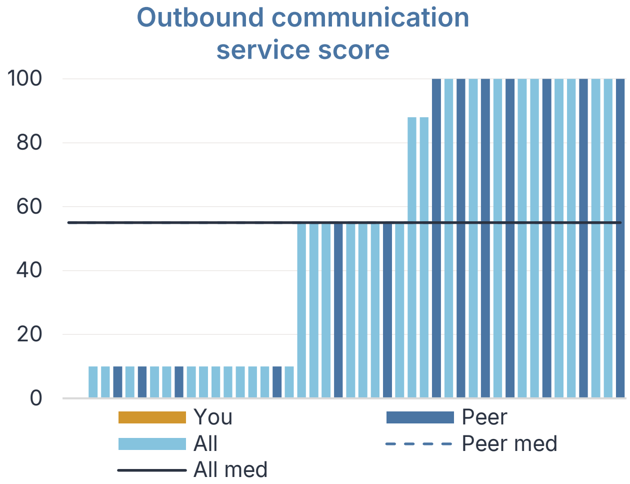
| | | Your service score | | | | | | | | Change | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Activity** | **Weight** | **2018** | **2019** | **2020** | **2021** | **2022** | **2023** | **2024** | **2025** | **1-Yr** | **8-Yr** |
| Outbound Communication | 7.5% | | 55 | | 55 | | 45 | | 0 | | |
| Pension estimates: self-service | 7.5% | | 83 | | 83 | | 83 | | 88 | | |
| Pension estimates: assisted service | 2.5% | | 55 | | 55 | | 65 | | 65 | | |
| Retirement applications | 7.5% | | 85 | | 85 | | 85 | | 100 | | |
| Pension inceptions | 10.0% | | 80 | | 73 | | 68 | | 70 | | |
| Disability inceptions | 5.0% | | 90 | | 90 | | 90 | | 90 | | |
| Personal information | 2.5% | | 60 | | 60 | | 80 | | 80 | | |
| Salary and service credit information | 2.5% | | 100 | | 100 | | 100 | | 100 | | |
| Secure website: users | 20.0% | | 89 | | 90 | | 89 | | 93 | | |
| Contact center: accessibility | 7.5% | | 54 | | 36 | | 33 | | 33 | | |
| Contact center: capability | 5.0% | | 75 | | 75 | | 78 | | 78 | | |
| Contact center: call quality | 5.0% | | 80 | | 80 | | 80 | | 80 | | |
| 1-on-1 counseling | 7.5% | | 45 | | 49 | | 40 | | 35 | | |
| Member presentations | 5.0% | | 100 | | 100 | | 100 | | 100 | | |
| Feedback | 5.0% | | 30 | | 90 | | 90 | | 90 | | |
| **Weight total** | **100%** | | **74** | | **75** | | **74** | | **73** | | |

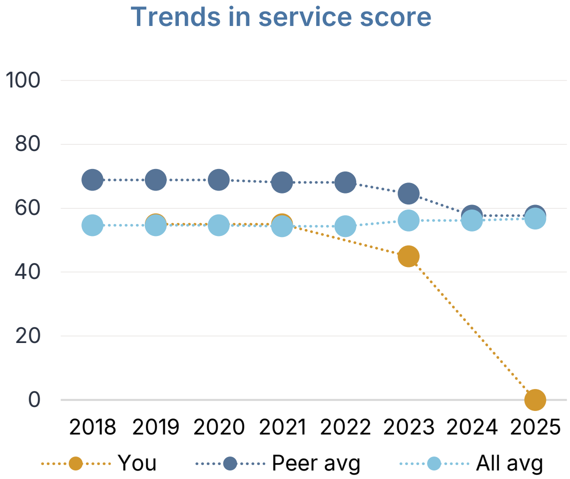
1. Trend analysis is based on systems that have participated for 8 consecutive years (13 peers and 31 World systems). This ensures that trends are not caused by changes in the composition of the participants.

RETIRING MEMBER EXPERIENCE

# Outbound Communication

Your service score for outbound communication was 0 out of 100. This was below the peer median of 55.

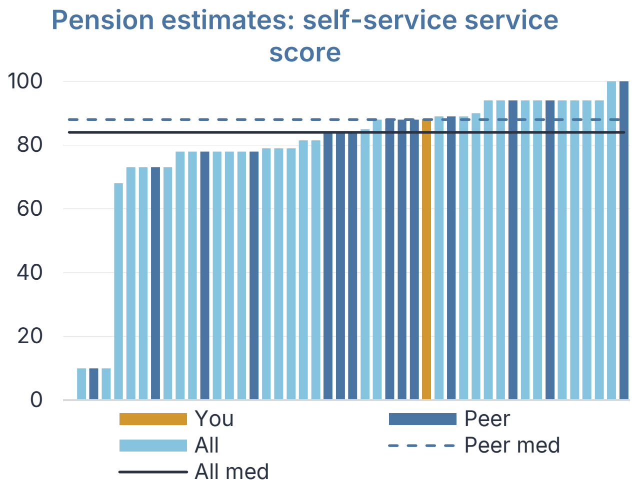




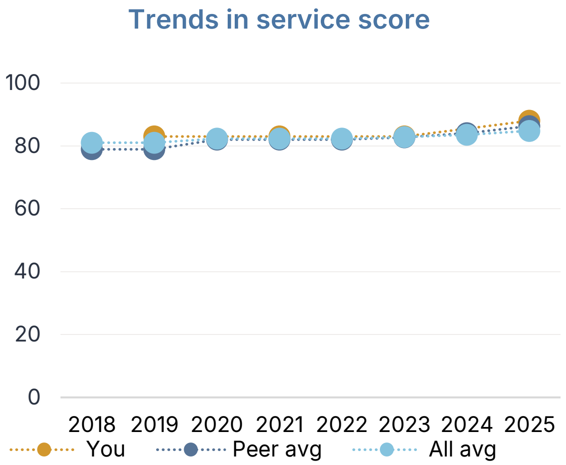
| Scoring method | | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Targeted campaigns**<br>If you send targeted communication to the following member segments who are eligible or approaching eligibility for retirement: | | | |
| +45 | active members | No | 53.3% Yes | 0.0 |
| +45 | inactive members | No | 53.3% Yes | 0.0 |
| | **Presentations** | | | |
| +10 | If you have presentations targeted specifically to members approaching retirement or ready to retire | No | 92.9% Yes | 0.0 |
| | **Total score** | | | **0.0** |

# Pension estimates: self-service

Your service score for pension estimates: self-service was 88 out of 100. This was equal to the peer median.



Pension estimates: self-service service score



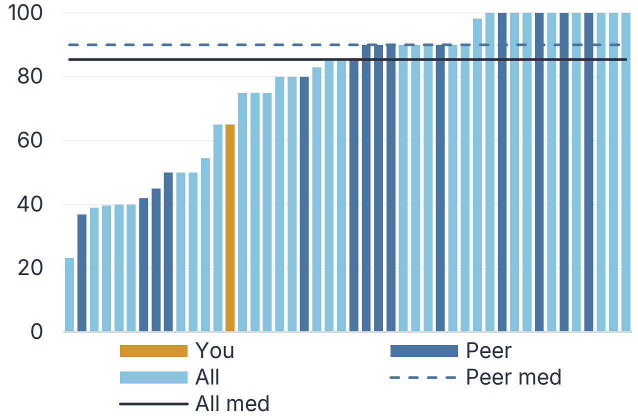
Trends in service score

| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Online pension estimate calculator** | | | |
| +10 | If you have an interactive calculator on your website | Yes | 100.0% Yes | 10.0 |
| +40 | If the calculator is linked to member salary and service credit data | Yes | 93.3% Yes | 40.0 |
| | **Calculator capabilities** | | | |
| | If your pension estimate calculator allows members to model: | | | |
| +5 | different retirement start dates | Yes | 93.3% Yes | 5.0 |
| +5 | salary changes | Yes | 93.3% Yes | 5.0 |
| +5 | different working percentages (e.g., part-time or early termination) | Yes | 86.7% Yes | 5.0 |
| +5 | alternative payment options | Yes | 86.7% Yes | 5.0 |
| | If the calculator provides an estimate of retirement income showing: | | | |
| +10 | both gross and net, 4 if gross or net, 0 otherwise | Gross | 14.3% Both | 4.0 |
| +10 | both monthly and annual, 4 if monthly or annual, 0 otherwise | Monthly | 42.9% Both | 4.0 |
| +10 | multiple estimates on one page for comparative purposes | Yes | 53.3% Yes | 10.0 |
| | **Total score** | | | **88.0** |

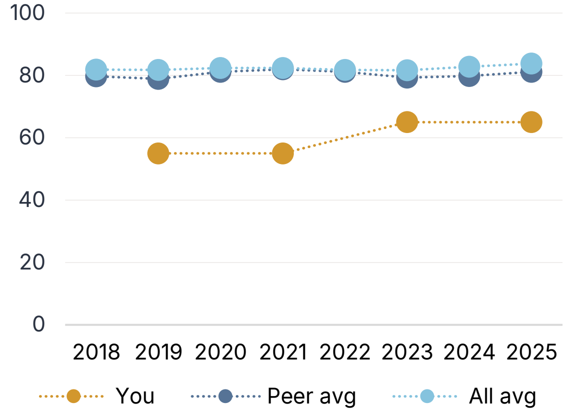
# Pension estimates: assisted service

Your service score for pension estimates: assisted service was 65 out of 100. This was below the peer median of 90.

Pension estimates: assisted service service score



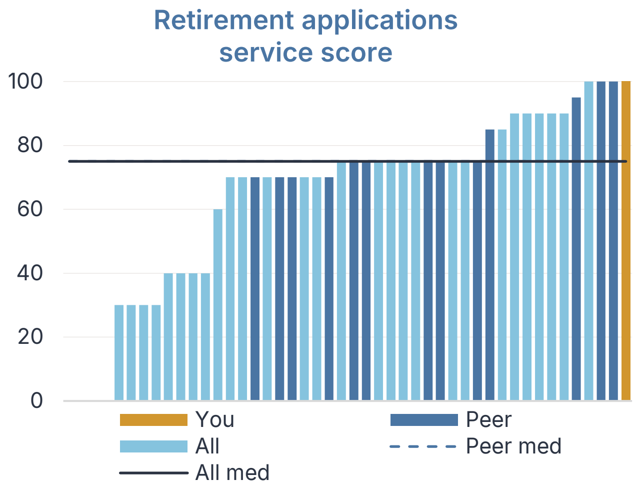
Trends in service score

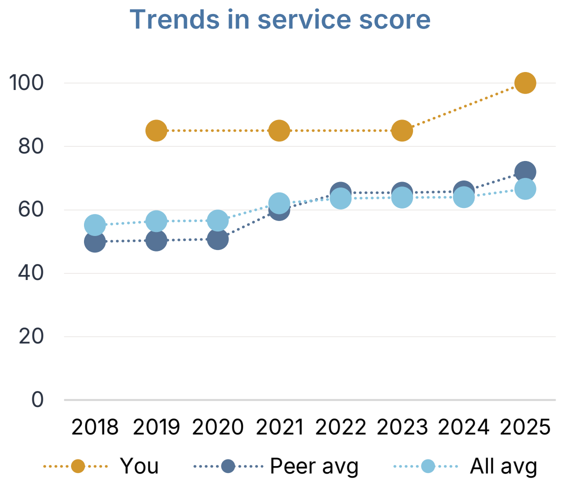


| Scoring method | | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Written pension estimates** | | | |
| +25 | If the average turnaround time for providing written estimates is 10 business days, or less, otherwise 25 - for each day beyond 10 days | 5.9 days | 9.1 days | 25.0 |
| +10 | If you clearly address if and how the pension benefit is inflation protected | Yes | 66.7% Yes | 10.0 |
| +5 | If you discuss the effects of social security | Yes | 33.3% Yes | 5.0 |
| +5 | If you discuss alternative scenarios that could improve the pension | Yes | 93.3% Yes | 5.0 |
| +10 | If you model alternative pension payment options | Yes | 93.3% Yes | 10.0 |
| | **Call center** | | | |
| | If you can provide the following on a real-time basis over the phone: | | | |
| +10 | member's pension estimate | No | 66.7% Yes | 0.0 |
| +15 | an estimate linked to the member's actual account data | n/a | 66.7% Yes | 0.0 |
| +10 | alternate annuity payment scenarios | n/a | 66.7% Yes | 0.0 |
| | **1-on-1 counseling** | | | |
| +10 | If you can provide a pension estimate for a member during a counseling session | Yes | 73.3% Yes | 10.0 |
| | **Total score** | | | **65.0** |

# Retirement applications

Your service score for retirement applications was 100 out of 100. This was above the peer median of 75.

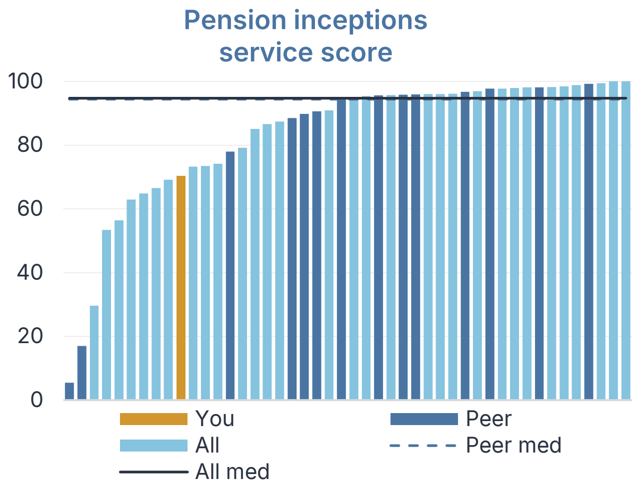




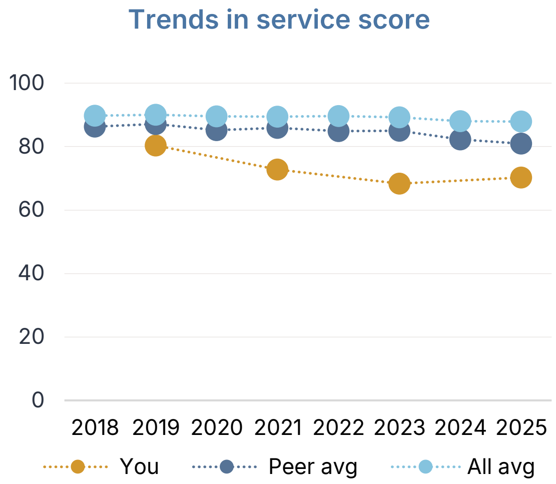
| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| +40 | If a member can submit a retirement application online | Yes | 93.3% Yes | 40.0 |
| +5 | If a member can view the status of their online application online | Yes | 78.6% Yes | 5.0 |
| +15 | If more than 50% of your online applications can be completed without staff intervention | 100.0% | 67.5% | 15.0 |
| +30 | If you do not require notarization for most retirement applications, or<br>+ 15 if you require notarization of some retirement applications | Not required | 46.7% not required | 30.0 |
| +10 | If you do not require the member's birth certificate before incepting a pension | Not required | 46.7% not required | 10.0 |
| | **Total score** | | | **100.0** |

# Pension inceptions

Your service score for pension inceptions was 70 out of 100. This was below the peer median of 94.



Pension inceptions service score

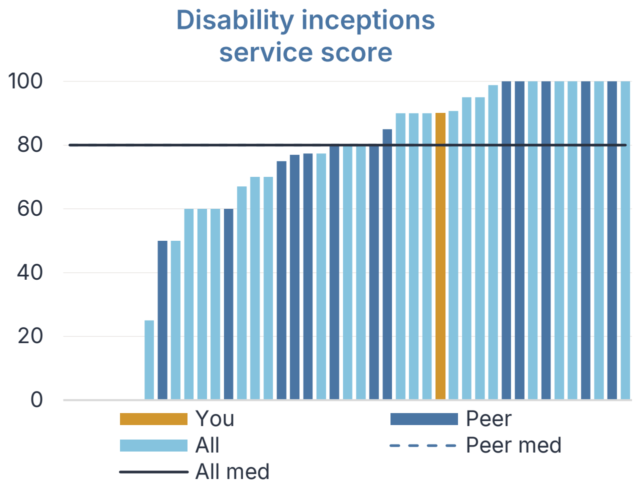


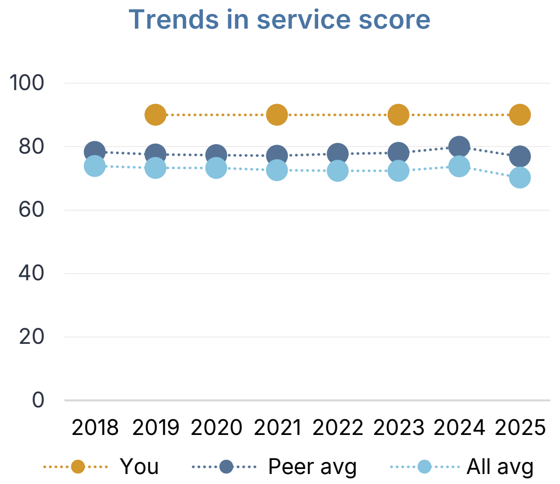
Trends in service score

|  | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| +90 | If 100% of your service pensions are incepted without a cashflow interruption greater than 1 month, otherwise 90 X percent of inceptions that occur within 1 month of the member's final paycheck | 78.0% | 84.5% | 70.2 |
|  | If a service retirement is based on estimates, less: | Yes | 100.0% Yes |  |
| -5 | 5 X percent of service retirements based on estimates X average number of months to finalize /3 | 27.5%<br>6.0 months | 75.5%<br>6.2 months |  |
|  | [Subject to a maximum deduction of 5] |  |  | -2.8 |
| +10 | If all of your survivor pensions are incepted without a cashflow interruption greater than 1 month, otherwise 100 x percent of pensions paid without interruption to survivors | 28.3% | 70.5% | 2.8 |
|  | **Total score** |  |  | **70.3** |

# Disability inceptions

Your service score for disability inceptions was 90 out of 100. This was above the peer median of 80.

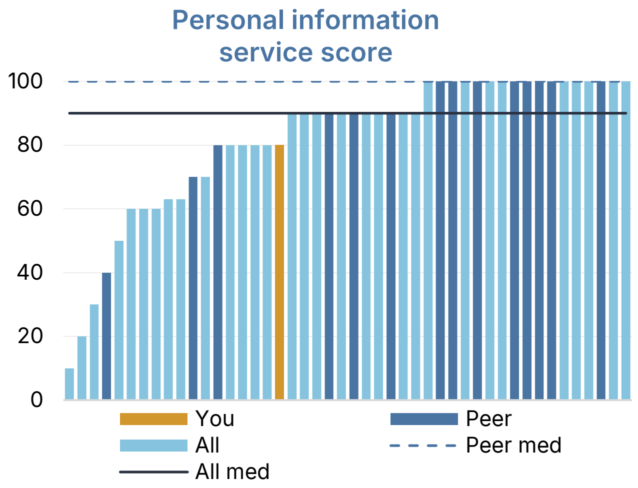


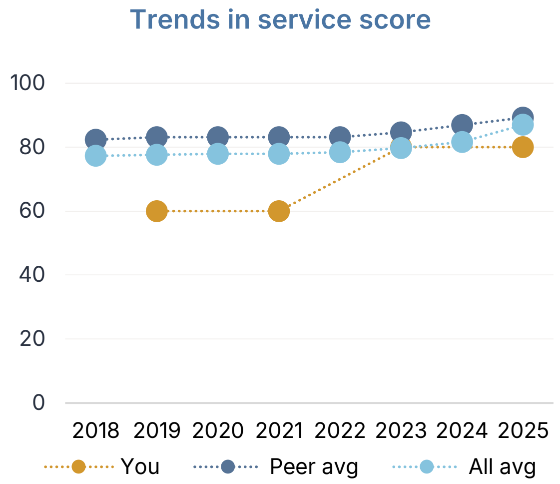


| Scoring method | | Your data | Peer average | Your score |
|---|---|---|---|---|
| +100 | If you return a decision on a disability application in 1 month or less, otherwise 100 - 10 for each month over 1 month [Subject to a minimum score of 0] | 2.0 months | 3.7 months | 90.0 |
| | **Total score** | | | **90.0** |

# Personal information

Your service score for personal information was 80 out of 100. This was below the peer median of 100.

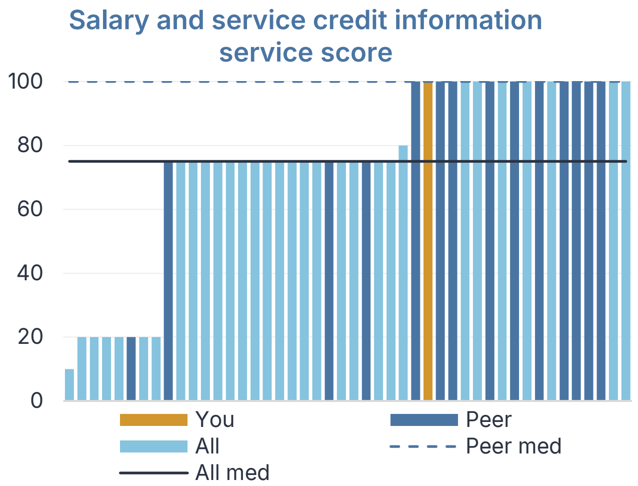


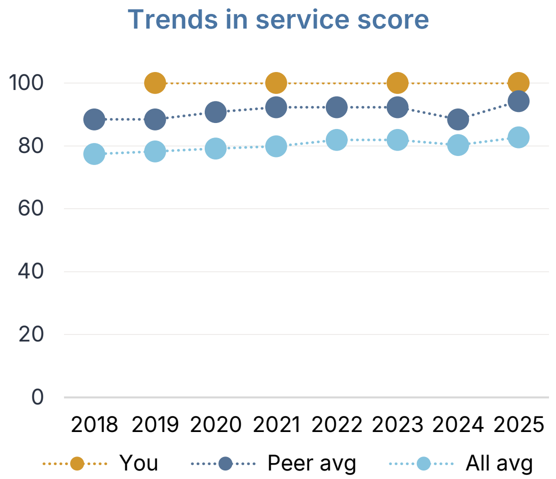


| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Self-service** | | | |
| | If members can do the following online: | | | |
| +15 | change address | Yes | 100.0% Yes | 15.0 |
| +15 | change email address | Yes | 100.0% Yes | 15.0 |
| +10 | change communication preferences | Yes | 80.0% Yes | 10.0 |
| +10 | change beneficiary | Yes | 93.3% Yes | 10.0 |
| | **Secure messaging** | | | |
| | If you have a secure portal for members: | | | |
| +10 | that includes a history of recent correspondence | No | 80.0% Yes | 0.0 |
| +20 | where members can upload documents | Yes | 80.0% Yes | 20.0 |
| | **Assisted service** | | | |
| | If members can do the following over the phone: | | | |
| +10 | change address | No | 86.7% Yes | 0.0 |
| +10 | change email address | Yes | 93.3% Yes | 10.0 |
| | **Total score** | | | **80.0** |

# Salary and service credit information

Your service score for salary and service credit information was 100 out of 100. This was equal to the peer median.

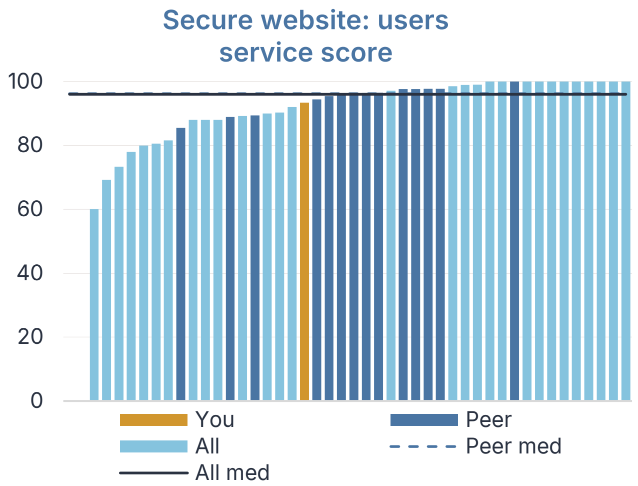


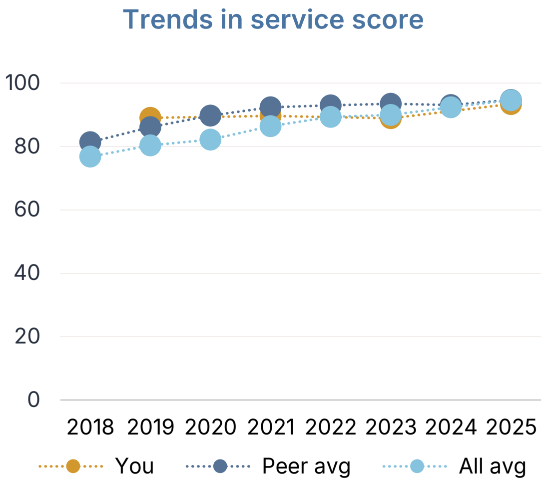


| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Self-service** | | | |
| +30 | If you offer secure access to both salary and service credit data | Yes | 93.3% Yes | 30.0 |
| +25 | If salary and service credit data is up-to-date to the most recent pay period | Yes | 86.7% Yes | 25.0 |
| +25 | If a complete annual history since employment began of salary and service credit data is available online | Yes | 80.0% Yes | 25.0 |
| | **Assisted service** | | | |
| | If you can provide the following on a real-time basis over the phone: | | | |
| +10 | pensionable salary | Yes | 100.0% Yes | 10.0 |
| +10 | service credit history including gaps | Yes | 100.0% Yes | 10.0 |
| | **Total score** | | | **100.0** |

# Secure website: users

Your service score for secure website: users was 93 out of 100. This was below the peer median of 96.

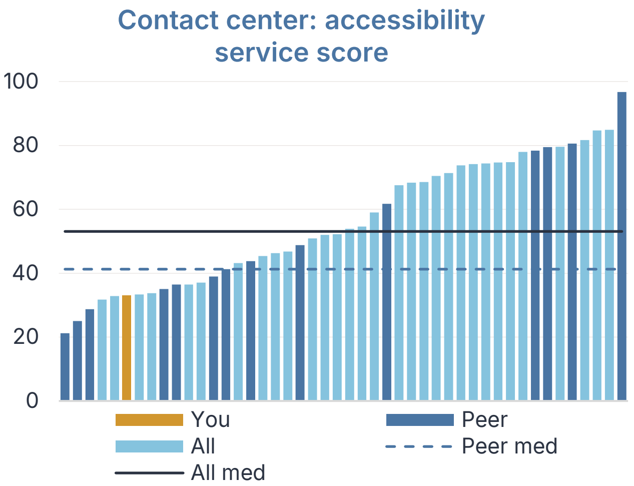

Secure website: users service score

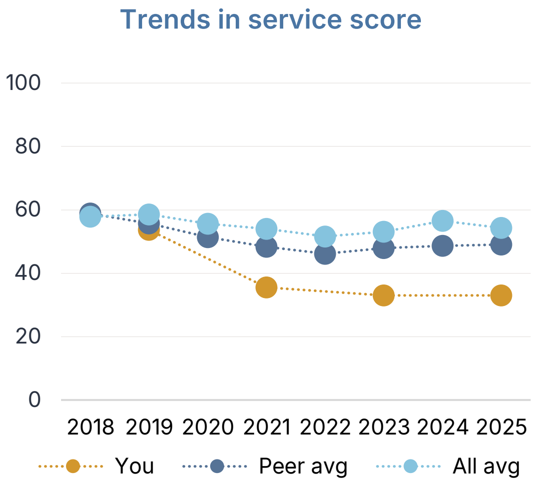

Trends in service score

| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Access** | | | |
| +10 | If you have a secure website accessible for active members | Yes | 100.0% Yes | 10.0 |
| +20 | If the secure member area is customized to only show options relevant to active members (e.g., active members see different options than annuitants) | Yes | 100.0% Yes | 20.0 |
| +10 | If the member's name is prominent on the home page | Yes | 100.0% Yes | 10.0 |
| | **Secure website use for active members** | | | |
| | Number of active members that accessed the secure area in the year (A) | 125,332 | | |
| | Number of active members (B) | 484,390 | | |
| +48 | If 30% or more of your active members accessed the secure area in the past year, otherwise 160 X % of active members that accessed the secure area = (A) / (B) | | | |
| | Score of 16 if total unique visit is unknown | 25.9% | 36.0% | 41.4 |
| | **Secure website use for inactive members** | | | |
| | Number of inactive members that accessed the secure area in the year (C) | 41,777 | | |
| | Number of inactive members (D) | 157,340 | | |
| +12 | If 15% or more of your inactive members accessed the secure area in the past year, otherwise 80 X % of inactive members that accessed the secure area = (C) / D) | | | |
| | Score of 4 if total unique visit is unknown | 26.6% | 11.9% | 12.0 |
| | **Total score** | | | **93.4** |

# Contact center: accessibility

Your service score for contact center: accessibility was 33 out of 100. This was below the peer median of 41.


Contact center: accessibility service score


Trends in service score

|  | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
|  | **Access** |  |  |  |
| +5 | If you have a toll-free phone number | Yes | 100.0% Yes | 5.0 |
| +10 | If your call center is open 50 or more hours a week, otherwise 10 - 0.5 for each hour less than 50 hours per week | 35 h | 44.9 h | 2.5 |
|  | **Phone menu layers and wait times** |  |  |  |
| -10 | If a receptionist is the first point of contact | No | 0.0% Yes | 0.0 |
| +15 | If there are none or 1 menu layer, otherwise 10 if 2 layers, 5 if 3 layers or 0 if 4 plus layers | 4 layers | 2.1 layers | 0.0 |
| +5 | If your system notify the caller of the expected wait time or their place in the queue for reaching a knowledgeable service representative | Yes | 86.7% Yes | 5.0 |
|  | Average time to navigate the menu (A) | 30 s |  |  |
|  | Average time waiting in queue for a service agent (B) | 175 s |  |  |
|  | Total wait time | 205 s |  |  |
| +30 | If members reach a service agent in 120 seconds or less, otherwise 54 - 0.2 per second to reach a knowledgeable person = (A) + (B) | 205 s | 646 s | 13.0 |

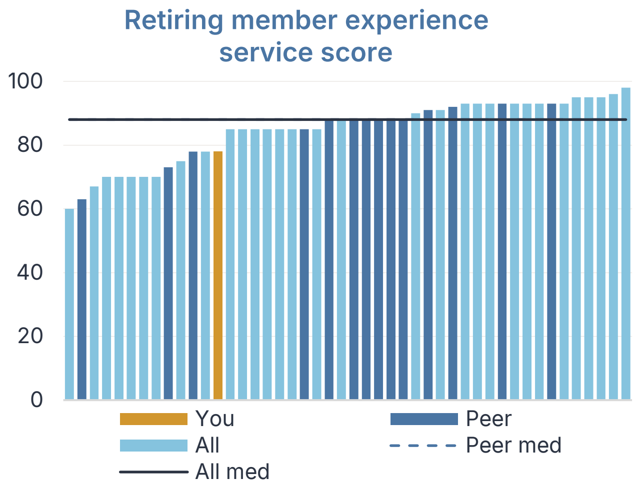
# Contact center: accessibility (continued)

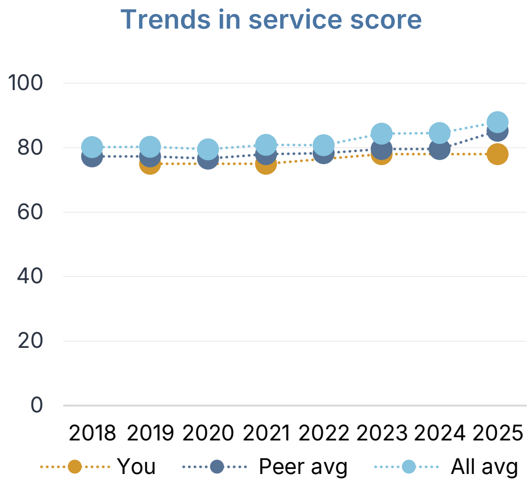
| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Undesired call outcomes** | | | |
| | Desired call outcomes | | | |
| | a) Incoming calls that reach and are responded to by a knowledgeable service representative (i.e., exclude messages, etc.)? | 248,098 | | |
| | c) Incoming calls satisfied by self-serve options, if any? | 189,896 | | |
| | Total desired call outcomes (A) | 437,994 | | |
| | Undesired call outcomes during business hours | | | |
| | a) Busy signal, never enters the system? | n/a | | |
| | b) Caller gets pre-recorded 'call another time' message during business hours? | n/a | | |
| | c) Abandoned calls (i.e., caller hangs-up while in a menu)? | 16,066 | | |
| | d) Abandoned calls (i.e., caller hangs-up while in a queue or on hold)? | 37,005 | | |
| | e) Busy signal after navigating an automated attendant menu, or after being transferred by a receptionist? | n/a | | |
| | f) Call rings unanswered during business hours? | n/a | | |
| | If you have a callback feature, # of callback requests that were not completed | 2,691* | | |
| | Total undesired call outcomes during business hours (B) | 55,762 | | |
| | Total incoming calls (C = A + B) | 491,065 | | |
| | Undesired outcomes as a percentage of total incoming calls (B / C) | 11.4% | 20.5% | |
| +20 | If the undesired outcomes rate was 0%, otherwise 20 - undesired outcomes rate X 200 (Minimum of 0) | 11.4% | 20.5% | 0.0 |
| | **Email turnaround times** | | | |
| +15 | If the wait time is 0.5 days or less, otherwise 15 - 5 for each day over 0.5 days | 2.0 days | 1.8 days | 7.5 |
| | **Total score** | | | **33.0** |

* Your response was 'unknown'. A default was applied. See 'Appendix D' for details.

# Contact center: capability

Your service score for contact center: capability was 78 out of 100. This was below the peer median of 88.

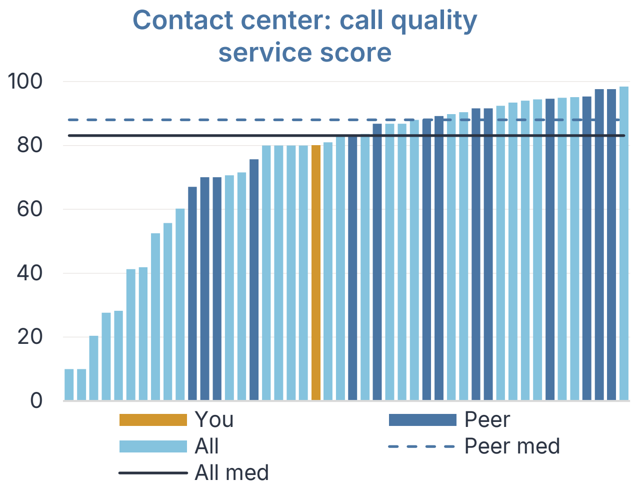


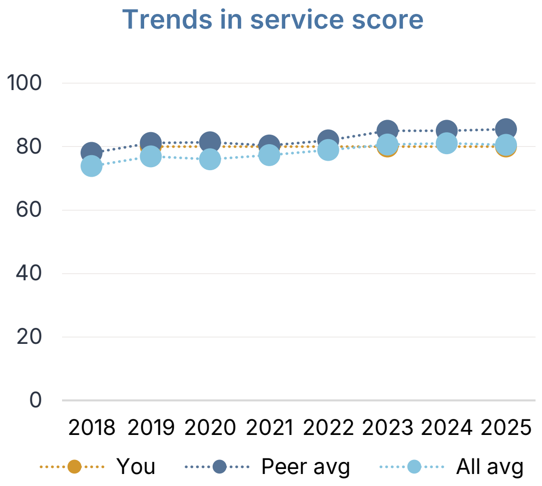


| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Workflow system**<br>If you have a workflow system that provides service agents with real time information about each member's: | | | |
| +15 | previous calls or emails to the system | Yes | 93.3% Yes | 15.0 |
| +15 | recent online correspondence | Yes | 100.0% Yes | 15.0 |
| +15 | real-time status of open items | Yes | 100.0% Yes | 15.0 |
| +15 | member’s use of digital tools | No | 73.3% Yes | 0.0 |
| +15 | most recent member statement | Yes | 100.0% Yes | 15.0 |
| +10 | beneficiary information | Yes | 100.0% Yes | 10.0 |
| | **Other capabilities**<br>If you offer the following tools to help serve members better: | | | |
| +5 | co-browsing | No | 26.7% Yes | 0.0 |
| +5 | request a call back online and over the phone, 3 if over the phone only, 2 if online | Both | 13.3% Both | 5.0 |
| +3 | live web chat | Yes | 20.0% Yes | 3.0 |
| +2 | chatbot | No | 6.7% Yes | 0.0 |
| | **Total score** | | | **78.0** |

# Contact center: call quality

Your service score for contact center: call quality was 80 out of 100. This was below the peer median of 88.



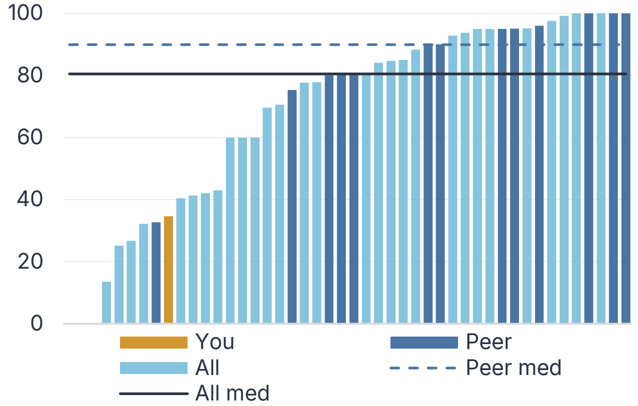


| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| +30 | **First Contact Resolution**<br>If 100% of calls are satisfied by their first contact, 0 if 75% or fewer calls are satisfied by the first contact, otherwise 30 - 120 X (1 - % satisfied by the first contact) [Subject to a minimum score of 0, and 10 if not measured] | Unknown | 88.0% | 10.0 |
| +55 | **Call quality monitoring**<br>If you review your staff's responses to member calls for coaching purposes 4 or more times per month; otherwise 13.75 X # of times per month you review calls | 4 times | 6.9 times | 55.0 |
| +15 | If the review is based on listening in on a recording (versus a live call) | Recording | 54% Recording | 15.0 |
| | **Total score** | | | **80.0** |

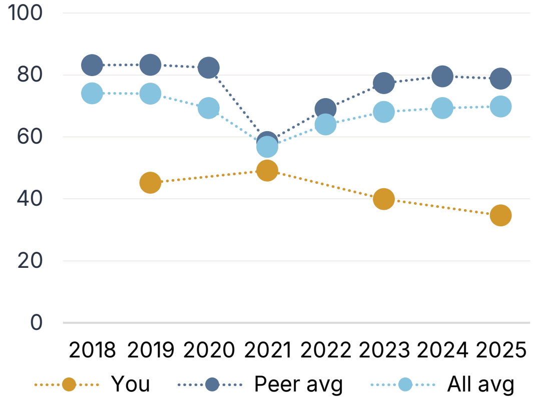
# 1-on-1 counseling

Your service score for 1-on-1 counseling was 35 out of 100. This was below the peer median of 90.

1-on-1 counseling service score



Trends in service score

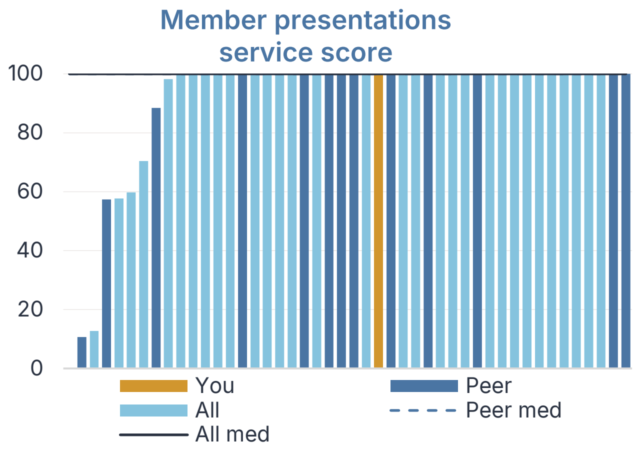


| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Availability** | | | |
| | Number of members you counseled: | | | |
| | In-house | 4 | 3,960 | |
| | In the field (C) | 0 | 2,965 | |
| | At the employer | 0 | 295 | |
| | Via teleconference | 0 | 3,948 | |
| | Online, via videoconference (D) | 375 | 2,850 | |
| | Total number of 1-on-1 counseling sessions (A) | 379 | 14,018 | |
| | Total active members (B) | 484,390 | 373,765 | |
| +60 | If the number of members counseled 1-on-1 was 1.01%[1] or more of active members, otherwise 5,966[1] X # of members you met individually as a % of active members = (A) / (B) | 0.078% | 3.2% | 4.7 |
| +20 | If the percentage of sessions in the field, separate from the member's place of employment and/or video conference, was 50% or more, otherwise 40 X percentage of sessions in the field separate from the employer = (C + D) / (A) | 98.9% | 38.7% | 20.0 |
| | **Capability** | | | |
| +10 | If you provide counseling to all members who walk-in to your office | No | 73.3% Yes | 0.0 |
| +5 | If you have real-time access to the member's data | Yes | 86.7% Yes | 5.0 |
| +5 | If all in-person counseling takes place in a private office with a door | Yes | 86.7% Yes | 5.0 |
| | **Total score** | | | **34.7** |

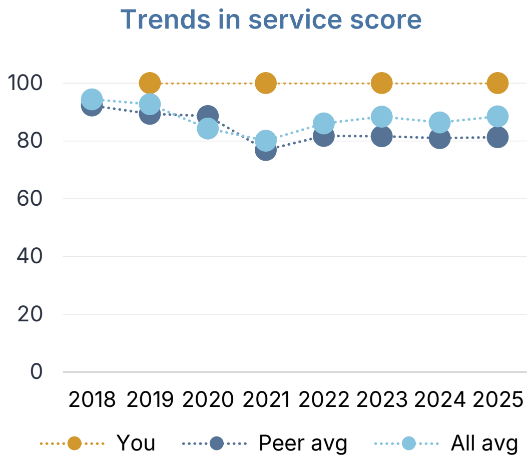
[1] Better website content and functionality reduces the number of members that attend 1-on-1 sessions. Using your percentage of pensions incepted online as a proxy for the strength of your website, we reduce the 1.0% attendee cutoff rate for a perfect availability score to a minimum of 0.15% (i.e. if 59.78% of your pension inceptions occur online, you need attendees equal to 1.01% of your active member population to achieve a perfect score of 60; we use a multiplication factor of 5,966 because 60 / 1.01% = 5,966).

# Member presentations

Your service score for member presentations was 100 out of 100. This was equal to the peer median.



Member presentations service score



Trends in service score

| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Availability** | | | |
| | Number of presentations: | | | |
| | - In-house | 0 | 47 | |
| | - In the field | 6 | 161 | |
| | - Live webinars | 77 | 236 | |
| | Total presentations | 83 | 444 | |
| | Total number of presentation attendees (A) | 7,940 | 16,541 | |
| | Total active members (B) | 484,390 | 373,765 | |
| +100 | If the total number of attendees was 1.0%[1] or more of active members, otherwise 9,944[1] X attendees as percent of active members (including those attending webinars) = (A) / (B) | 1.6% | 4.9% | 100.0 |
| | **Total score** | | | **100.0** |

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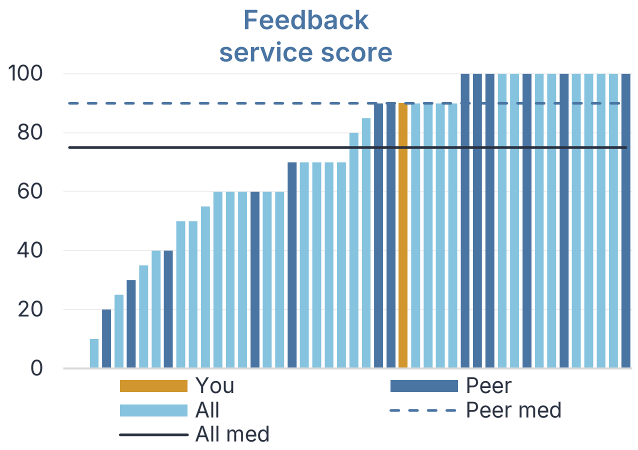
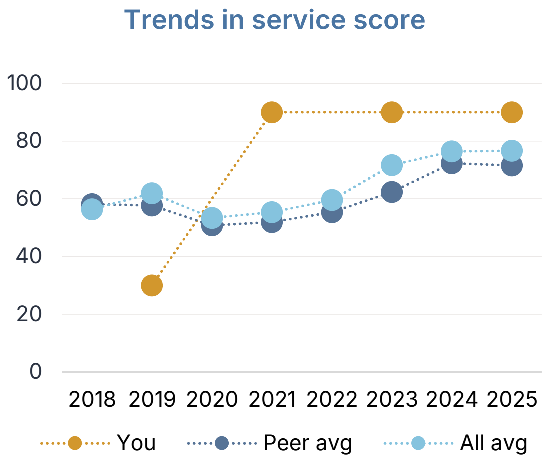
[1] Better website content and functionality reduces the number of members that attend presentations. Using your percentage of pensions incepted online as a proxy for the strength of your website, we reduce the 2.5% attendee cutoff rate for a perfect availability score to a minimum of 0.4% (i.e. if 59.78% of your pension inceptions occur online, you need attendees equal to 1.01% of your active member population to achieve a perfect score of 100; we use a multiplication factor of 9,944 because 100 / 1.01% = 9,944).

# Feedback

Your service score for feedback was 90 out of 100. This was equal to the peer median.

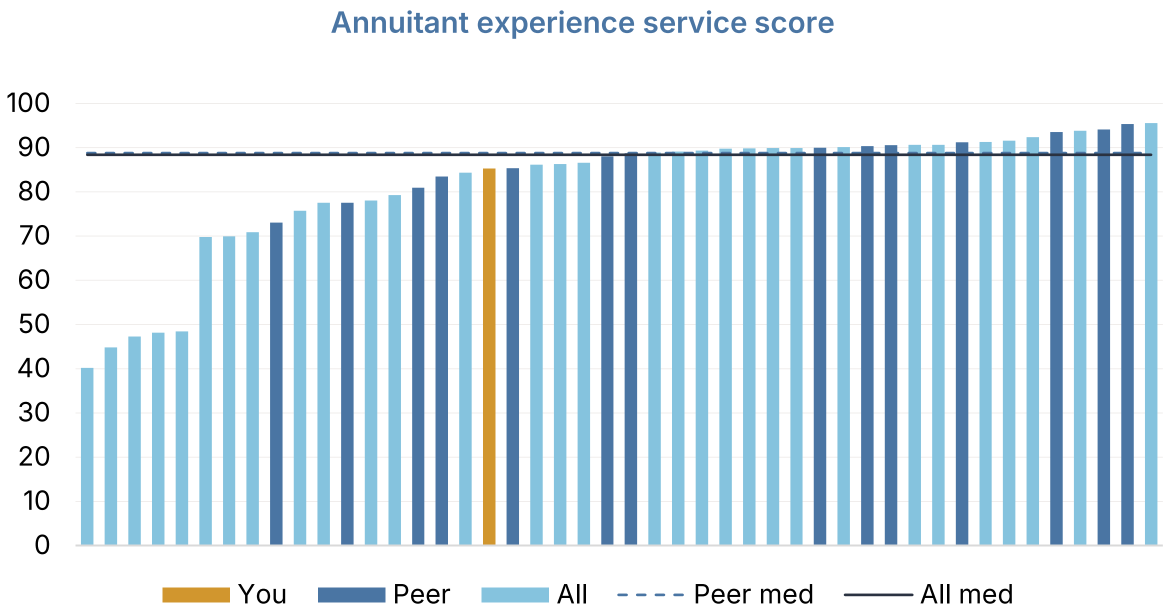




| Scoring method | | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Member experience surveying**<br>If you survey member satisfaction, NPS or effort exclusively for each of the following: | | | |
| +30 | retirement experience | Yes | 80.0% Yes | 30.0 |
| +10 | disability retirement experience | No | 46.7% Yes | 0.0 |
| +30 | secure website | Yes | 60.0% Yes | 30.0 |
| +20 | telephone calls | Yes | 86.7% Yes | 20.0 |
| +5 | 1-on-1 counseling | Yes | 86.7% Yes | 5.0 |
| +5 | member presentations | Yes | 86.7% Yes | 5.0 |
| | **Total score** | | | **90.0** |

# Total service score for annuitants

Your service score for annuitant experience was 85 out of 100. This was below the peer median of 89.

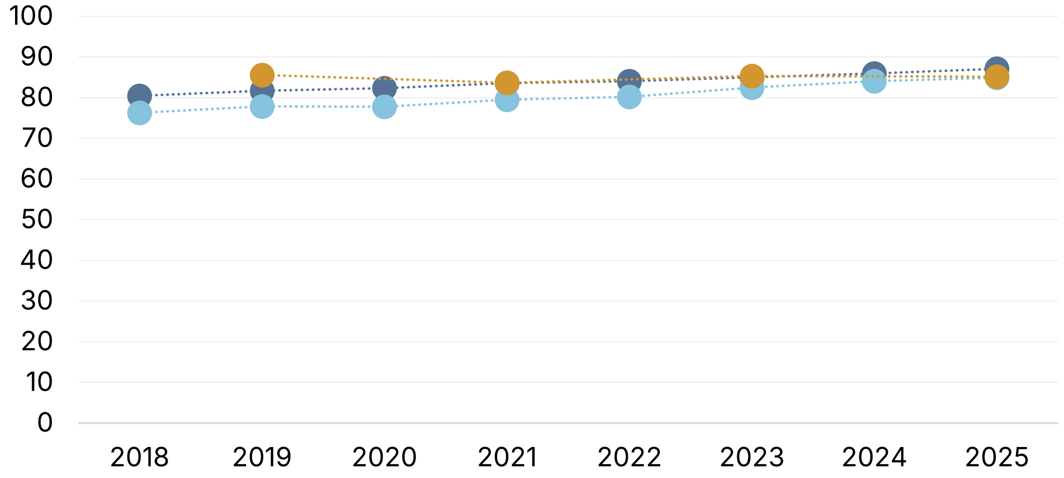


Your total service score for annuitants is the weighted average of the activity service scores below:

| Activity | Weight | You | Peer median | Higher/ Lower |
|---|---|---|---|---|
| Outbound Communication | 10.0% | 62 | 64 | -2 |
| Pension payments | 30.0% | 98 | 98 | 0 |
| Personal information | 5.0% | 80 | 100 | -20 |
| Secure website: users | 32.5% | 100 | 100 | 0 |
| Contact center: accessibility | 7.5% | 33 | 41 | -8 |
| Contact center: capability | 5.0% | 73 | 88 | -15 |
| Contact center: call quality | 5.0% | 80 | 88 | -8 |
| Feedback | 5.0% | 60 | 70 | -10 |
| **Weighted total service score** | **100.0%** | **85** | **89** | **-4** |

# Trend in service score for annuitants

Annuitant experience service trend



| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| ● You | | 86 | | 84 | | 85 | | 85 |
| ● Peer Average [1] | 80 | 82 | 82 | 84 | 84 | 85 | 86 | 87 |
| ● All Average [1] | 76 | 78 | 78 | 79 | 80 | 82 | 84 | 85 |

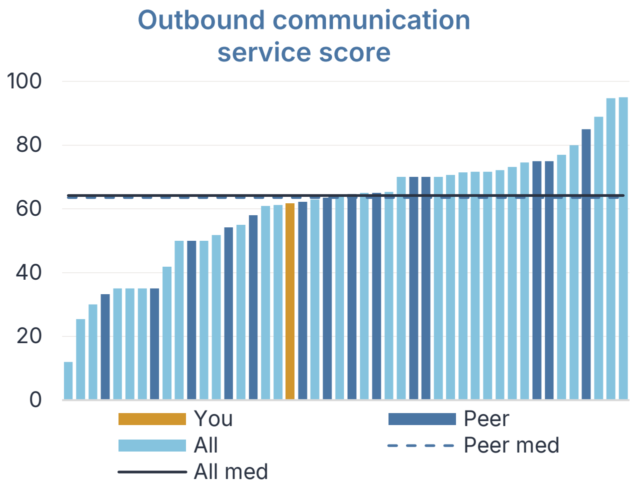
**Trend in service score for annuitants by activity**

| | | Your service score | | | | | | | | Change | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Activity** | **Weight** | **2018** | **2019** | **2020** | **2021** | **2022** | **2023** | **2024** | **2025** | **1-Yr** | **8-Yr** |
| Outbound Communication | 10.0% | | 57 | | 56 | | 63 | | 62 | | |
| Pension payments | 30.0% | | 98 | | 98 | | 98 | | 98 | | |
| Personal information | 5.0% | | 60 | | 60 | | 80 | | 80 | | |
| Secure website: users | 32.5% | | 100 | | 100 | | 100 | | 100 | | |
| Contact center: accessibility | 7.5% | | 54 | | 36 | | 33 | | 33 | | |
| Contact center: capability | 5.0% | | 70 | | 70 | | 73 | | 73 | | |
| Contact center: call quality | 5.0% | | 80 | | 80 | | 80 | | 80 | | |
| Feedback | 5.0% | | 70 | | 60 | | 60 | | 60 | | |
| **Weight total** | **100%** | | **86** | | **84** | | **85** | | **85** | | |

1. Trend analysis is based on systems that have participated for 8 consecutive years (13 peers and 31 World systems). This ensures that trends are not caused by changes in the composition of the participants.

# Outbound Communication

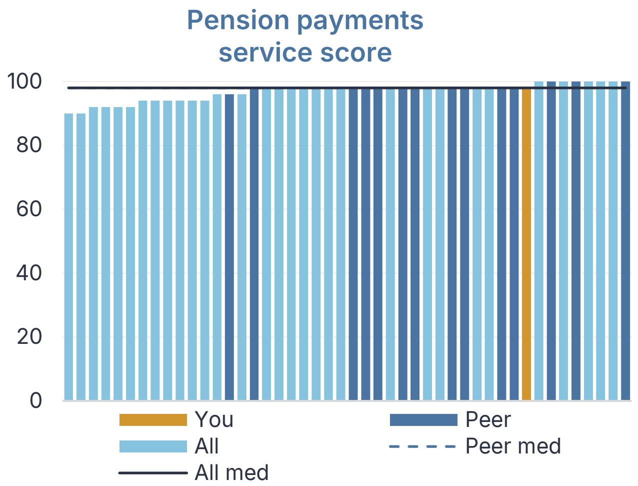
Your service score for outbound communication was 62 out of 100. This was below the peer median of 64.

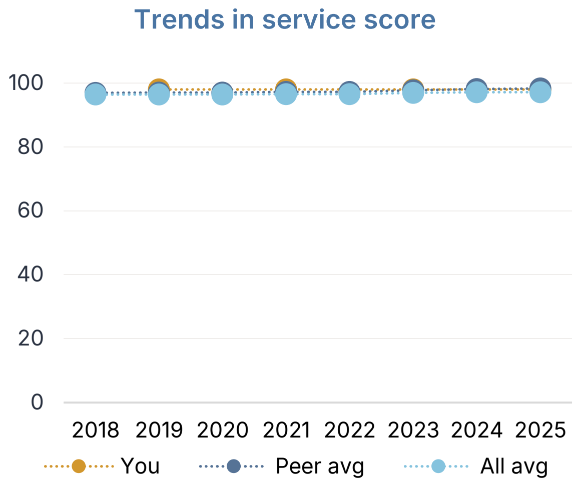


| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Email addresses** | | | |
| +30 | If you have email addresses for 80% or more of your annuitants, otherwise 37.5 X % of annuitants you have email addresses for.<br>Your scorewill be 10 if unknown | 71.0% | 76.9% Yes | 26.6 |
| | **Targeted campaigns** | | | |
| | If you send targeted communication to annuitants for the following: | | | |
| +15 | pension amount change | Yes | 80.0% Yes | 15.0 |
| +15 | new to retirement | Yes | 73.3% Yes | 15.0 |
| +10 | missing beneficiary | No | 13.3% Yes | 0.0 |
| +10 | missing address | No | 13.3% Yes | 0.0 |
| +10 | missing email address | No | 13.3% Yes | 0.0 |
| | **Newsletters** | | | |
| +2 | If you send annuitants a newsletter | Yes | 100.0% Yes | 2.0 |
| +3 | If annuitants receive a different newsletter from active or inactive members | Yes | 100.0% Yes | 3.0 |
| | **Presentations** | | | |
| +5 | If you have presentations targeted specifically to changes to benefits | No | 42.9% Yes | 0.0 |
| | **Total score** | | | **61.6** |

# Pension payments

Your service score for pension payments was 98 out of 100. This was equal to the peer median.

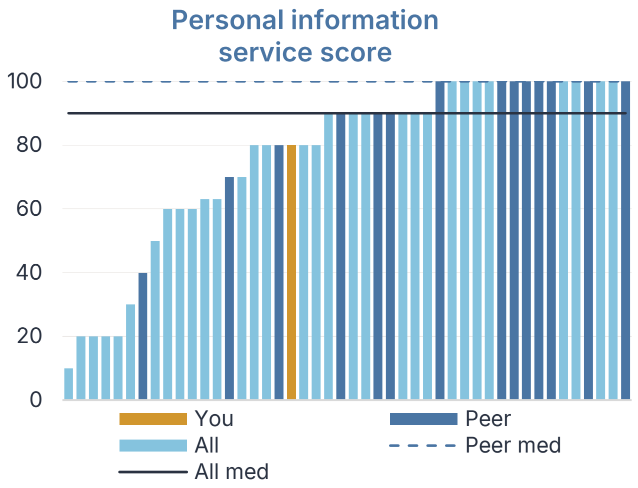




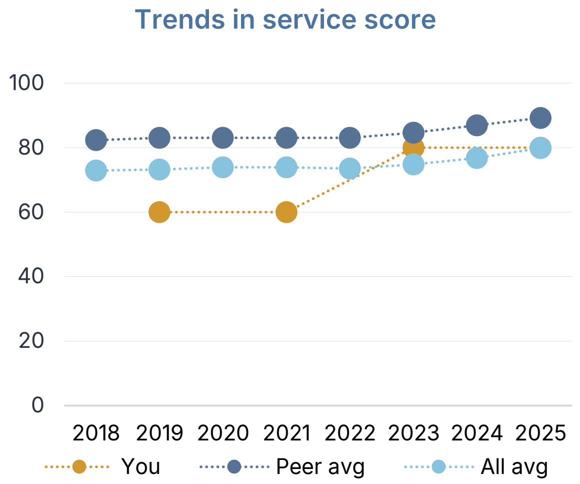
| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Timeliness** | | | |
| +90 | If none of your pension payrolls were late vis-à-vis your normal payment cycle, otherwise 100 - (10 X number of late payrolls X average days late) | None | None | 90.0 |
| | **Self-service** | | | |
| | If members can do the following online: | | | |
| +2 | change banking information | Yes | 100.0% Yes | 2.0 |
| +2 | view pension payment gross amounts and deductions | Yes | 100.0% Yes | 2.0 |
| +2 | change tax withholding amount | Yes | 93.3% Yes | 2.0 |
| +2 | download tax receipts | Yes | 100.0% Yes | 2.0 |
| | **Assisted service** | | | |
| | If members can do the following over the phone: | | | |
| +2 | change banking information | No | 20.0% Yes | 0.0 |
| | **Total score** | | | **98.0** |

# Personal information

Your service score for personal information was 80 out of 100. This was below the peer median of 100.



Personal information service score

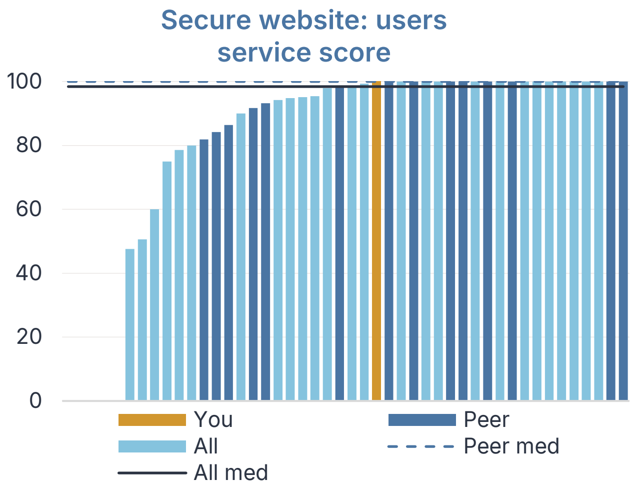


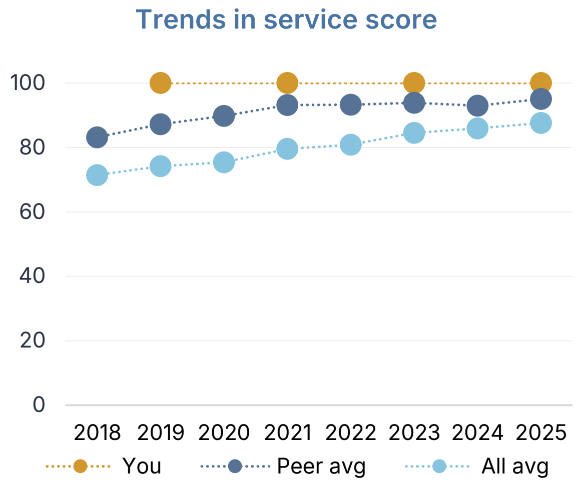
Trends in service score

| Scoring method | | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Self-service** | | | |
| | If members can do the following online: | | | |
| +15 | change address | Yes | 100.0% Yes | 15.0 |
| +15 | change email address | Yes | 100.0% Yes | 15.0 |
| +10 | change communication preferences | Yes | 80.0% Yes | 10.0 |
| +10 | change beneficiary | Yes | 93.3% Yes | 10.0 |
| | **Secure messaging** | | | |
| | If you have a secure portal for members: | | | |
| +10 | that includes a history of recent correspondence | No | 80.0% Yes | 0.0 |
| +20 | where members can upload documents | Yes | 80.0% Yes | 20.0 |
| | **Assisted service** | | | |
| | If members can do the following over the phone: | | | |
| +10 | change address | No | 86.7% Yes | 0.0 |
| +10 | change email address | Yes | 93.3% Yes | 10.0 |
| | **Total score** | | | **80.0** |

# Secure website: users

Your service score for secure website: users was 100 out of 100. This was equal to the peer median.

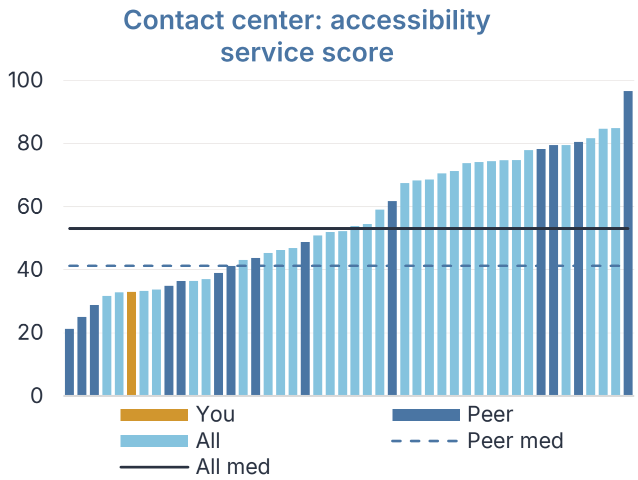


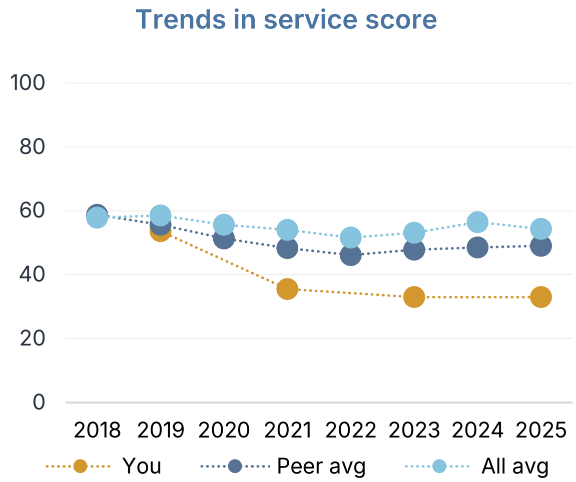


| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Access** | | | |
| +10 | If you have a secure website accessible for annuitants | Yes | 100.0% Yes | 10.0 |
| +20 | If the secure member area is customized to only show options relevant to annuitants (e.g., annuitants see different options than active members) | Yes | 100.0% Yes | 20.0 |
| +10 | If the member's name is prominent on the home page | Yes | 100.0% Yes | 10.0 |
| | **Secure website use** | | | |
| | Number of annuitants that accessed the secure area in the year (A) | 135,644 | | |
| | Number of annuitants (B) | 372,067 | | |
| +60 | If 30% or more of your annuitants accessed the secure area in the past year, otherwise 200 X % of annuitants that accessed the secure area (A) / (B)<br>Score of 20 if total unique visit is unknown | 36.5% | 34.1% | 60.0 |
| | **Total score** | | | **100.0** |

# Contact center: accessibility

Your service score for contact center: accessibility was 33 out of 100. This was below the peer median of 41.





| | Scoring method | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Access** | | | |
| +5 | If you have a toll-free phone number | Yes | 100.0% Yes | 5.0 |
| +10 | If your call center is open 50 or more hours a week, otherwise 10 - 0.5 for each hour less than 50 hours per week | 35 h | 44.9 h | 2.5 |
| | **Phone menu layers and wait times** | | | |
| -10 | If a receptionist is the first point of contact | No | 0.0% Yes | 0.0 |
| +15 | If there are none or 1 menu layer, otherwise 10 if 2 layers, 5 if 3 layers or 0 if 4 plus layers | 4 layers | 2.1 layers | 0.0 |
| +5 | If your system notify the caller of the expected wait time or their place in the queue for reaching a knowledgeable service representative | Yes | 86.7% Yes | 5.0 |
| | Average time to navigate the menu (A) | 30 s | | |
| | Average time waiting in queue for a service agent (B) | 175 s | | |
| | Total wait time | 205 s | | |
| +30 | If members reach a service agent in 120 seconds or less, otherwise 54 - 0.2 per second to reach a knowledgeable person = (A) + (B) | 205 s | 646 s | 13.0 |

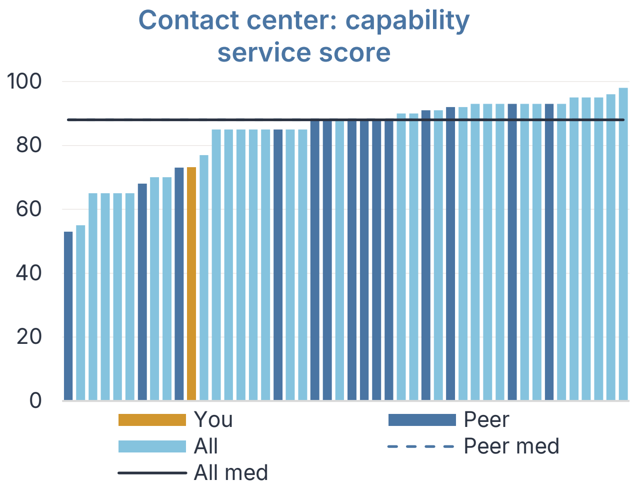
# Contact center: accessibility (continued)

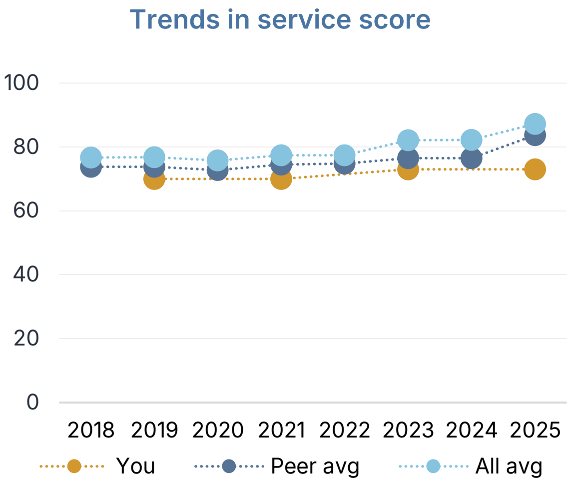
| Scoring method | | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Undesired call outcomes** | | | |
| | Desired call outcomes | | | |
| | a) Incoming calls that reach and are responded to by a knowledgeable service representative (i.e., exclude messages, etc.)? | 248,098 | | |
| | c) Incoming calls satisfied by self-serve options, if any? | 189,896 | | |
| | Total desired call outcomes (A) | 437,994 | | |
| | Undesired call outcomes during business hours | | | |
| | a) Busy signal, never enters the system? | n/a | | |
| | b) Caller gets pre-recorded 'call another time' message during business hours? | n/a | | |
| | c) Abandoned calls (i.e., caller hangs-up while in a menu)? | 16,066 | | |
| | d) Abandoned calls (i.e., caller hangs-up while in a queue or on hold)? | 37,005 | | |
| | e) Busy signal after navigating an automated attendant menu, or after being transferred by a receptionist? | n/a | | |
| | f) Call rings unanswered during business hours? | n/a | | |
| | If you have a callback feature, # of callback requests that were not completed | 2,691* | | |
| | Total undesired call outcomes during business hours (B) | 55,762 | | |
| | Total incoming calls (C = A + B) | 491,065 | | |
| | Undesired outcomes as a percentage of total incoming calls (B / C) | 11.4% | 20.5% | |
| +20 | If the undesired outcomes rate was 0%, otherwise 20 - undesired outcomes rate X 200 (Minimum of 0) | 11.4% | 20.5% | 0.0 |
| | **Email turnaround times** | | | |
| +15 | If the wait time is 0.5 days or less, otherwise 15 - 5 for each day over 0.5 days | 2.0 days | 1.8 days | 7.5 |
| | **Total score** | | | **33.0** |

* Your response was 'unknown'. A default was applied. See 'Appendix D' for details.

# Contact center: capability

Your service score for contact center: capability was 73 out of 100. This was below the peer median of 88.





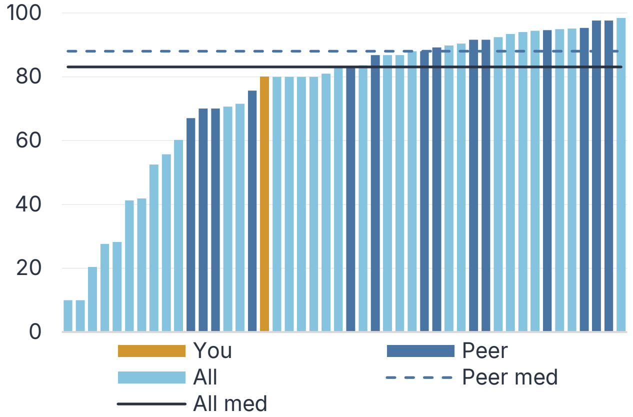
| Scoring method | | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Workflow system** | | | |
| | If you have a workflow system that provides service agents with real time information about each member's: | | | |
| +20 | previous calls or emails to the system | Yes | 93.3% Yes | 20.0 |
| +15 | recent online correspondence | Yes | 100.0% Yes | 15.0 |
| +15 | real-time status of open items | Yes | 100.0% Yes | 15.0 |
| +20 | member’s use of digital tools | No | 73.3% Yes | 0.0 |
| +15 | beneficiary information | Yes | 100.0% Yes | 15.0 |
| | **Other capabilities** | | | |
| | If you offer the following tools to help serve members better: | | | |
| +5 | co-browsing | No | 26.7% Yes | 0.0 |
| +5 | request a call back online and over the phone, 3 if over the phone only, 2 if online | Both | 13.3% Both | 5.0 |
| +3 | live web chat | Yes | 20.0% Yes | 3.0 |
| +2 | chatbot | No | 6.7% Yes | 0.0 |
| | **Total score** | | | **73.0** |

ANNUITANT EXPERIENCE

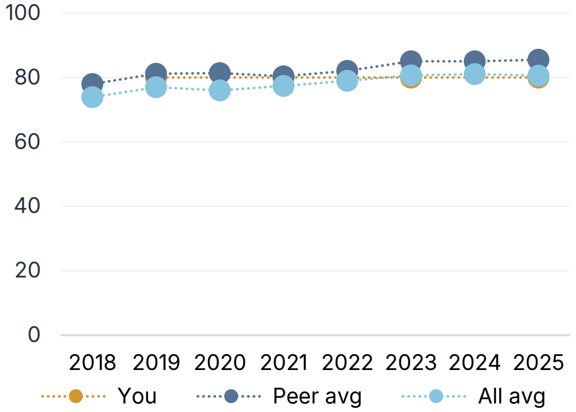
# Contact center: call quality

Your service score for contact center: call quality was 80 out of 100. This was below the peer median of 88.

Contact center: call quality service score



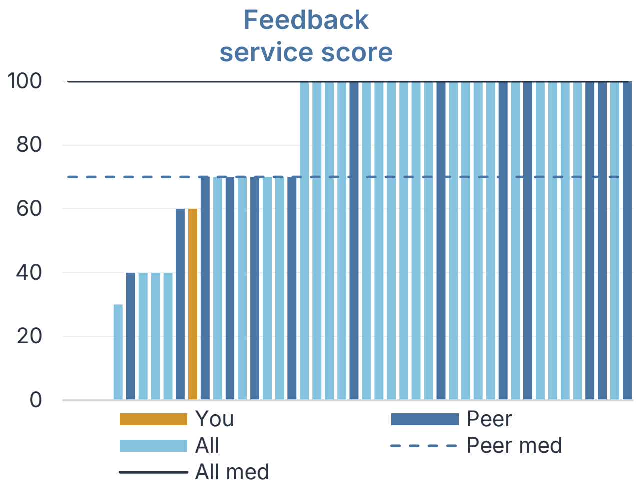
Trends in service score

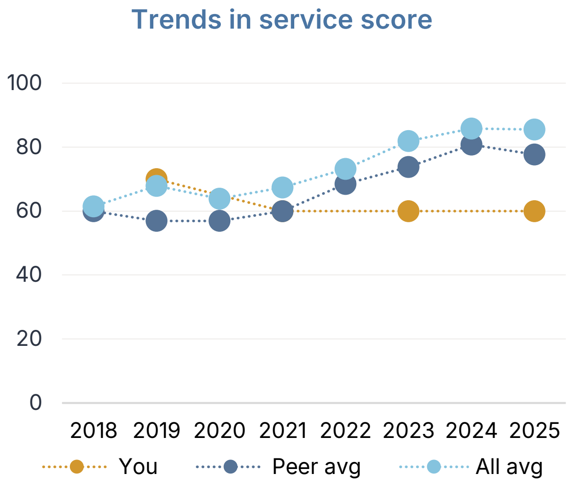


| Scoring method | | Your data | Peer average | Your score |
|---|---|---|---|---|
| +30 | **First Contact Resolution**<br>If 100% of calls are satisfied by their first contact, 0 if 75% or fewer calls are satisfied by the first contact, otherwise 30 - 120 X (1 - % satisfied by the first contact) [Subject to a minimum score of 0, and 10 if not measured] | Unknown | 88.0% | 10.0 |
| +55 | **Call quality monitoring**<br>If you review your staff's responses to member calls for coaching purposes 4 or more times per month; otherwise 13.75 X # of times per month you review calls | 4 times | 6.9 times | 55.0 |
| +15 | If the review is based on listening in on a recording (versus a live call) | Recording | 54% Recording | 15.0 |
| | **Total score** | | | **80.0** |

# Feedback

Your service score for feedback was 60 out of 100. This was below the peer median of 70.

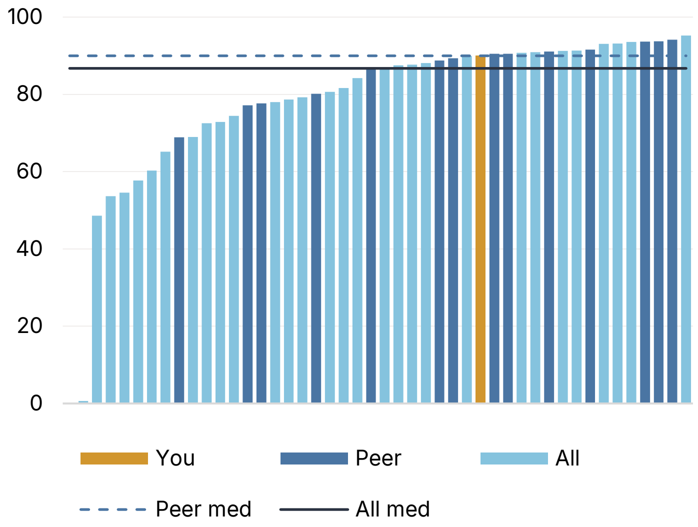




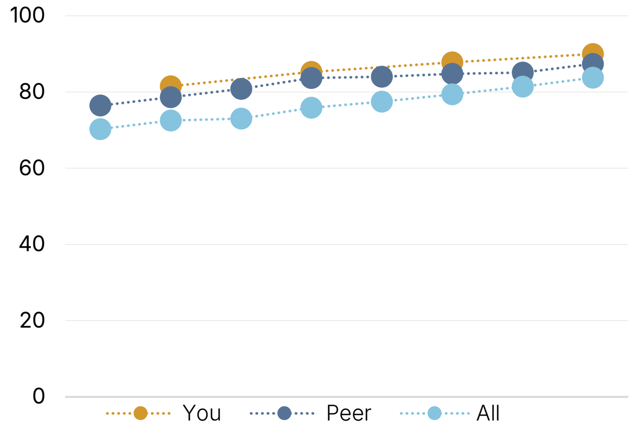
| Scoring method | | Your data | Peer average | Your score |
|---|---|---|---|---|
| | **Member experience surveying**<br>If you survey member satisfaction, NPS or effort exclusively for each of the following: | | | |
| +40 | annuitants | No | 80.0% Yes | 0.0 |
| +30 | secure website | Yes | 60.0% Yes | 30.0 |
| +30 | telephone calls | Yes | 86.7% Yes | 30.0 |
| | **Total score** | | | **60.0** |

# Service score by channel

Member journeys are omni-channel. The channel service scores below extract all relevant metrics from the four member journeys above to calculate a service score out of 100.

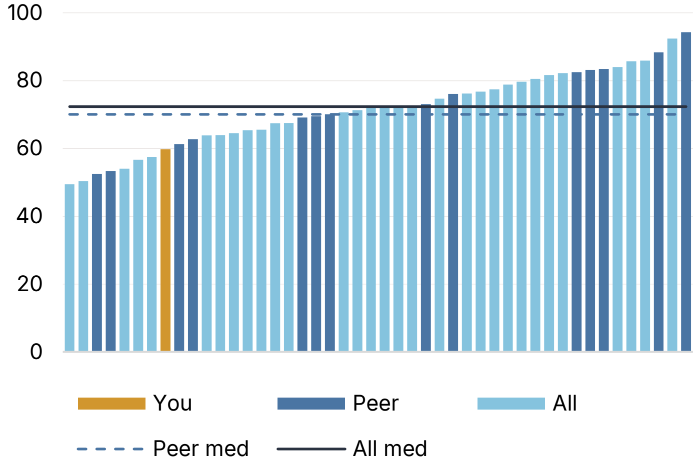


Website service score

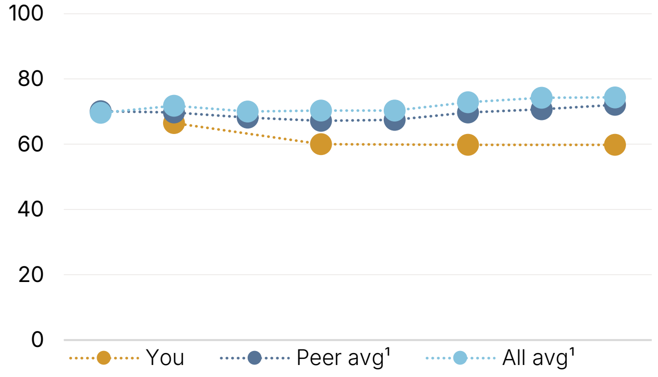


Trends in website service score

| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| You | | 82 | | 85 | | 88 | | 90 |
| Peer avg[1] | 76 | 79 | 81 | 84 | 84 | 85 | 85 | 87 |
| All avg[1] | 70 | 72 | 73 | 76 | 77 | 79 | 81 | 84 |



Contact center service score



Trends in contact center service score

| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| You | | 67 | | 60 | | 60 | | 60 |
| Peer avg[1] | 70 | 70 | 68 | 67 | 68 | 70 | 71 | 72 |
| All avg[1] | 70 | 72 | 70 | 70 | 70 | 73 | 74 | 74 |

1. Trend analysis is based on systems that have participated for 8 consecutive years (13 peers and 31 World systems). This ensures that trends are not caused by changes in the composition of the participants.

# Website service score

Your website service score is based on the combined website metrics and weights of the four member journeys. Your adjusted service score was 90 out of 100. This was above the peer average of 87.

| Scoring method | | Your data | Peer average | Your score | Your adjusted score [1] |
|---|---|---|---|---|---|
| | **Access** | | | | |
| | If the member's name is prominent on the home page for | | | | |
| +10 | active members | Yes | 100.0% Yes | 10.0 | 4.5 |
| +10 | inactive members | Yes | 100.0% Yes | 10.0 | 0.5 |
| +10 | annuitants | Yes | 100.0% Yes | 10.0 | 2.3 |
| | If you have a secure website accessible for: | | | | |
| +10 | active members | Yes | 100.0% Yes | 10.0 | 4.5 |
| +10 | inactive members | Yes | 100.0% Yes | 10.0 | 0.5 |
| +10 | annuitants | Yes | 100.0% Yes | 10.0 | 2.3 |
| | If the secure member area is customized to only show options relevant to: | | | | |
| +20 | active members | Yes | 100.0% Yes | 20.0 | 9.1 |
| +20 | inactive members | Yes | 100.0% Yes | 20.0 | 0.9 |
| +20 | annuitants | Yes | 100.0% Yes | 20.0 | 4.5 |
| +60 | If 40% or more of your active members accessed the secure area at least once in the past year, otherwise 150 X % of active members that accessed the secure area | 25.9% | 36.0% | 38.8 | 8.1 |
| +60 | If 15% or more of your inactive members accessed the secure area in the past year, otherwise 400 X % of inactive members that accessed the secure area | 26.6% | 11.9% | 60.0 | 0.0 |
| +60 | If 30% or more of your annuitants accessed the secure area in the past year, otherwise 200 X % of annuitants that accessed the secure area | 36.5% | 34.1% | 60.0 | 13.6 |

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[1] Each of these service metrics contributes to your total service score differently, because they may apply to one or more member journeys. For example, a metric that scores you 10 points in the inactive member experience, will give you an adjusted score of 0.5, because the inactive member experience contributes 5% to your total service score.

# Website service score

## continued

| Scoring method | | Your data | Peer average | Your score | Your adjusted score [1] |
|---|---|---|---|---|---|
| | **Pension estimate calculator** | | | | |
| +10 | If you have an interactive calculator on your website | Yes | 100.0% Yes | 10.0 | 0.6 |
| +40 | If the calculator is linked to member salary and service credit data | Yes | 93.3% Yes | 40.0 | 2.4 |
| | If your pension estimate calculator allows members to model: | | | | |
| +5 | different retirement start dates | Yes | 93.3% Yes | 5.0 | 0.3 |
| +5 | salary changes | Yes | 93.3% Yes | 5.0 | 0.3 |
| +5 | different working percentages (e.g., part-time or early termination) | Yes | 86.7% Yes | 5.0 | 0.3 |
| +5 | alternative payment options | Yes | 86.7% Yes | 5.0 | 0.3 |
| | If the calculator provides an estimate showing: | | | | |
| +10 | both gross and net, 4 if gross or net, 0 otherwise | Gross | 14.3% Both | 4.0 | 0.2 |
| +10 | both monthly and annual, 4 if monthly or annual, 0 otherwise | Monthly | 42.9% Both | 4.0 | 0.2 |
| +10 | multiple estimates on one page for comparative purposes | Yes | 53.3% Yes | 10.0 | 0.6 |
| | **Self-service** | | | | |
| +40 | If a member can submit a retirement application online | Yes | 93.3% Yes | 40.0 | 2.4 |
| +15 | If more than 50% of your online applications can be completed without without staff intervention | 100.0% | 58.5% Yes | 15.0 | 0.9 |
| +65 | If a member can apply for a transfer-in application online | No | 26.7% Yes | 0.0 | 0.0 |
| +20 | If a member can apply for a transfer-out application online | Yes | 73.3% Yes | 20.0 | 0.1 |
| | If members can do the following online: | | | | |
| +15 | change address (Actives, Inactive, Annuitant) | Yes | 100.0% Yes | 15.0 | 1.7 |
| +15 | change email address (Actives, Inactive, Annuitant) | Yes | 100.0% Yes | 15.0 | 1.7 |
| +10 | change communication preferences (Actives, Inactive, Annuitant) | Yes | 80.0% Yes | 10.0 | 1.2 |
| +10 | change beneficiary (Actives, Inactive, Annuitant) | Yes | 93.3% Yes | 10.0 | 1.2 |
| +20 | If you have a secure portal for members where members can upload documents (Actives, Inactive, Annuitant) | Yes | 80.0% Yes | 20.0 | 2.3 |

[1] Each of these service metrics contributes to your total service score differently, because they may apply to one or more member journeys. For example, a metric that scores you 10 points in the inactive member experience, will give you an adjusted score of 0.5, because the inactive member experience contributes 5% to your total service score.

# Website service score

continued

| Scoring method | | Your data | Peer average | Your score | Your adjusted score [1] |
|---|---|---|---|---|---|
| | **Self-service continued** | | | | |
| | If members can do the following online: | | | | |
| +2 | change banking information | Yes | 100.0% Yes | 2.0 | 0.4 |
| +2 | view pension payment gross amounts and deductions | Yes | 100.0% Yes | 2.0 | 0.4 |
| +2 | change tax withholding amount | Yes | 93.3% Yes | 2.0 | 0.4 |
| +2 | download tax receipts | Yes | 100.0% Yes | 2.0 | 0.4 |
| | **Availability** | | | | |
| +30 | If you offer secure access to both salary and service credit data | Yes | 93.3% Yes | 30.0 | 2.4 |
| +25 | If salary and service credit data is up-to-date to the most recent pay period | Yes | 86.7% Yes | 25.0 | 2.0 |
| +25 | If a complete annual history of salary and service credit data since employment began is available | Yes | 80.0% Yes | 25.0 | 2.0 |
| +15 | If the most recent member statement is available | Yes | 93.3% Yes | 15.0 | 1.3 |
| +10 | If you have a secure portal for members that includes a history of recent correspondence | No | 80.0% Yes | 0.0 | 0.0 |
| | **Feedback** | | | | |
| +30 | If you survey satisfaction or NPS regarding your website | Yes | 60.0% Yes | 30.0 | 3.5 |
| | **Website service score** | | | | **90.0** |

[1] Each of these service metrics contributes to your total service score differently, because they may apply to one or more member journeys. For example, a metric that scores you 10 points in the inactive member experience, will give you an adjusted score of 0.5, because the inactive member experience contributes 5% to your total service score.

# Contact Center service score

Your contact center service score is based on the combined contact center metrics and weights of the four member journeys. Your adjusted service score was 60. This was below the peer average of 72.

| Scoring method | | Your data | Peer average | Your score | Your adjusted score [1] |
|---|---|---|---|---|---|
| | **Access** | | | | |
| +5 | If you have a toll-free phone number | Yes | 100.0% Yes | 5.0 | 1.8 |
| +10 | If your call center is open 50 or more hours a week, otherwise 10 - 0.5 for each hour less than 50 hours per week | 35 h | 44.9 h | 2.5 | 0.9 |
| | **Phone menu layers and wait times** | | | | |
| | If a receptionist is the first point of contact | No | 0.0% Yes | 0.0 | 0.0 |
| +15 | If there are none or 1 menu layer, otherwise 10 if 2 layers, 5 if 3 layers or 0 if 4 plus layers | 4 layers | 2.1 layers | 0.0 | 0.0 |
| +20 | If the abandonment rate in queue was 0%, otherwise 20 - abandonment rate X 200 (Minimum of 0) | 11.4% | 20.5% | 0.0 | 0.0 |
| +30 | If members reach a service agent in 120 seconds or less, otherwise 54 - 0.2 per second to reach a knowledgeable person | 205 s | 646 s | 13.0 | 4.6 |
| | **Workflow system** | | | | |
| | If you have a workflow system that provides service agents with real time information about each member's: | | | | |
| +15 | previous calls or emails to the system | Yes | 93.3% Yes | 15.0 | 3.6 |
| +15 | recent online correspondence | Yes | 100.0% Yes | 15.0 | 3.6 |
| +15 | real-time status of open items | Yes | 100.0% Yes | 15.0 | 3.6 |
| +15 | member’s use of digital tools | No | 73.3% Yes | 0.0 | 0.0 |
| +15 | most recent member statement | Yes | 100.0% Yes | 15.0 | 2.5 |
| +10 | beneficiary information | Yes | 100.0% Yes | 10.0 | 2.4 |
| | **Call center capabilities** | | | | |
| | If you can provide the following on a real-time basis over the phone: | | | | |
| +10 | member's pension estimate | No | 66.7% Yes | 0.0 | 0.0 |
| +15 | an estimate linked to the member's actual account data | n/a | 66.7% Yes | 0.0 | 0.0 |
| +10 | alternate annuity payment scenarios | n/a | 66.7% Yes | 0.0 | 0.0 |
| +15 | an estimate of the cost to purchase service credit | No | 60.0% Yes | 0.0 | 0.0 |

[1] Each of these service metrics contributes to your total service score differently, because they may apply to one or more member journeys. For example, a metric that scores you 10 points in the inactive member experience, will give you an adjusted score of 0.5, because the inactive member experience contributes 5% to your total service score.

# Contact Center

continued

| Scoring method | | Your data | Peer average | Your score | Your adjusted score [1] |
|---|---|---|---|---|---|
| | **Assisted service for all members** | | | | |
| | If members can do the following over the phone: | | | | |
| +10 | change address | No | 86.7% Yes | 0.0 | 0.0 |
| +10 | change email address | Yes | 93.3% Yes | 10.0 | 2.4 |
| | **Assisted service for all members except annuitants** | | | | |
| | If you can provide the following on a real-time basis over the phone: | | | | |
| +10 | pensionable salary | Yes | 100.0% Yes | 10.0 | 1.7 |
| +10 | service credit history including gaps | Yes | 100.0% Yes | 10.0 | 1.7 |
| | **Assisted service for inactive member** | | | | |
| +20 | If you can provide a member leaving the plan with their transfer value on a real-time basis over the phone | Yes | 86.7% Yes | 20.0 | 0.2 |
| | **Assisted service for annuitants** | | | | |
| | If members can do the following over the phone: | | | | |
| +2 | change banking information | No | 20.0% Yes | 0.0 | 0.0 |
| | **Other capabilities** | | | | |
| | If you offer the following tools to help serve members better: | | | | |
| +5 | co-browsing | No | 26.7% Yes | 0.0 | 0.0 |
| +5 | request a call back online and over the phone, 3 if over the phone only, 2 if online | Both | 13.3% both | 5.0 | 1.2 |
| +3 | live web chat | Yes | 20.0% Yes | 3.0 | 0.7 |
| +2 | chatbot | No | 6.7% Yes | 0.0 | 0.0 |
| | **First Contact Resolution** | | | | |
| +30 | If 100% of calls are satisfied by their first contact, 0 if 75% or fewer calls are satisfied by the first contact, otherwise 30 - 120 X (1 - % satisfied by the first contact) [Subject to a minimum score of 0, and 10 if not measured] | Unknown | 88.0% Yes | 10.0 | 2.4 |

[1] Each of these service metrics contributes to your total service score differently, because they may apply to one or more member journeys. For example, a metric that scores you 10 points in the inactive member experience, will give you an adjusted score of 0.5, because the inactive member experience contributes 5% to your total service score.

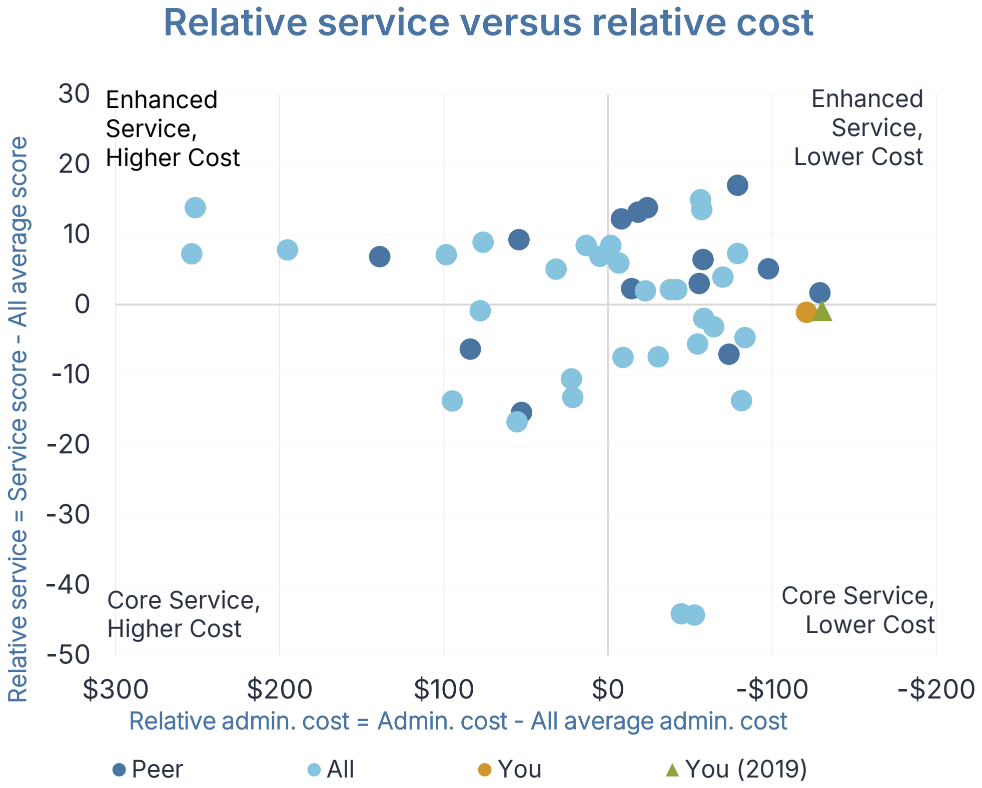
# Contact Center

continued

| Scoring method | | Your data | Peer average | Your score | Your adjusted score [1] |
|---|---|---|---|---|---|
| | **Call quality monitoring** | | | | |
| +55 | If you review your staff's responses to member calls for coaching purposes 4 or more times per month; otherwise 13.75 X # of times per month you review calls | 4 times | 6.9 times | 55.0 | 13.0 |
| +15 | If the review is based on listening in on a recording (versus a live call) | Recording | Recording | 15.0 | 3.6 |
| | **Feedback** | | | | |
| +30 | If you survey satisfaction or NPS regarding telephone calls | Yes | 92.9% Yes | 30.0 | 7.1 |
| | **Email turnaround times** | | | | |
| +15 | If the wait time is 0.5 days or less, otherwise 15 - 5 for each day over 0.5 days | 2 days | 1.8 days | 7.5 | 2.7 |
| | **Contact center service score** | | | | **59.8** |

[1] Each of these service metrics contributes to your total service score differently, because they may apply to one or more member journeys. For example, a metric that scores you 10 points in the inactive member experience, will give you an adjusted score of 0.5, because the inactive member experience contributes 5% to your total service score.

# Relationship between service and pension administration cost



Service scores are not good predictors of costs because:

- Costs are driven much more by the volume of service transactions (e.g., the number of calls, 1-on-1 sessions, presentations, etc.) than they are by their timeliness, availability, or quality.
- Service is partly a function of historic investment in information technology. These historic costs are not always reflected in current administration costs.

# Rationale for the weighting scheme

The scoring methodology used to calculate the service scores for each of the four member journeys (shown in detail in this section of the report) is based on many years of discussion between CEM and participating pension systems. We actively seek the input of participants at meetings, workshops and peer conferences. We also complete regular research on topics of interest – and that research helps us refresh the model and reflect new working practices.

The following list reflects the thinking that drives the scoring methodology and the weights:

1 **Different member groups have different needs**
The services you provide for retiring members are clearly different to the services you provide for inactive members. The scoring reflects the best practices for servicing each of these member groups.

2 **Relative volume of each activity**
The average system does 25 pension inceptions and receives 617 member calls for every 1,000 active members and annuitants. So, based solely on relative volume, calls are 24.8 times more important than pension inceptions.

3 **Expectations based on external experience**
Members have various external points of reference to compare some activities, e.g., experience on the telephone where they can compare with their bank, utility providers etc. They rarely have any experience of having a pension set-up though.

4 **About the members' money**
Nothing gets a member's attention faster than their own money so things like benefit calculators linked to member data and paying pensions are much more important than your booklet.

5 **Mission critical**
Paying pensions is mission critical. Producing newsletters is not.

6 **Volume is a good indicator of quality**
If you do a lot of something then you are more likely to be good at it. For example, the more members you meet, the more likely you are to invest in making the experience as complete as possible.

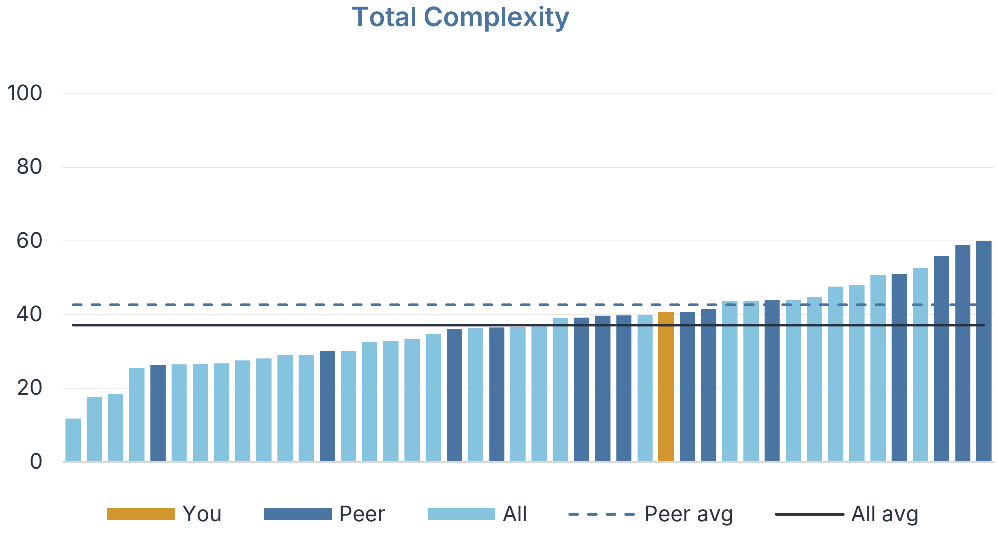
7 **Focus on what is material**
We could ask a thousand questions about service – but we really want to produce a good indicator of overall service levels without getting too detailed (and without involving your team in a substantial amount of work). We try to get the balance right and focus on what is material.

8 **What gets measured gets managed ….**
… and what doesn’t get measured doesn’t get managed. So measure what matters. We penalize plans in the scoring system for failing to measure some things we think are important to members.

# Plan Complexity

# Your complexity score was below the peer average.

Your total complexity score was 41. This was below the peer average of 43.



Your total complexity score is the weighted average of your complexity scores by the cause. The causes of complexity are summarized in the table below:

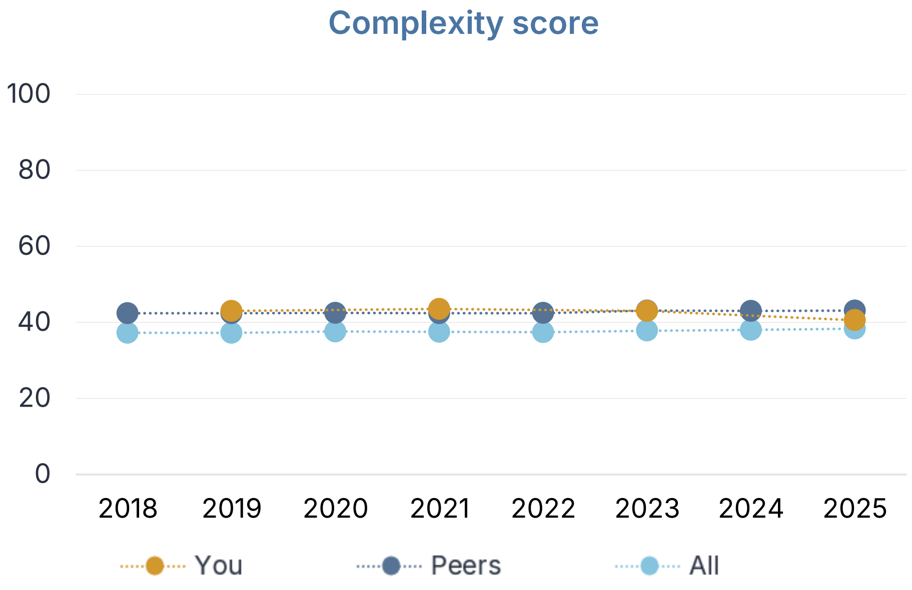
**Complexity Scores by Cause**

| | | | Complexity Score | | |
|---|---|---|---|---|---|
| **Cause** | | **Weight** | **You** | **Peer avg** | **All avg*** |
| A | Pension Payment Options | 15.0% | 31 | 38 | 39 |
| B | Customization Choices | 20.0% | 34 | 21 | 14 |
| C | Multiple Plan Types and Overlays | 13.0% | 10 | 31 | 24 |
| D | Multiple Benefit Formula | 16.0% | 64 | 56 | 49 |
| E | External Reciprocity | 3.0% | 0 | 23 | 25 |
| F | COLA Rules | 4.0% | 4 | 28 | 27 |
| G | Contribution Rates | 3.0% | 45 | 44 | 35 |
| H | Variable Compensation | 4.0% | 85 | 85 | 76 |
| I | Divorce Rules | 3.0% | 55 | 73 | 69 |
| J | Purchase Rules | 6.0% | 44 | 60 | 58 |
| K | Refund Rules | 4.0% | 73 | 46 | 40 |
| L | Disability Rules | 6.0% | 71 | 69 | 54 |
| **Weighted Average** | | **97.0%** | **41** | **43** | **37** |

* This section excludes the UK and Dutch funds as they complete a different benchmarking survey.

# Trends in complexity

The total complexity score of your peers that participated for 8 consecutive years have grown at a compound annual rate of 0.2% between 2018 and 2025. Your growth rate for the same period is unavailable.



1. Trend analysis is based on systems that have participated for 8-consecutive years (13 peers and 29 World systems). This ensures that trends are not caused by changes in the composition of the participants.

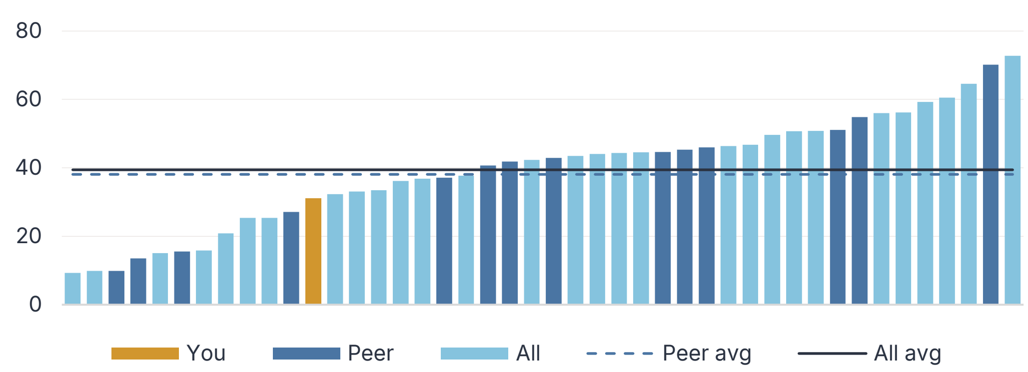
**Complexity scoring methodology**
CEM's complexity scoring methodology changed in 2018, from a relative measure to absolute. The benefit of using an absolute measure is that your score is only impacted by changes in your plan rules.

Several of the formulas used to calculate complexity use the function ln(# of rule sets). Using ln(# of rule sets) means that every doubling in the number of rule sets results in the same increment in complexity. For example, increasing the number of rules sets for qualifying for retirement from 1 to 2 is assumed to cause the same increment in complexity as increasing from 2 to 4, or from 4 to 8, and so on.

# A. Pension Payment Options Complexity

Complexity from Pension Payment Options

15.0% of total complexity score



| Weight | | Relevant Complexity Questions and Scoring | You | Peer avg | All avg |
|---|---|---|---|---|---|
| | Q117 | Do you have a designer option where members can design virtually any actuarially sound cash flow they choose? [Designer options need to be custom priced by an actuary.] | No | 7% Yes | 7% Yes |
| 10% | | *Complexity: 100 if yes, otherwise 0.* | 0 | 7 | 7 |
| | Q112 | Do you offer "joint and survivor" options that are:<br>a) Reduced to Beneficiary Only? [For example, If the beneficiary dies first, then the retiree's pension continues at the same level. However if the retiree dies first then the beneficiary receives a reduced pension (such as 70% for spouse).] | Yes | 73% Yes | 84% Yes |
| | | b) Reduced to Last Survivor? [For example, if either the retiree or beneficiary dies the survivor receives a reduced pension (such as 70%).] | No | 27% Yes | 32% Yes |
| | | c) "Reversion" or "Pop-up"? [For example, if the beneficiary dies first, the retiree's pension increases to an unmodified level. However, if the retiree dies first the pension does not increase for the surviving beneficiary (and it may decrease).] | Yes | 87% Yes | 64% Yes |
| 30% | | *Complexity: 100 if all 3 types (yes to a, b and c), 85 if both reduced to spouse and reduced to last (yes to a and b), 75 if reversion and either reduced to spouse or reduced to last (yes to c and either a or b), otherwise 0.* | | | |
| | Q113 | Do you limit the number of Joint and Beneficiary or Survivor percentages (i.e., 100% Survivor, 50% Survivor, etc.)? If you permit an unlimited number of percentages, then your response should be no. | Yes | 1 | 1 |
| | | a) How many percentages do you permit? | 2 | 13 | 7 |
| 10% | | *Complexity: 100 if unlimited, 0 if none, otherwise 12.7 + 18.3 x ln(number of percentages you permit) subject to a maximum of 100. i.e., 1 = 12.7, 2 = 25.3, 4 = 38.0, 8 = 50.6, etc.* [1] | 25 | 64 | 55 |

[1] The logarithmic (ln) function is used extensively in this section to calculate complexity because complexity is not linear. Increasing from 100 to 101 rule sets is a much smaller jump in complexity than increasing from 1 to 2. In effect, the (ln) function says that every doubling in the number of rule sets results in the same increase in complexity. The constant and the coefficient were selected for each rule type such that the maximum number of rule sets reported in 2018 resulted in a complexity score of approximately 95.

# A. Pension Payment Options Complexity

page 2 of 3

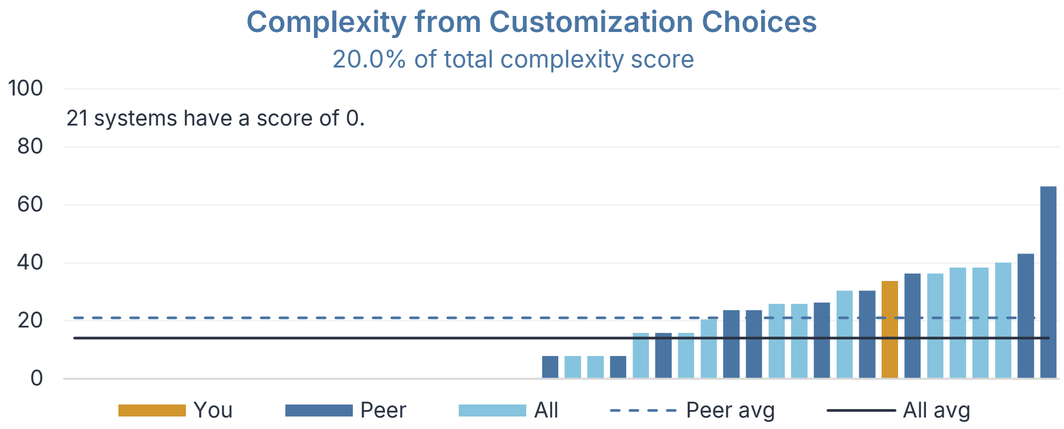
| Weight | | Relevant Complexity Questions and Scoring | You | Peer avg | All avg |
|---|---|---|---|---|---|
| | Q122 | How many mortality tables do you keep track of for determining joint and survivor or beneficiary options? | 1 | 26 | 11 |
| 10% | | *Complexity: 0 if none, otherwise 10.5 + 15.1 x ln(number of mortality tables). i.e., 1 = 10.5, 2 = 20.9, 4 = 31.4, 8 = 41.8, etc.* | 10 | 27 | 23 |
| | Q114 | Do any of your retirement formula for members explicitly subtract estimated Social Security (or CPP in Canada) when determining the benefit? | No | 20% Yes | 50% Yes |
| | | a) If yes, is this true for all of your members or are some pensions reduced to reflect Social Security and others not? | n/a | 0% All | 18% All |
| | | b) If yes, do you have a "Level Income" option for early retirees that pays a higher benefit to members prior to age 65 and then reduces the benefit at age 65 when social security (or CPP in Canada) starts to be paid? | n/a | 67% Yes | 86% Yes |
| 10% | | *Complexity: 50 if you adjust for social security + 25 if you adjust for some members but not all + 25 if you have a level income for early* | 0 | 18 | 46 |
| | Q115 | Do you have "High/ Low" or "Low/High" options that are not tied to social security? [For example, a retiree might want higher payments for 10 years until a mortgage obligation is repaid, followed by lower | No | 13% Yes | 9% Yes |
| 5% | | *Complexity: 100 if yes, otherwise 0.* | 0 | 13 | 9 |
| | Q116 | Do you offer "Annuity Certain" options? [For example, Annuity Certain options provide the annuitant with a monthly benefit for life. If the annuitant dies before a set guarantee period, monthly benefits continue to be paid to a beneficiary for the balance of the guarantee period.] | No | 47% Yes | 61% Yes |
| 5% | | *Complexity: 100 if yes, otherwise 0.* | 0 | 47 | 61 |
| | Q118 | Can a member choose between a COLA protected and a non-COLA pension? [The only example we have seen provides a much higher FAS salary base for the non-COLA pension.] | Yes | 7% Yes | 7% Yes |
| 5% | | *Complexity: 100 if yes, otherwise 0.* | 100 | 7 | 7 |

# A. Pension Payment Options Complexity

page 3 of 3

| Weight | | Relevant Complexity Questions and Scoring | You | Peer avg | All avg |
|---|---|---|---|---|---|
| | Q119 | Do you have a Deferred Retirement Option Plan ("DROP")? [This option allows eligible employees to receive payment of retirement benefits while continuing to work. These payments are usually deposited into a separate account, and the total accumulated value of this account is paid via lump sum to the employee on actual retirement.] | No | 20% Yes | 16% Yes |
| 5% | | *Complexity: 100 if yes, otherwise 0.* | 0 | 20 | 16 |
| | Q120 | At retirement, can a member convert: | | | |
| | | a) Part of his benefit into a partial lump sum payment? | No | 53% Yes | 45% Yes |
| | | b) All of his benefit into a lump sum or commuted value payment? [That can be rolled over to another fund, or investment account, etc.] | No | 27% Yes | 25% Yes |
| 5% | | *Complexity: 100 if yes to a or b, 0 if no.* | 0 | 67 | 59 |
| | Q121 | Are members permitted to retire mid-month (in which case they receive a partial pension payment for the remainder of the month) or are they always assumed to retire on a set day (usually the first or the last day) of the month? | Set Day | 27% Any | 41% Any |
| 5% | | *Complexity: 100 if any day, otherwise 0.* | 0 | 27 | 41 |
| **100%** | | **Weighted Average** | **31** | **38** | **39** |

# B. Customization Choices Complexity



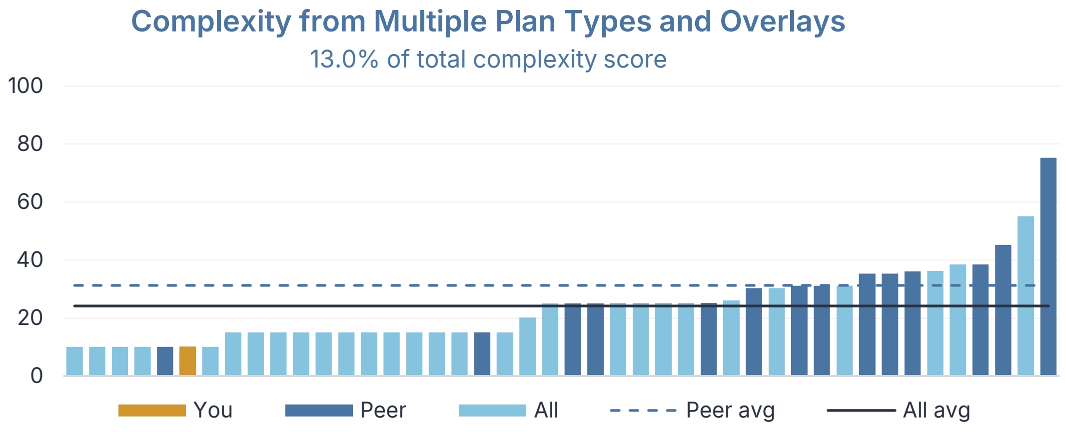
| Weight | Relevant Complexity Questions and Scoring | You | Peer avg | All avg |
|---|---|---|---|---|
| Q153 | Can either existing employers, or a new employer joining your system, | | | |
| | a) Whether they offer early retirement, or a window of early retirement? | No | 27% Yes | 18% Yes |
| | b) Whether or not part-time employees are eligible? | No | 13% Yes | 11% Yes |
| | c) Whether employee contributions are paid pre or post tax? | Yes | 53% Yes | 20% Yes |
| | d) Whether they pay for employee contributions themselves, or not? | No | 53% Yes | 25% Yes |
| | e) Position coverage based on predetermined rule sets? [For example, employers can choose from a list of pre-determined rules sets such as 1.5% X FAS for General and 2.5% X FAS for Law Enforcement. Employers may have flexibility to determine eligibility for each group.] | No | 27% Yes | 11% Yes |
| | f) Contribution levels and/ or match rates? [For example, at Texas MRS, employers can choose employee deposit rates of 5%, 6% or 7% and employer match rates of 1 to 1, 1.5 to 1 or 2 to 1. We think this only applies to money match and DC plans because for DB plans the promised benefit determines the contribution.] | No | 20% Yes | 9% Yes |
| | g) To pay for one-time improvements in retiree or member benefits? [For example, one fund's employers can elect to pay to improve the money purchase entitlement of their members.] | Yes | 27% Yes | 16% Yes |

# B. Customization Choices Complexity

page 2 of 2

| Weight | | Relevant Complexity Questions and Scoring | You | Peer avg | All avg |
|---|---|---|---|---|---|
| | Q154 | When new employers join your system, do they have the flexibility to customize any of the following items: If yes, indicate the number of standard choices for that item. | | | |
| | | a) Benefit program multipliers? [i.e., 2% per year of service, 2.5% per year of service, etc.] | n/a | 5 | 4 |
| | | b) Final salary definition? [i.e., Sick Leave in or out, Final 1 year, Highest 5 consecutive years, etc] | n/a | 3 | 3 |
| | | c) Retirement eligibility rules? [i.e., age and/or years of service required to retire] | n/a | 3 | 3 |
| | | d) Cost of living adjustment rules? [i.e., CPI capped at 2%, CPI uncapped, etc] | n/a | 4 | 3 |
| | | e) Vesting period? | n/a | n/a | n/a |
| | | f) Service credit purchase categories? | n/a | 6 | 6 |
| | | g) Death benefit coverage? [i.e., one system has 3 choices: none, $5,000 and $10,000] | 2 | 4 | 4 |
| | | h) Disability coverage rules? | n/a | 4 | 3 |
| | | i) Choice as to whether and how contributions and benefits are coordinated with social security? | n/a | 2 | 2 |
| | | j) Other (describe)? | n/a | 17 | 6 |
| | | Total Customization Choices [Sum of 1 for each yes in Q153 + sum of # of choices in Q154] | 4 | 8 | 4 |
| 90% | | *Complexity: 0 if none, otherwise 8.8 + 12.7 x ln(number of customization choices). i.e., 1 = 8.8, 2 = 17.6, 4 = 26.4, 8 = 35.1, etc.* | 26 | 20 | 13 |
| | Q155 | Can an existing employer change any of the choices (per the question above), effectively creating a new or altered rule set, at any time? | Yes | 27% Yes | 26% Yes |
| 10% | | *Complexity: 100 if yes, otherwise 0.* | 100 | 27 | 25 |
| **100%** | | **Weighted Average** | **34** | **21** | **14** |

# C. Multiple Plan Types and Overlays Complexity


Complexity from Multiple Plan Types and Overlays

13.0% of total complexity score

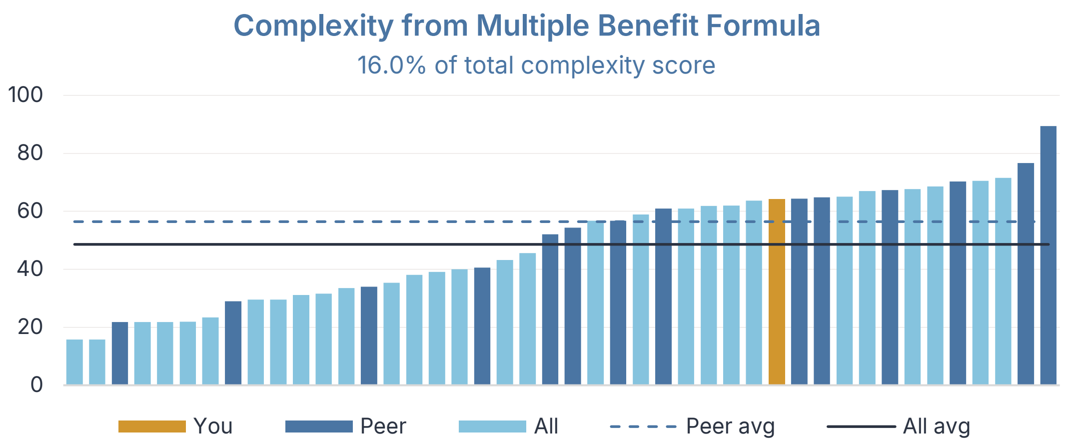
| Weight | Relevant Complexity Questions and Scoring | You | Peer avg | All avg |
|---|---|---|---|---|
| | Q102 Which of the following descriptions best describes the non-optional benefit plans that you administer for each of your member groups: | | | |
| | a) Traditional Defined Benefit ("DB")? | Yes | 93% Yes | 98% Yes |
| | b) DB Cash Balance (aka Money Purchase)? | No | 20% Yes | 11% Yes |
| | c) Hybrid DB/ DC Cash Balance? | No | 7% Yes | 4% Yes |
| | d) Hybrid DB/ Money Match? | No | 7% Yes | 2% Yes |
| | e) DROP savings? | No | 7% Yes | 9% Yes |
| | f) Defined Contribution ("DC")? | No | 33% Yes | 22% Yes |
| | g) Hybrid DB/ DC? | No | 47% Yes | 22% Yes |
| | h) Other (describe)? | No | 0% Yes | 7% Yes |
| | Total number of different plan types. Hybrid plans count as 2 types. | 1.0 | 2.7 | 2.1 |
| 45% | *Complexity: 0 if none, otherwise 22.4 + 32.4 x ln(number of non-optional benefit plans). i.e., 1 = 22.4, 2 = 44.8, 4 = 67.3, 8 = 89.7, etc.* | 22 | 49 | 39 |

# C. Multiple Plan Types and Overlays Complexity

page 2 of 2

| Weight | | Relevant Complexity Questions and Scoring | You | Peer avg | All avg |
|---|---|---|---|---|---|
| | Q103 | Do members in any of your defined benefit plan(s) have the option of electing: [These questions are not applicable for DC plans or the DC portion of hybrid DB/DC plans] | | | |
| | | a) A 'variable investment option' that can increase or decrease the value of a member's future DB pension depending on the investment performance of a 'variable fund'? | No | 7% Yes | 5% Yes |
| 30% | | *Complexity: 100 if yes, otherwise 0.* | 0 | 7 | 5 |
| | | b) A 'pension savings overlay'? [Some Dutch systems have this option. The additional contributions are converted into an annuity at retirement. Interest is based on a fixed percentage or on the performance of the pension fund.] | No | 27% Yes | 11% Yes |
| 10% | | *Complexity: 100 if yes, otherwise 0.* | 0 | 27 | 11 |
| | | c) To change their contribution rate in order to get either more money at retirement or earlier eligibility to retire? | No | 7% Yes | 5% Yes |
| 10% | | *Complexity: 100 if yes, otherwise 0.* | 0 | 7 | 5 |
| | Q104 | Do you have a Highly Compensated Employee replacement benefit program for employees that exceed legal or contractual limits of maximum pensionable earnings? | No | 73% Yes | 70% Yes |
| 5% | | *Complexity: 100 if yes, otherwise 0.* | 0 | 73 | 70 |
| **100%** | | **Weighted Average** | **10** | **31** | **24** |

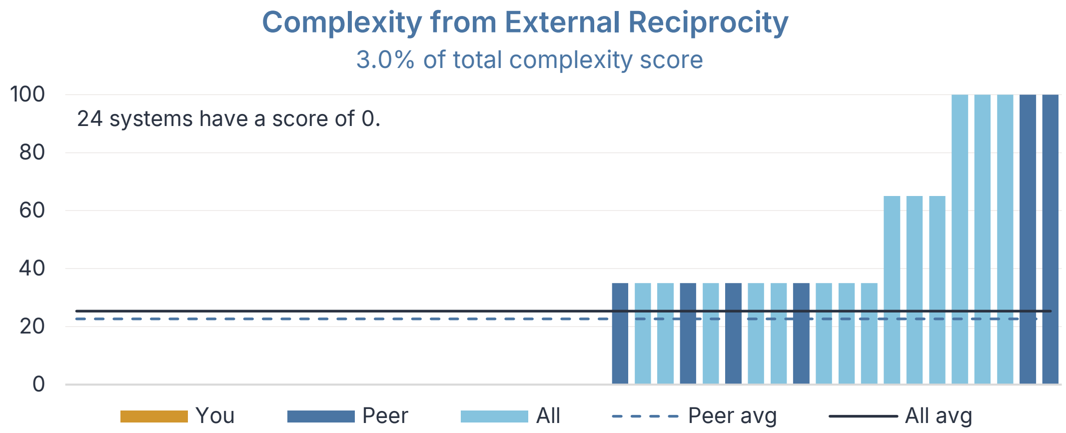
# D. Multiple Benefit Formula Complexity


Complexity from Multiple Benefit Formula

16.0% of total complexity score

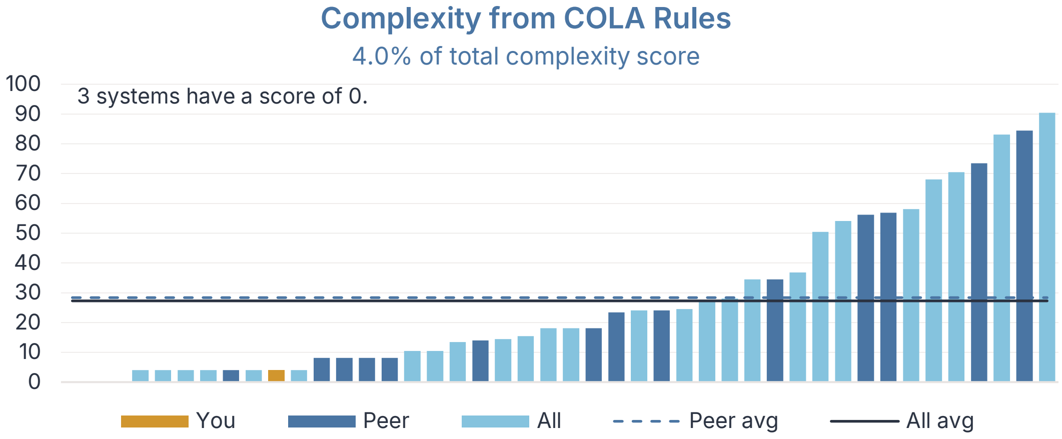
| Weight | | Relevant Complexity Questions and Scoring | You | Peer avg | All avg |
|---|---|---|---|---|---|
| | Q126 | How many different rule sets do you have that apply to member groups or subsets of a member group for qualifying for an unreduced retirement formula? | 9 | 14 | 10 |
| 30% | | *Complexity: 0 if none, otherwise 12.7 + 18.3 x ln(number of rule sets). i.e., 1 = 12.7, 2 = 25.3, 4 = 38.0, 8 = 50.6, etc.* | 53 | 51 | 46 |
| | Q127 | Can members retire earlier than the age required for an unreduced retirement formula? | Yes | 100% Yes | 100% Yes |
| 5% | | *Complexity: 100 if yes, 0 if no* | 100 | 100 | 100 |
| | Q128 | How many different salary definitions could apply in retirement formula calculations? | 5 | 6 | 4 |
| 20% | | *Complexity: 0 if none, otherwise 19.4 + 27.9 x ln(number of salary definitions). i.e., 1 = 19.4, 2 = 38.7, 4 = 58.1, 8 = 77.4, etc.* | 64 | 60 | 53 |
| | Q129 | How many different 'formula percentage' rule sets could apply in unreduced retirement formulas? | 5 | 12 | 8 |
| 25% | | *Complexity: 0 if none, otherwise 12.7 + 18.3 x ln(number of 'formula percentage' rule sets). i.e., 1 = 12.7, 2 = 25.3, 4 = 38.0, 8 = 50.6, etc.* | 42 | 44 | 39 |
| | Q130 | Do you have different employers with different benefit formula? | Yes | 73% Yes | 55% Yes |
| | | If yes, which of the following happens when a member moves from one employer that you administer to another with a different benefit formula? [For example, moves from PERS to Law Enforcement.] | | | |
| | | a) Each system uses its own formula and salary data to determine the benefit. | Yes | 45% Yes | 54% Yes |
| | | b) Each system applies its own formula but uses either the salary earned in the last system, or the highest salary (or salaries) in either system. | Yes | 45% Yes | 42% Yes |
| | | c) The highest formula will apply. | No | 9% Yes | 13% Yes |
| | | d) The formula of the plan where the member works last will apply. | Yes | 36% Yes | 33% Yes |
| | | e) Other (describe). | No | 9% Yes | 26% Yes |
| 20% | | *Complexity: 100 if b or c apply, 80 if d or e, 60 if a, otherwise 0.* | 100 | 65 | 48 |
| **100%** | | **Weighted Average** | **64** | **56** | **49** |

# E. External Reciprocity Complexity



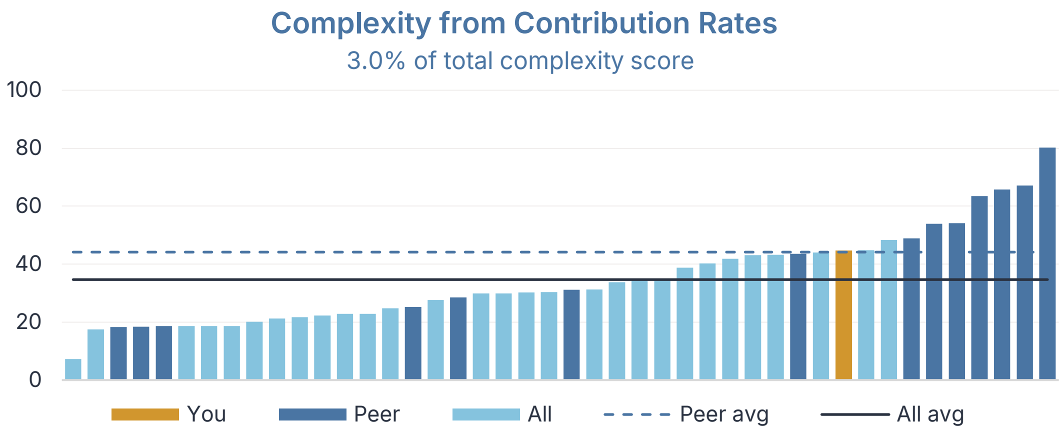
| Weight | | Relevant Complexity Questions and Scoring | You | Peer avg | All avg |
|---|---|---|---|---|---|
| | Q131 | Do you have agreements with external systems where you both agree to use the member's final salary from the system where the member worked immediately prior to retirement in the benefit calculation? [Otherwise, each system pays the "dual" member a pension benefit based on its own rules for determining the benefit. Neither credit nor money are transferred between systems.] | No | 40% Yes | 39% Yes |
| 35% | | *Complexity: 100 if yes, otherwise 0.* | 0 | 40 | 39 |
| | Q132 | Do you have agreements with external Systems where the member may combine internal and external credit to form one joint account? | No | 13% Yes | 18% Yes |
| 65% | | *Complexity: 100 if yes, otherwise 0.* | 0 | 13 | 18 |
| **100%** | | **Weighted Average** | **0** | **23** | **25** |

# F. COLA Rules Complexity



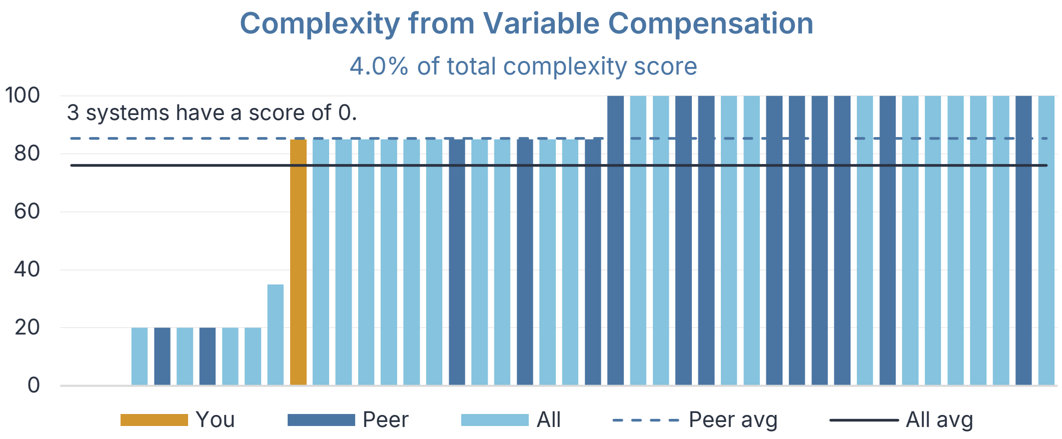
| Weight | | Relevant Complexity Questions and Scoring | You | Peer avg | All avg |
|---|---|---|---|---|---|
| | Q123 | How many different cost of living adjustment ("COLA") rule sets do you have for retired, and if applicable, inactive members? (These rule sets may be either contractual or legislated.) | 1 | 4 | 3 |
| 20% | | *Complexity: 0 if none, otherwise 20.2 + 29.2 x ln(number of COLA rule sets). i.e., 1 = 20.2, 2 = 40.4, 4 = 60.6, 8 = 80.8, etc.* | 20 | 50 | 43 |
| | Q124 | Do you have:<br>a) Cost of living adjustment ("COLA") clauses that carry forward inflation that exceeds a cap (versus no cap or no carry forward or no COLA etc.)? | No | 27% Yes | 25% Yes |
| 40% | | *Complexity: 100 if yes, otherwise 0.* | 0 | 27 | 25 |
| | | b) Conditional COLA based on the level of funding? | No | 27% Yes | 34% Yes |
| 10% | | *Complexity: 100 if yes, otherwise 0.* | 0 | 27 | 34 |
| | | c) Umbrella legislation that guarantees the purchasing power of an annuitants' pension will not fall below a certain level? [An example of such legislated protection is the PPPA in California.] | No | 20% Yes | 16% Yes |
| 20% | | *Complexity: 100 if yes, otherwise 0.* | 0 | 20 | 16 |
| | Q125 | Do you have COLA clauses that increase the base pensionable earnings of inactive members? | No | 13% Yes | 25% Yes |
| 5% | | *Complexity: 100 if yes, otherwise 0.* | 0 | 13 | 25 |
| | | a) If yes, are these COLA increases the same as they are for annuitants? | n/a | 50% Yes | 64% Yes |
| 5% | | *Complexity: 100 if yes, otherwise 0.* | 0 | 7 | 16 |
| **100%** | | **Weighted Average** | **4** | **28** | **27** |

# G. Contribution Rates Complexity



| Weight | | Relevant Complexity Questions and Scoring | You | Peer avg | All avg |
|---|---|---|---|---|---|
| | Q156 | How many different contribution percentages do you collect from: | | | |
| | | a) Employers? [For example, single member group systems may have only one contribution percentage whereas some multi-plan systems may collect numerous different contribution rates from various participating employers.] | 89 | 938 | 717 |
| 40% | | *Complexity: 0 if none, otherwise 7.3 + 10.5 x ln(number of contribution percentages collected from employers). i.e., 1 = 7.3, 2 = 14.6, 4 = 21.9, 8 = 29.2, etc.* | 55 | 49 | 34 |
| | | b) Members? | 2 | 8 | 6 |
| 40% | | *Complexity: 0 if none, otherwise 10.8 + 15.5 x ln(number of contribution percentages collected from members). i.e., 1 = 10.8, 2 = 21.5, 4 = 32.3, 8 = 43.0, etc.* | 22 | 34 | 33 |
| | Q157 | Which of the following payment methods for employee contributions occur in the plans that you administer: | | | |
| | | a) No employee contributions? | Yes | 40% Yes | 34% Yes |
| | | b) Employer pays their part and also the employee contributions? | No | 60% Yes | 48% Yes |
| | | c) Employer withholds employee contributions pre-tax from their salary? | Yes | 100% Yes | 95% Yes |
| | | d) Employer withholds employee contributions post-tax from their | Yes | 73% Yes | 36% Yes |
| 17% | | *Complexity: 100 if all 4 methods are possible, 66 if 3 methods, 33 if 2 methods, 0 if 1 method.* | 66 | 57 | 38 |
| | Q158 | Do you have any other contributions in addition to the regular employee and employer contributions? [For example, Ohio SERS collects a surcharge for members who earn less than a minimum compensation amount.] | Yes | 47% Yes | 55% Yes |
| 3% | | *Complexity: 100 if yes, otherwise 0.* | 100 | 47 | 55 |
| **100%** | | **Weighted Average** | **45** | **44** | **35** |

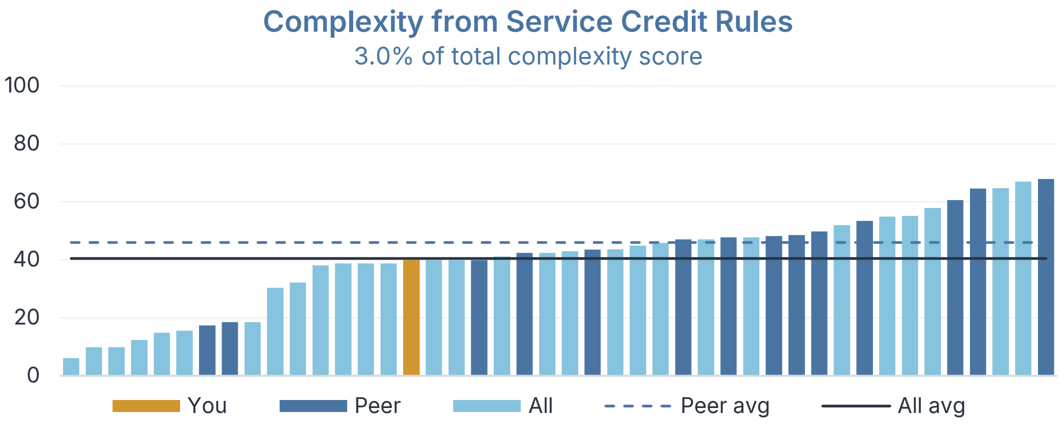
# H. Variable Compensation Complexity


Complexity from Variable Compensation

4.0% of total complexity score

| Weight | Relevant Complexity Questions and Scoring | You | Peer avg | All avg |
|---|---|---|---|---|
| | Q151 Indicate which of the following forms of variable compensation are paid in your system. And, if paid, indicate whether all, some or none of that type of variable compensation is included in pensionable earnings. | | | |
| | a) Bonuses? | Yes | 80% Yes | 75% Yes |
| | b) Allowances, such as remote location pay or 'high risk' duty allowance or a car allowance? | Yes | 87% Yes | 75% Yes |
| | c) Overtime pay? | Yes | 93% Yes | 86% Yes |
| | d) Commissions or similar payments such as fees paid to sheriffs for process serving? | No | 33% Yes | 32% Yes |
| 20% | *Complexity: 100 if variable compensation is paid in your system,* | 100 | 100 | 93 |
| | If yes, is all, some or none of it included in pensionable earnings? | | | |
| | a) Bonuses? | Some | 9% All | 13% All |
| | b) Allowances, such as remote location pay or 'high risk' duty allowance or a car allowance? | Some | 8% All | 10% All |
| | c) Overtime pay? | All | 65% All | 48% All |
| | d) Commissions or similar payments such as fees paid to sheriffs for process serving? | n/a | 41% All | 29% All |
| 65% | *Complexity: 100 if some types of variable compensation paid are included and some are not (i.e., either any of the above is 'some' or there is a mix of 'all' and 'none'), otherwise 0.* | 100 | 87 | 77 |
| | Q152 When determining a member's pensionable earnings does a cap on salary increases apply? | No | 60% Yes | 48% Yes |
| 15% | *Complexity: 100 if yes, 0 if no* | 0 | 60 | 48 |
| **100%** | **Weighted Average** | **85** | **85** | **76** |

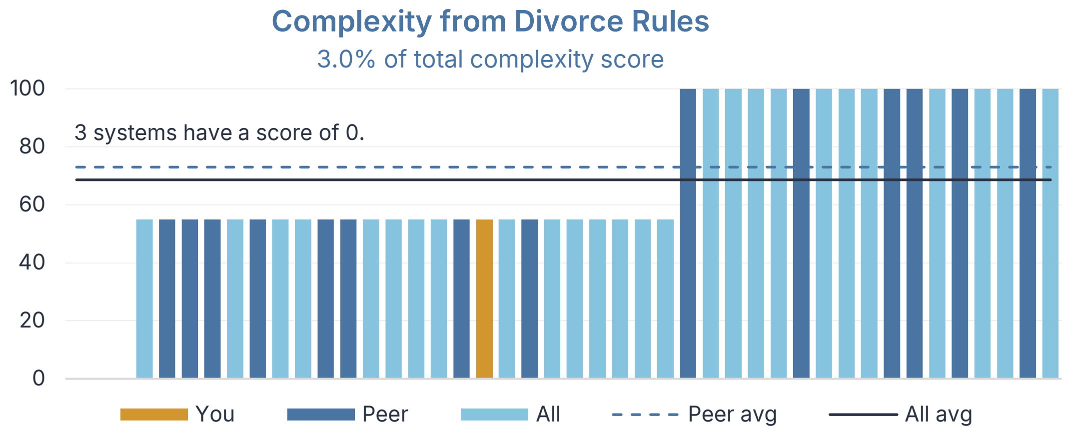
# I. Service Credit Rules Complexity


**Complexity from Service Credit Rules**

3.0% of total complexity score

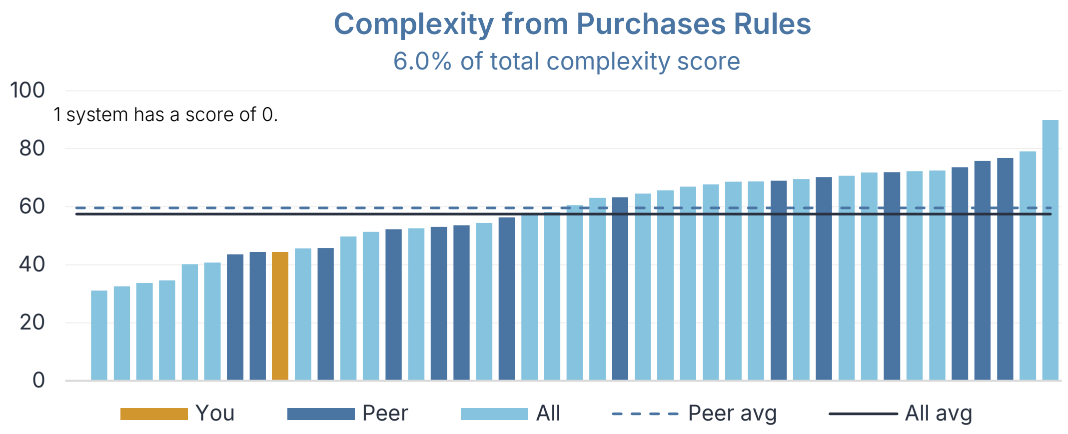
| Weight | Relevant Complexity Questions and Scoring | You | Peer avg | All avg |
|---|---|---|---|---|
| | Q133 How many different definitions do you have for a "full year" of service credit? | 5 | 4 | 5 |
| 30% | *Complexity: 0 if none, otherwise 12.4 + 17.9 x ln(number of 'full year' service credit definitions). i.e., 1 = 12.4, 2 = 24.9, 4 = 37.3, 8 = 49.7, etc.* | 41 | 35 | 30 |
| | Q134 Does your system have more than one payroll year for determining service credit? | Yes | 27% Yes | 30% Yes |
| | a) If yes, how many different payroll years exist in your system? | 9 | 7 | 6 |
| 30% | *Complexity: 0 if none, otherwise 16.1 + 23.2 x ln(number of payroll years). i.e., 1 = 16.1, 2 = 32.2, 4 = 48.2, 8 = 64.3, etc.* | 67 | 14 | 14 |
| | Q135 How many different vesting periods do you have that apply to active members? [Your answer should be 0 if you have immediate vesting. Most North American systems have only one.] | 2 | 3 | 2 |
| 5% | *Complexity: 0 if none, otherwise 23.8 + 34.3 x ln(number of vesting periods). i.e., 1 = 23.8, 2 = 47.5, 4 = 71.3, 8 = 95.0, etc.* | 48 | 48 | 43 |
| | Q136 b) Casual/ temporary/ intermittent/ seasonal employees to be members? [An example of a 'temporary" employee is an infrequent substitute teacher.] | No | 80% Yes | 68% Yes |
| 30% | *Complexity: 100 if yes, otherwise 0.* | 0 | 80 | 68 |
| | Q137 Are you sometimes asked by employers to determine the eligibility of members? | Yes | 93% Yes | 91% Yes |
| 5% | *Complexity: 100 if yes, otherwise 0.* | 100 | 93 | 91 |
| **100%** | **Weighted Average** | **40** | **46** | **40** |

# J. Divorce Rules Complexity



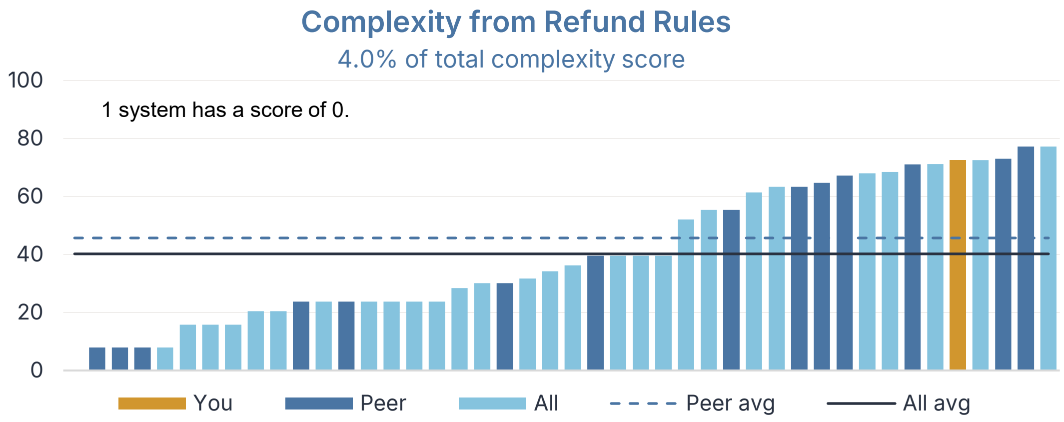
| Weight | | Relevant Complexity Questions and Scoring | You | Peer avg | All avg |
|---|---|---|---|---|---|
| | Q164 | Choose the statement that best describes how divorce settlements for active members (or divorce decrees or QDROS, or QILDROS, or Division of Benefit Orders, etc.) impact your system. If you have different rules for different plans, choose the statement that applies to the largest number of cases. | | | |
| | | a) Minimal impact. Law prevents you from paying the pension to anybody except the member and the member's specified beneficiaries. | No | 0% Yes | 7% Yes |
| | | b) Minimal impact unless children are involved. With children you may be required to redirect payment. | No | 0% Yes | 0% Yes |
| | | c) A portion of the pension is paid to the ex-spouse, but ONLY when the member begins receiving benefits. | Yes | 67% Yes | 57% Yes |
| | | d) A portion of the pension is paid to the ex-spouse. The ex-spouse can initiate the pension at a time different than the member provided that eligibility conditions are met. | No | 40% Yes | 39% Yes |
| | | e) Other (describe) | No | 13% Yes | 20% Yes |
| 100% | | *Complexity: 100 if yes to d, 55 if yes to c or e, 5 if yes to b, otherwise 0.* | 55 | 73 | 69 |
| **100%** | | **Weighted Average** | **55** | **73** | **69** |

# K. Purchase Rules Complexity



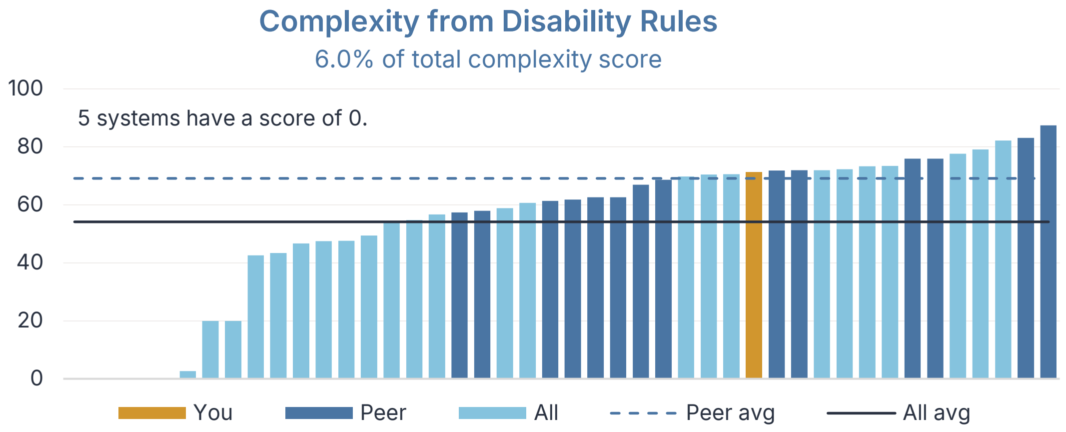
| Weight | Relevant Complexity Questions and Scoring | You | Peer avg | All avg |
|---|---|---|---|---|
| | Q138 Indicate each of the payment methods you permit for service credit purchases and upgrades: | | | |
| | a) Rollover from tax qualified plans such as 401(a) or 401(k) or Conduit IRA or KEOGH in the US; or RRSP plans in Canada? | Yes | 100% Yes | 98% Yes |
| | b) Lump sum payments from members? | Yes | 100% Yes | 98% Yes |
| | c) Installment payments direct from members? | No | 53% Yes | 66% Yes |
| | d) Installment payments via payroll deduction through employers? | No | 60% Yes | 55% Yes |
| 25% | *Complexity: 10 if rollover + 10 if lump sum direct from member + 40 if installment direct from member + 40 if installment through payroll deduction.* | 20 | 65 | 68 |
| | Q139 How many different service credit purchase categories do you have with different definitions and/or eligibility requirements? | 7 | 16 | 14 |
| 25% | *Complexity: 0 if none, otherwise 14.1 + 20.3 x ln(number of service credit purchase categories). i.e., 1 = 14.1, 2 = 28.1, 4 = 42.2, 8 = 56.3,* | 54 | 66 | 62 |
| | Q140 How many different service credit purchase calculation formula or methodologies do you have? | 4 | 7 | 6 |
| 25% | *Complexity: 0 if none, otherwise 18.1 + 26.1 x ln(number of service credit purchase formulas). i.e., 1 = 18.1, 2 = 36.2, 4 = 54.3, 8 = 72.4, etc.* | 54 | 64 | 60 |
| | Q141 Are your service credit purchase rules (category definitions, eligibility requirements and calculation methodologies): | | | |
| | a) Essentially identical for all your members? | No | 21% Yes | 33% Yes |
| | b) Similar for all member groups, albeit with some differences? | Yes | 73% Yes | 57% Yes |
| | c) Very different for different member groups? | No | 7% Yes | 12% Yes |
| 25% | *Complexity: 100 if very different for all member groups, 50 if some differences between member groups, otherwise 0.* | 50 | 43 | 40 |
| **100%** | **Weighted Average** | **44** | **60** | **58** |

# L. Refund Rules Complexity



| Weight | | Relevant Complexity Questions and Scoring | You | Peer avg | All avg |
|---|---|---|---|---|---|
| | Q142 | Do you pay a one-time death payment when a member, retiree or the retiree's beneficiary dies (separate from the survivor pension)? | Yes | 60% Yes | 57% Yes |
| | | a) If yes, how many different one-time death payment rule sets do you have? [i.e., $5,000, $2,000 etc.] | 6 | 4 | 4 |
| 67% | | *Complexity: 0 if none, otherwise 23.8 + 34.3 x ln(number of one-time death payment rule sets). i.e., 1 = 23.8, 2 = 47.5, 4 = 71.3, 8 = 95.0, etc.* | 85 | 42 | 35 |
| | Q143 | How many different refund formulas do you have? | 2 | 3 | 3 |
| 33% | | *Complexity: 0 if none, otherwise 23.8 + 34.3 x ln(number of refund formulas). i.e., 1 = 23.8, 2 = 47.5, 4 = 71.3, 8 = 95.0, etc.* | 48 | 54 | 51 |
| **100%** | | **Weighted Average** | **73** | **46** | **40** |

# M. Disability Rules Complexity


Complexity from Disability Rules

6.0% of total complexity score

5 systems have a score of 0.

| Weight | Relevant Complexity Questions and Scoring | You | Peer avg | All avg |
|---|---|---|---|---|
| | Q37 Do you administer:<br>a) Long-term disability/ disability pensions? | Yes | 100% Yes | 86% Yes |
| 20% | *Complexity: 100 if you administer, otherwise 0.* | 100 | 100 | 86 |
| | Q149 How many different rule sets with different definitions or benefits do you have that apply to member groups or subsets of a member group for:<br>a) Long-term disability/ disability pensions? | 7 | 11 | 7 |
| 10% | *Complexity: 0 if none, otherwise 13.3 + 19.2 x ln(number of long-term disability/disability pension rule sets). i.e., 1 = 13.3, 2 = 26.6, 4 = 39.9, 8 = 53.1, etc.* | 51 | 43 | 32 |
| | Q37 Do you administer:<br>b) Short-term disability? | No | 13% Yes | 7% Yes |
| | Q149 How many different rule sets with different definitions or benefits do you have that apply to member groups or subsets of a member group for:<br>b) Short-term disability (if you administer it yourself)? | n/a | 2 | 1 |
| 5% | *Complexity: 0 if none, otherwise 19.8 + 28.5 x ln(number of short-term disability rule sets). i.e., 1 = 19.8, 2 = 39.5, 4 = 59.3, 8 = 79.0, etc.* | 0 | 4 | 3 |
| | Q39 Do you cover non-occupational disability? [Some systems only cover disabilities that happen at work.] | Yes | 100% Yes | 97% Yes |
| | a) If yes, does either the amount paid or the taxation of the disability benefit vary depending on whether the disability is occupational versus non-occupational? | No | 60% Yes | 54% Yes |
| 10% | *Complexity: 100 if you have to determine whether or not the disability occurred at work and you have an independent decision process, otherwise 0.* | 0 | 60 | 45 |

# M. Disability Rules Complexity

page 2 of 3

| Weight | | Relevant Complexity Questions and Scoring | You | Peer avg | All avg |
|---|---|---|---|---|---|
| | Q111 | b) Check income of disabled members after they have started receiving disability payments? | Yes | 93% Yes | 67% Yes |
| 10% | | *Complexity: 100 if yes, otherwise 0.* | 100 | 93 | 64 |
| | Q145 | Will you pay a disabled member that returns to work at a salary lower than they previously earned: | | | |
| | | a) The difference between his old salary (or their old disability benefit) and their new lower salary? | Yes | 33% Yes | 20% Yes |
| | | b) An amount that is potentially greater than the difference between their old salary and their new lower salary? | No | 7% Yes | 8% Yes |
| 10% | | *Complexity: 100 if yes to b, 80 if yes to a, otherwise 0.* | 80 | 28 | 18 |
| | Q146 | How do you determine whether a member qualifies for long-term disability/ disability pension: | | | |
| | | c) Process independent of social security, worker's compensation and employer decisions? [For example, many systems use independent internal processes or medical review boards or medical consultants.] | Yes | 100% Yes | 88% Yes |
| 15% | | *Complexity: 100 if yes, otherwise 0.* | 100 | 100 | 82 |
| | Q147 | Which of the following descriptions best describes the MINIMUM level of disability necessary to be eligible for a long-term disability/ disability pension: [If you have different plans with different definitions, choose the definition that applies to the largest number of cases.] | | | |
| | | a) Disabling injury or illness that prevents you from performing your current job duties (even though you might be able to perform other jobs) and expected to be permanent (or for some systems - persist longer than 6 or 12 months)? | Yes | 53% Yes | 56% Yes |
| | | b) Disabling injury or illness that prevents the member from performing current and 'other' jobs that he/she is qualified for and/or can become qualified to do in a reasonable period of time and expected to be permanent (or for some systems - persist longer than 6 or 12 months)? [Sometimes but not always the 'other job' is defined as not able to earn a certain level (i.e., 75%) of pre-disability earnings.] | No | 20% Yes | 18% Yes |
| | | c) Totally and permanently incapacitated and member is not reasonably expected to recover from disabling medical condition or not expected to ever work again? | No | 27% Yes | 32% Yes |
| | | d) Other (describe)? | No | 7% Yes | 14% Yes |
| 10% | | *Complexity: If your decision process is independent (i.e., yes to c), then 100 if yes to b, 90 if yes to a, 50 if yes to c, 25 if yes to d, otherwise 0.* | 90 | 81 | 66 |

# M. Disability Rules Complexity

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| Weight | Relevant Complexity Questions and Scoring | You | Peer avg | All avg |
|---|---|---|---|---|
| | Q148 If you administer short-term disability: | | | |
| | a) Are the short-term and long-term disability/ disability pension processes closely entwined? [i.e., difficult to distinguish between costs of long-term/disability pensions and short term disability, same staff do both, similar approval processes.] | n/a | 29% Yes | 19% Yes |
| | b) Are the disability definitions, other than the expected duration of disability, the same for both long-term and short-term disability? [For example, the only difference between the definition of long-term/ disability pensions and short-term disability at some systems is the disabling injury or illness is expected to last longer than 12 months for long-term.] | n/a | 0% Yes | 10% Yes |
| | c) Are there materially different approval processes for short-term and long-term disability/ disability pensions? | n/a | 29% Yes | 9% Yes |
| 5% | *Complexity: 100 if different definitions and approval processes (i.e., no to b and yes to c), 75 if approval processes or definitions are very different (either no to b or yes to c), otherwise 0.* | 0 | 13 | 5 |
| | Q150 Do you reduce payments if the member qualifies or receives: | | | |
| | a) Disability social security? | Yes | 53% Yes | 36% Yes |
| | b) Worker's compensation? | Yes | 67% Yes | 43% Yes |
| | c) Other public funds (i.e., federal military disability)? | Yes | 27% Yes | 10% Yes |
| | d) Income protection plans/other disability insurance? | No | 20% Yes | 10% Yes |
| | e) Employer sick leave and annual leave pay? | Yes | 33% Yes | 23% Yes |
| | f) Unemployment compensation? | No | 27% Yes | 15% Yes |
| | g) Income from other employment? | Yes | 67% Yes | 50% Yes |
| | h) Other (describe)? | No | 21% Yes | 16% Yes |
| | Total yes responses for disability coordination | 5 | 3 | 2 |
| 5% | *Complexity: 0 if none, otherwise 25.0 + 36.1 x ln(number of disability coordination categories). i.e., 1 = 25.0, 2 = 50.0, 4 = 75.0, 8 = 100.0, etc.* | 83 | 55 | 35 |
| **100%** | **Weighted Average** | **71** | **69** | **54** |

# Voice of the Customer (VoC)

# The VoC Framework

CEM has worked with participating pension systems to develop a VoC Framework (“the Framework”) to standardise how feedback is obtained from members.

The Framework enables the consistent measurement of member and employer feedback across pension systems.

By measuring experience from the customers’ perspective, and cross referencing with other metrics (for example CEM’s service score) and other pension systems, participants can identify operational improvements that deliver better outcomes for members.

## Key elements of the VoC Framework

### Focused

Surveying should be activity specific and targeted only to members that experienced the activity (where appropriate).  General member perception surveys should be directed only to members that experienced some contact with the pension scheme in the reporting period.

Participants are at liberty to ask whatever follow-up or additional questions they wish.  Only the response on the questions listed is reported and compared.

### Mechanics of Surveying

Systems are at liberty to use the approach that works best for them, e.g., end-of-call surveys, emails, web pop-ups or paper surveys.

### Timescales for Surveying

Surveys should be sent within two weeks of the conclusion of the activity (or across the year for general member / employer perception).  In practice, some surveys may be immediate, e.g., at the end of a telephone call.

### Sampling

The selection of survey recipients should not deliberately or wilfully be biased to any membership cohort, demographic or timeline.

It is understood and accepted that there may be natural biases in the sample, e.g., 90% of retirees in a period might be of one gender.  Participants should not deliberately select against the universe however when choosing which members / employers to survey or when to survey.  For example, when submitting data annually, the data must reflect experience over that year, not for a period in the year when things were going well.

It is expected and understood that some members might be excluded from the selection where there is some sensitivity in the interaction.  For example, it would be reasonable to exclude members that have experienced a divorce.

# Questions and Scales

The Framework specifies the following activities, questions and scales.

| **Activity** | **Question** | **Scale** |
|---|---|---|
| Secure website | How easy was it for you to use our secure website? | *1. Very difficult*<br>*2. Difficult*<br>*3. Neutral*<br>*4. Easy*<br>*5. Very easy.* |
| Telephone calls | How satisfied were you with the service you received on the telephone [today / when you called]? | *1 Very Dissatisfied*<br>*2. Dissatisfied*<br>*3. Neutral*<br>*4. Satisfied*<br>*5. Very Satisfied* |
| Retirement (from active) | Thinking about your retirement, how satisfied were you with the overall service you received from the administrator? | |
| Retirement (from deferred) | Thinking about your retirement, how satisfied were you with the overall service you received from the administrator? | |
| New members | How satisfied are you with the information provided to you on joining the administrator? | |
| General member perception | How satisfied are you with the overall service you have received from the administrator? | |
| General employer perception | How satisfied are you with the overall service you have received from the administrator? | |

# ‘Optimized’ versus ‘Directional’ data and results

Systems are encouraged to adopt the Framework in full, applying the methodology, questions and scales precisely to Optimize comparisons.

However, not every pension scheme that benchmarks with CEM has adopted the Framework, though some run similar feedback surveys. The questions they ask, and the approach they take, are sometimes similar to those proposed by the Framework.

Pension systems that partially implement the Framework, or use similar questions or metrics, can still potentially compare results. We treat the data from those systems as ‘directional’. Applying the Framework precisely enables comparisons with other ‘optimized’ users.

To be treated as optimized the participating scheme must ensure that:

- The first question in its survey is verbatim per the Framework.
- A 5 point scale is used.
- They obtain 40 responses (for statistical validity).

*Directional* data should be:

- Activity specific per the Framework (e.g., asking members that called about their experience on the telepho
- Based on a single question that is closely related to the Framework question.

CEM reserves the right to exclude data where we don’t feel that the questions, approach or scales are aligned with the Framework (i.e., don’t meet a reasonable threshold to be treated as directional).

Optimized and directional data sets are identified separately in the analysis.

### Net Score

A ‘net score’ is sometimes considered better than an 'average score' because it focuses on advocacy for the pension administration team. It is a widely recognised and benchmarked metric.

The CEM net score is calculated by subtracting the percentage of ‘promoters’ from the percentage of ‘detractors’. So, using a 5 points scale:

- Promoters are members who scored a 5.
- Passives are members who scored a 4.
- Detractors are members who scored a 1, 2, or 3.

# VoC results: Telephone Calls

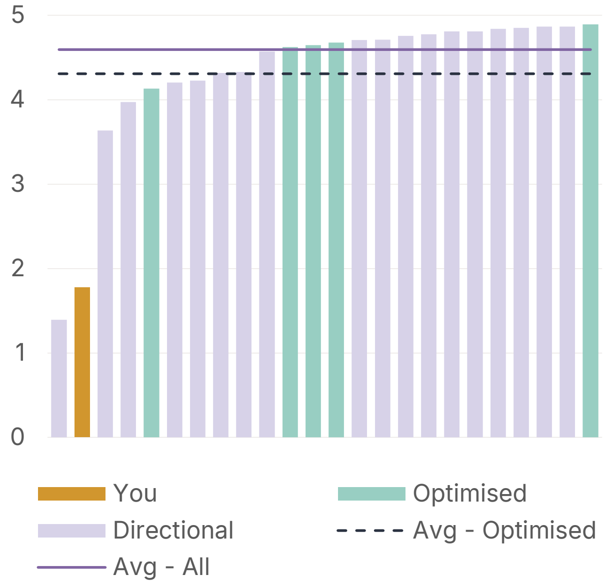
Framework question:
*How satisfied were you with the service you received on the telephone [today / when you called]?*

You did not use the Framework question verbatim. Your equivalent question was : Would you hire the person who assisted you today? Press 1 for yes. Press 2 for no.

Your data is directional.

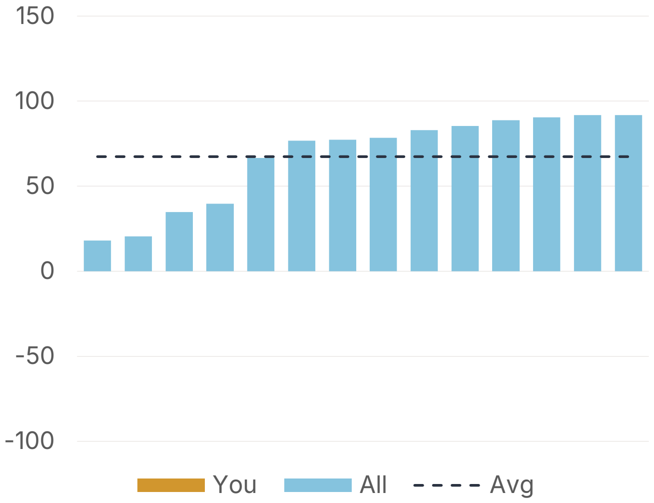
### Average score

Your average score of 1.8 was below the average of 4.3



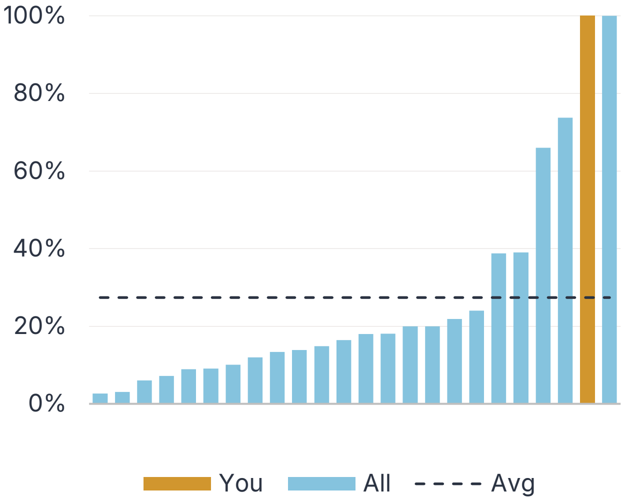
### Net score

You did not provide us with data or sufficient data for this question, the average net score is 67.4

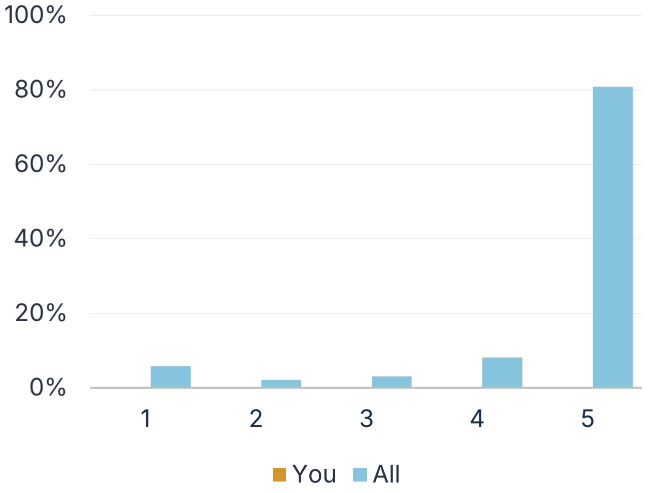


### Response rate

Your response rate of 100.0% was higher than the average of 27.4%



### Distribution of responses



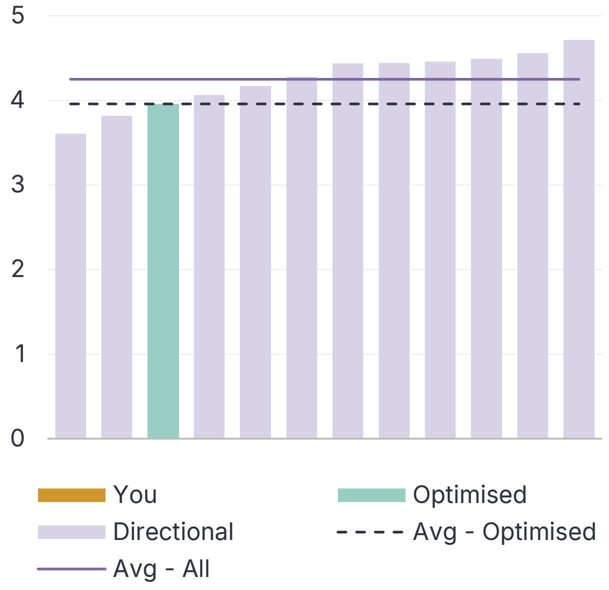
# VoC results: Secure Website

Framework question:
*How easy was it for you to use our secure website?*

You did not provide us with data for this question.

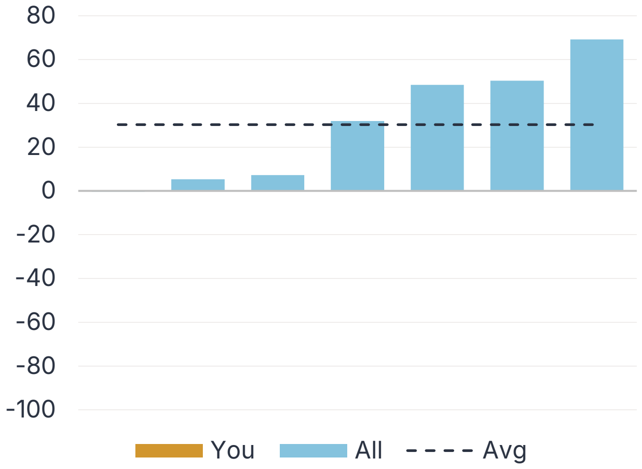
### Average score

You did not provide us with data for this question, the average score is 4.2



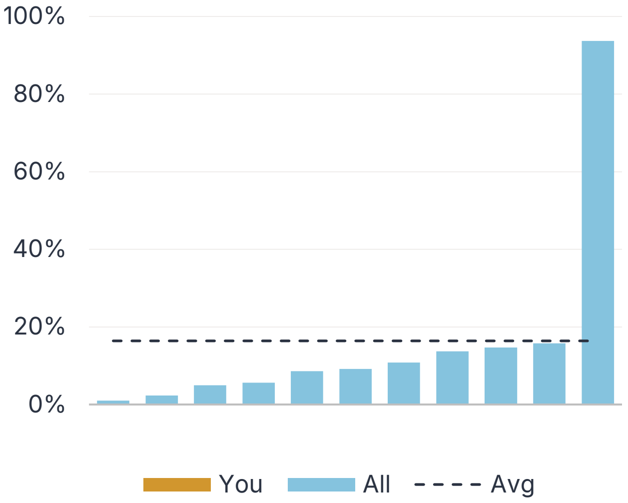
### Net score

You did not provide us with data or sufficient data for this question, the average net score is 30.3

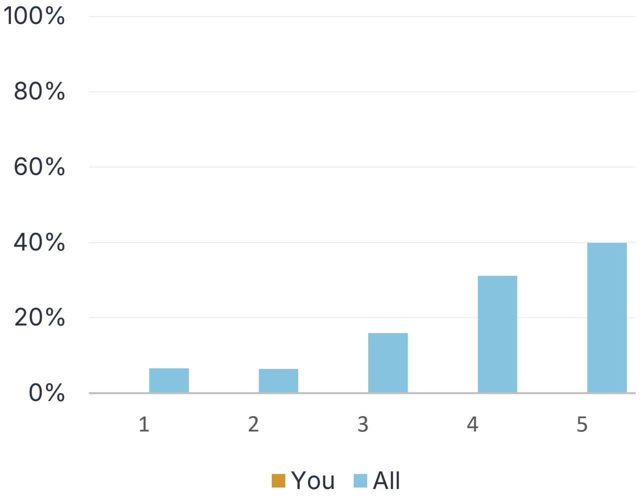


### Response rate

You did not provide us with data for this question, the average is 16.4%



### Distribution of responses



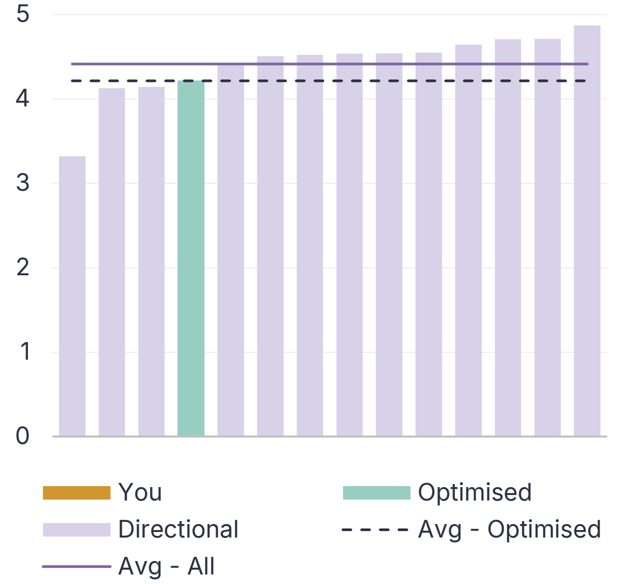
# VoC results: Retirement (from active)

Framework question:
*Thinking about your retirement, how satisfied were you with the overall service you received from the*

You did not provide us with data for this question.

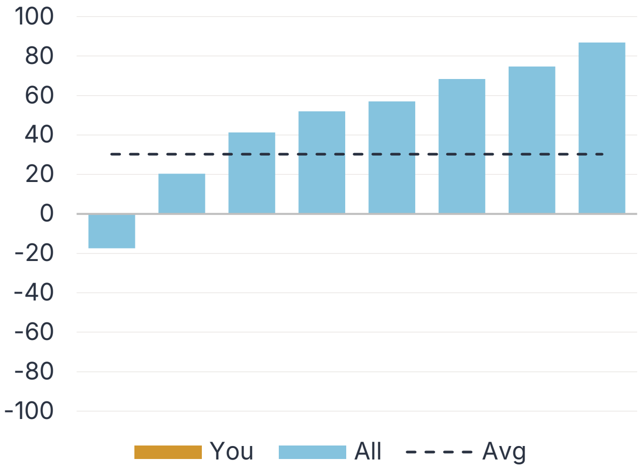
### Average score

You did not provide us with data for this question, the average score is 4.4



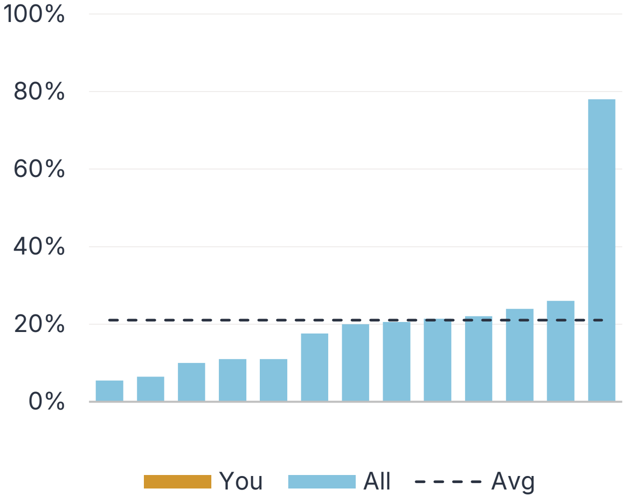
### Net score

You did not provide us with data or sufficient data for this question, the average net score is 30.3

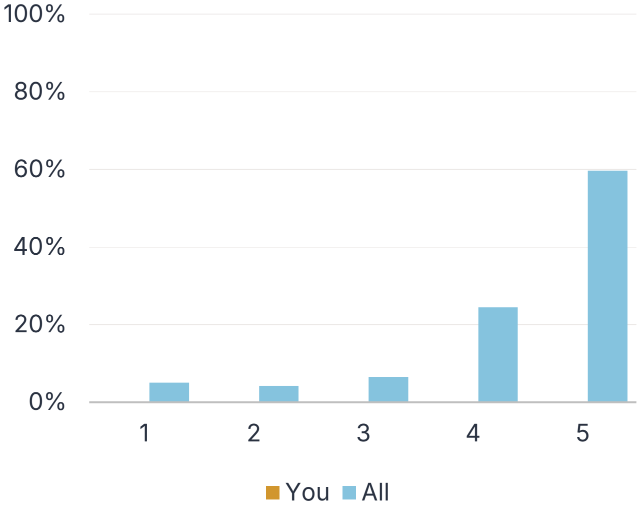


### Response rate

You did not provide us with data for this question, the average is 21.1%



### Distribution of responses



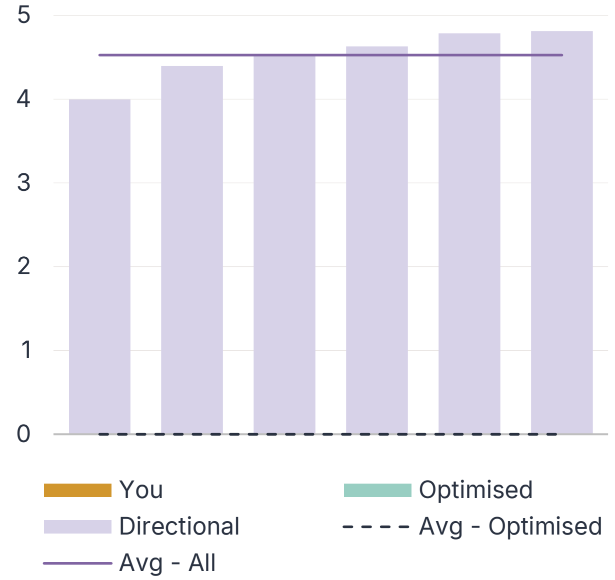
# VoC results: Retirement (from inactive)

Framework question:
*Thinking about your retirement, how satisfied were you with the overall service you received from the administrator?*

You did not provide us with data for this question.

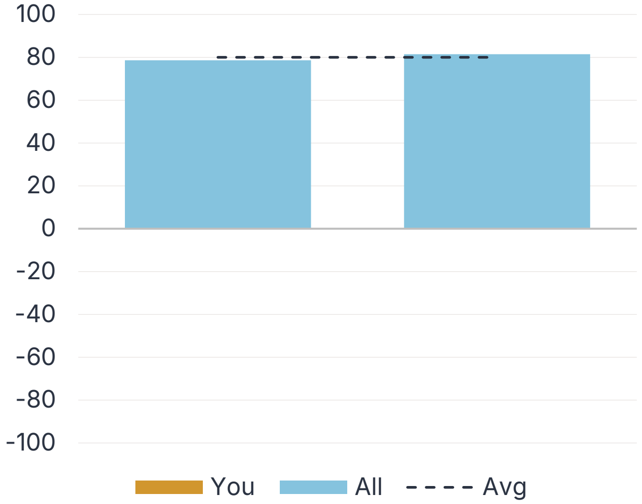
## Average score

You did not provide us with data for this question, the average score is 4.5



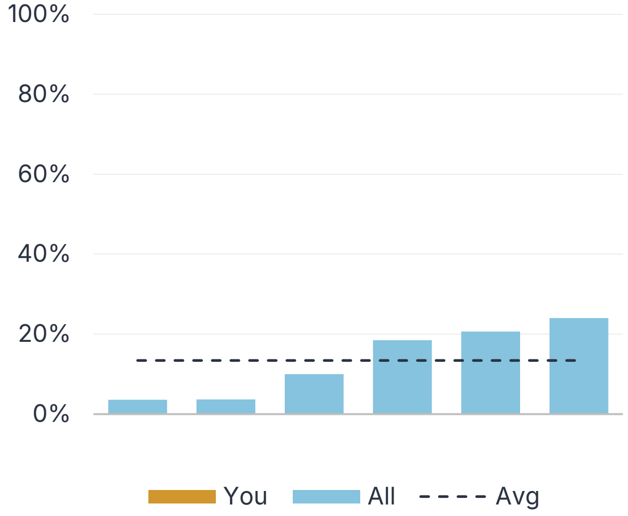
## Net score

You did not provide us with data or sufficient data for this question, the average net score is 80.0

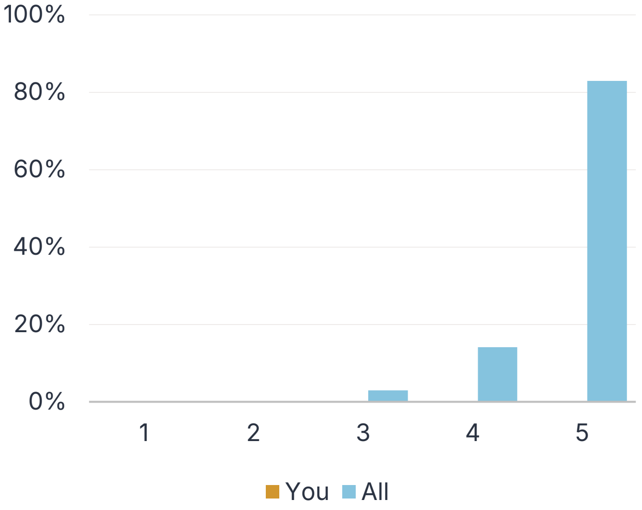


## Response rate

You did not provide us with data for this question, the average is 13.4%



## Distribution of responses



# VoC results: New members

Framework question:
*How satisfied are you with the information provided to you on joining the administrator?*

You did not provide us with data for this question. This page is blank because CEM does not have enough data points for this survey question.

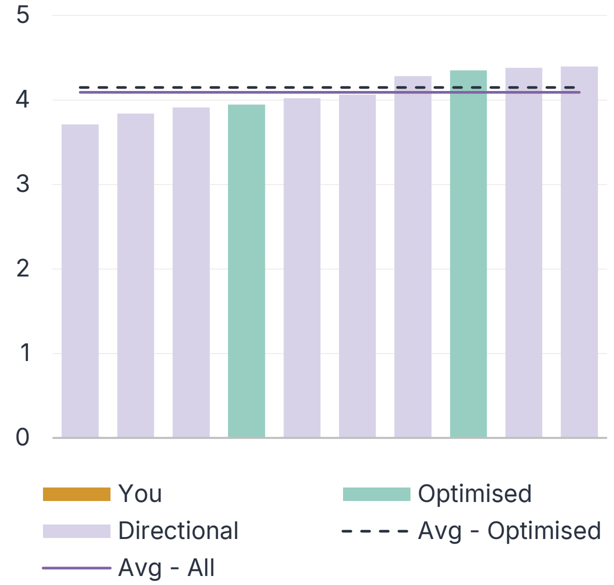
# VoC results: General member perception

Framework question:
*How satisfied are you with the overall service you have received from the administrator?*

You did not provide us with data for this question.

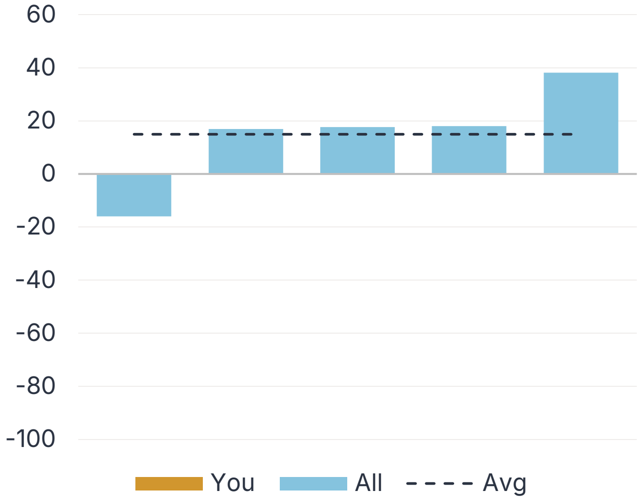
### Average score

You did not provide us with data for this question, the average score is 4.1



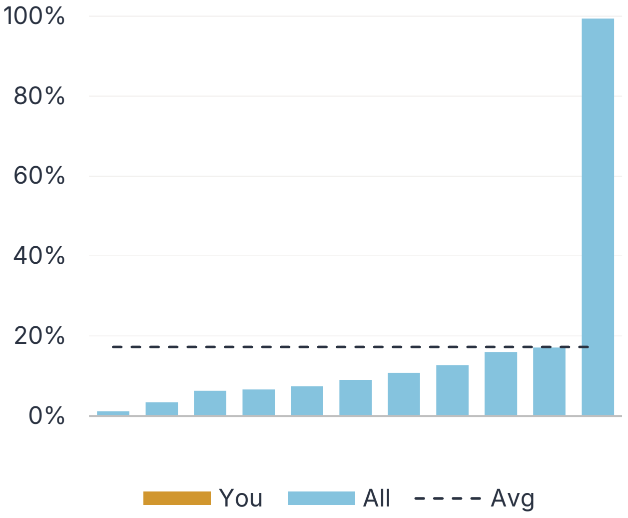
### Net score

You did not provide us with data or sufficient data for this question, the average net score is 14.9

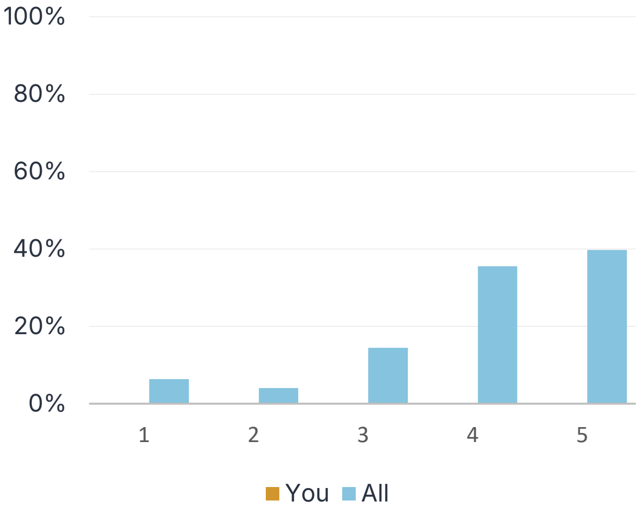


### Response rate

You did not provide us with data for this question, the average is 17.3%



### Distribution of responses



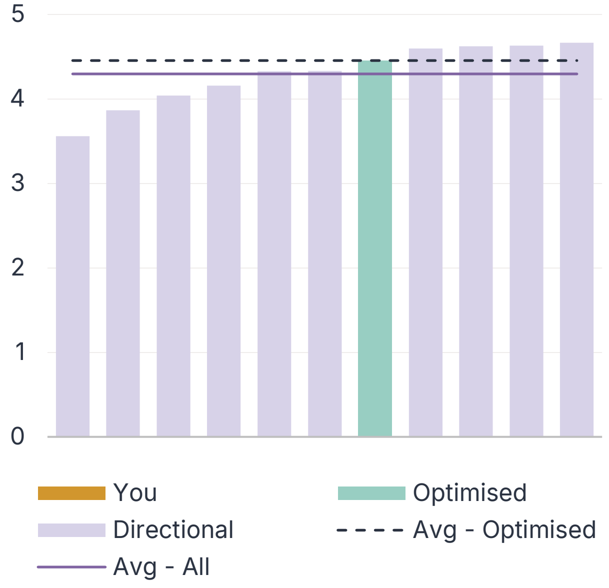
# VoC results: General employer perception

Framework question:
*How satisfied are you with the overall service you have received from the administrator?*

You did not provide us with data for this question.

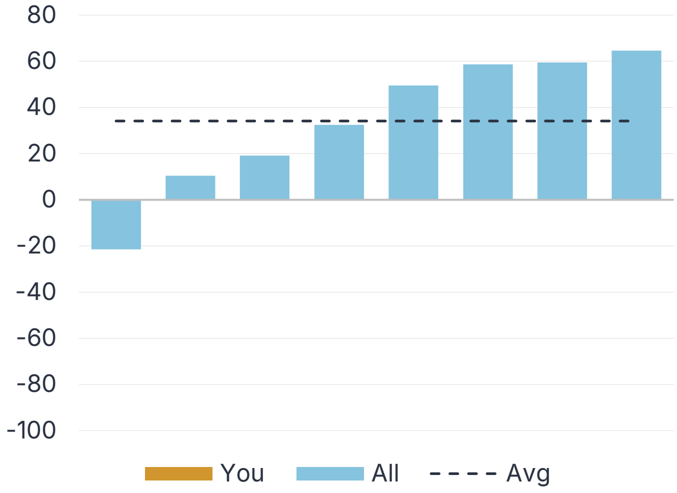
### Average score

You did not provide us with data for this question, the average score is 4.3



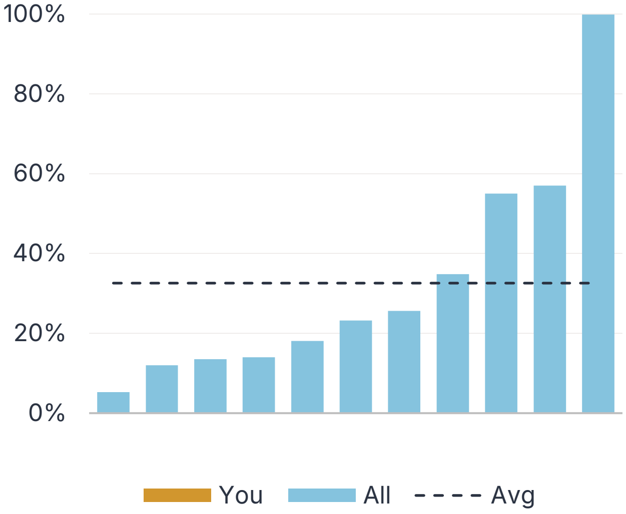
### Net score

You did not provide us with data or sufficient data for this question, the average net score is 34.1

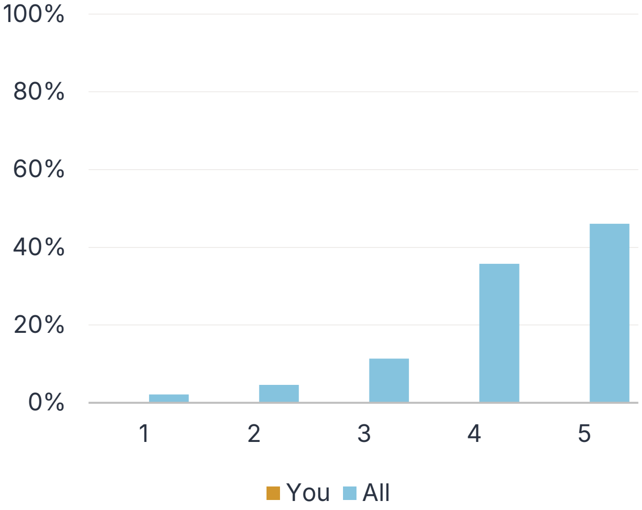


### Response rate

You did not provide us with data for this question, the average is 32.6%



### Distribution of responses



# Methodology

## Conversion to a 5-Point Scale

Some systems are using different scales in their surveying (i.e., other than the 'optimized' 5-point scale). CEM needs to have a consistent way to convert to a 5-point scale to enable comparisons.

This may appear simple for, say a scheme using a 10-point scale where you might expect scores of 1 or 2 to be converted to 1 on the 5-point scale. However, on a 5-point scale there is a 'neutral' score – 3. On a 10-point scale there is no neutral score. This has the potential to influence how customers react to the survey.

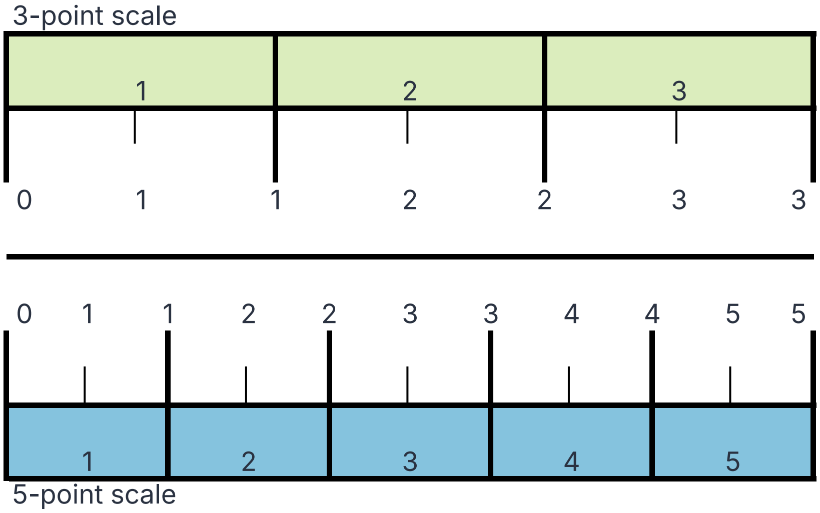
CEM therefore uses a series of formulas to convert to a 5 point scale. This is described below. CEM would be pleased to discuss the formula with you in detail – the technical aspects are difficult to convey in print.

Example 1, if your average score is 9.28 on a 10-point scale.

$$\frac{\text{Avg Orig X 2 - 1}}{\text{Scale Orig X 2}} = \frac{\text{Avg Converted X 2 - 1}}{\text{Scale Converted X 2 - 1}} \Rightarrow \frac{\text{9.28 X 2 - 1}}{\text{10 X 2 -1}} = \frac{\text{Avg Converted X 2 -}}{\text{5 X 2}} \Rightarrow \text{Avg Converted = 4.9}$$

Your converted score would be 4.9.

Example 2, if your average score is 2.4 on a 3-point scale.



$$\frac{\text{Avg Orig X 2 - 1}}{\text{Scale Orig X 2}} = \frac{\text{Avg Converted X 2 - 1}}{\text{Scale Converted X 2 - 1}}$$

$$\Rightarrow \frac{\text{9.28 X 2 - 1}}{\text{10 X 2 -1}} = \frac{\text{Avg Converted X 2 - 1}}{\text{5 X 2}}$$

$$\Rightarrow \text{Avg Converted} = 3.7$$

Your converted score would be 3.7

# Appendices

# Appendix A - Survey responses: Member status changes

North Carolina RS

| | 2025<br>recent fiscal year | 2023<br>End of prior fiscal year |
|---|---|---|
| 6. Provide the breakdown of total members between: | | |
| a) Active members | 484,390 | 473,933 |
| b) Inactive members | 157,340 | 169,808 |
| c) Annuitants (Service, Disabled, Survivor) | 372,067 | 356,781 |
| 7. What is your volume for: | | |
| a) Service retirement inceptions | 16,782 | 17,183 |
| b) Inceptions to survivors, partners, ex-partners or dependents | 331 | 665 |
| c) Disability retirement inceptions | 222 | 348 |
| d) Deaths of active, inactive members and annuitants | 11,625 | 13,576 |
| e) New active members | 53,480 | 66,323 |
| f) Active members exiting employment? [exclude service and disability | 36,599 | 37,450 |
| g) Withdrawals, refunds | 17,113 | 20,700 |
| h) Transfers-out | 2,020 | 2,001 |

# Appendix A - Survey responses: Cost by activity

North Carolina RS

|  | Your Response<br>2025 | <br>2023 |  |
|---|---|---|---|
| 9. Complete the table below: |  |  |  |
| a. Total administrative expenses per your financial statements (ACFR in the U.S.) | 28,449.7 | 25,440.5 | ($000s) |
| Less (if included in administrative expenses): |  |  |  |
| b. Investment administration costs | 0.0 | 0.0 | ($000s) |
| c. Accrued, non-cash, pension and OPEB expense (per GASB 68 & 75) | 0.0 | 0.0 | ($000s) |
| Plus, if not included in administrative expenses: |  |  |  |
| d. Cash contributions for pension and OPEB, for active staff | 0.0 | 0.0 | ($000s) |
| e. Pay-as-you-go benefits for retired staff | 0.0 | 0.0 | ($000s) |
| f. Amortization and depreciation of administrative assets | 0.0 | 0.0 | ($000s) |
| g. Actuarial fees and costs | 0.0 | 0.0 | ($000s) |
| h. Other costs and professional fees relating to pension administration | 0.0 | 0.0 | ($000s) |
| **i. Total benefit administration costs** | **28,449.7** | **25,440.5** | **($000s)** |

# Appendix A - Survey responses: Cost and FTE by activity - 2025

North Carolina RS

10. Complete the table below. Instructions and definitions are provided on the pages below the table.

| | (# FTE) | Salaries and Benefits ($000s) | Third Party and Other ($000s) | Total ($000s) |
|---|---|---|---|---|
| **1. Member Transactions** | | | | |
| a. Pension Payments | 6.4 | 551.6 | 200.0 | 751.6 |
| b. Pension Inceptions and Written Estimates | 27.9 | 2,343.5 | 17.7 | 2,361.2 |
| c. Refunds, Withdrawals, and Transfers-out | 24.8 | 2,059.2 | 70.1 | 2,129.3 |
| d. Purchases and Transfers-in | 3.3 | 283.2 | 17.7 | 300.9 |
| e. Disability | 10.2 | 904.2 | 17.8 | 922.0 |
| f. Healthcare Administration | 1.5 | 136.7 | 17.7 | 154.4 |
| g. Optional and Third Party Administered Benefits | 0.5 | 75.2 | 17.8 | 93.0 |
| **2. Member Communication** | | | | |
| a. Contact Center | 49.8 | 4,182.5 | 17.7 | 4,200.2 |
| b. Mail Room, Imaging | 7.4 | 633.2 | 17.8 | 651.0 |
| c. 1-on-1 Counseling | 4.6 | 383.2 | 17.7 | 400.9 |
| d. Member Presentations | 4.3 | 376.8 | 23.9 | 400.7 |
| e. Mass Communication | 3.0 | 284.3 | 18.9 | 303.2 |
| **3. Collections and Data Maintenance** | | | | |
| a. Data and Money from Employers | 14.1 | 1,201.3 | 17.8 | 1,219.1 |
| b. Service to Employers | 5.5 | 488.7 | 17.7 | 506.4 |
| c. Data Not from Employers | 2.9 | 252.4 | 17.7 | 270.1 |
| **4. Governance and Financial Control** | | | | |
| a. Financial Administration and Control | 4.6 | 460.4 | 1,873.8 | 2,334.2 |
| b. Board, Strategy, Policy | 1.8 | 263.1 | 31.8 | 294.9 |
| c. Government and Public Relations | 1.5 | 209.5 | 33.3 | 242.8 |
| **5. Major Projects** | | | | |
| a. Amortization of non-IT Major Projects | n/a | n/a | 0.0 | 0.0 |
| b. Non-IT Major Projects (if you don't capitalize) | 0.0 | 0.0 | 0.0 | 0.0 |
| c. Amortization of IT Major Projects | n/a | n/a | 0.0 | 0.0 |
| d. IT Major Projects (if you don't capitalize) | 1.9 | 175.8 | 342.6 | 518.4 |
| **6. Information Technology** | | | | |
| a. IT Strategy, Database Management and Applications (excl. major projects) | 2.3 | 205.6 | 5,656.5 | 5,862.1 |
| b. IT Desktop, Networks, Telecom | 0.8 | 62.6 | 978.9 | 1,041.5 |
| c. IT Security | 0.0 | 0.0 | 391.5 | 391.5 |
| **7. Support Services and Other** | | | | |
| a. Building and Utilities | 0.0 | 0.0 | 326.1 | 326.1 |
| b. Human Resources | 0.0 | 0.0 | 304.9 | 304.9 |
| c. Actuarial | 0.3 | 53.1 | 422.7 | 475.8 |
| d. Legal and Rule Interpretation | 1.2 | 181.7 | 886.8 | 1,068.5 |
| e. Internal and External Audit | 0.5 | 58.2 | 459.4 | 517.6 |
| f. Pay-as-you-go Benefits for Retired Staff | n/a | 0.0 | n/a | 0.0 |
| g. Other Support Services | 0.9 | 99.3 | 308.1 | 407.4 |
| **Total Administration (includes 1f, 1g)** | **182.0** | **15,925.3** | **12,524.4** | **28,449.7** |
| FTE relating to major projects capitalized, if any, during this fiscal year | 0.0 | | | |
| **Total Administration FTE** | **182.0** | | | |

# Appendix A - Survey responses: Cost and FTE by activity - 2025

continued

16. Describe and provide the cost of:

| Each of your major projects in 5b. 'Non-IT Major Projects' (if you don't capitalize) | ($000s) |
|---|---|
| n/a | n/a |
| n/a | n/a |
| n/a | n/a |
| n/a | n/a |
| n/a | n/a |
| n/a | n/a |
| n/a | n/a |
| n/a | n/a |
| n/a | n/a |

| Each of your major projects in 5d. 'IT Major Projects (if you don't capitalize) | ($000s) |
|---|---|
| New workflow project planning | 175.8 |
| n/a | n/a |
| n/a | n/a |
| n/a | n/a |
| n/a | n/a |
| n/a | n/a |
| n/a | n/a |
| n/a | n/a |
| n/a | n/a |

# Appendix A - Survey responses: Service and plan design

North Carolina RS

| | | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| | **Start** | | | | | | | | | | | | | |
| 1 | North Carolina Retirement Systems | | | | | | | | | | | | | |
| 2 | Main survey contact:<br>Cristin Conner<br>Statistician<br>cristin.conner@nctreasurer.com<br>9198144022 | | | | | | | | | | | | | |
| 3 | What is the month of your fiscal year-end? [All questions in this survey are for your most recently completed fiscal year.] | June | | June | | | | | | | | | | |
| 4 | What was the end of fiscal year value of your pension fund assets (in billions)? | $133.8 | | $115.1 | | | | | | | | | | |
| 5 | Is your organization's leadership (i.e., CEO, CFO) also responsible for investments? | No | | n/a | 47% Yes / 53% No / 0% n/a | | | | 15 | 46% Yes / 54% No / 0% n/a | | | | 46 |
| 8 | Can you provide the following information about your active members: | | | | | | | | | | | | | |
| | a) Average age? | 44.4 | | n/a | 53.0 | 45.0 | 43.0 | 45.5 | 15 | 53.0 | 44.7 | 35.0 | 44.5 | 45 |
| | b) Average tenure? | 10.6 | | n/a | 24.0 | 10.0 | 8.5 | 11.3 | 15 | 24.0 | 10.4 | 8.0 | 11.0 | 44 |
| | c) Average salary? | $63,805.0K | | n/a | | | | | | | | | | |
| 11 | What percentage of your total salary and benefits costs relates to benefits? | 31.8% | | 30.7% | 68.5% | 31.8% | 21.9% | 35.2% | 15 | 68.5% | 26.5% | 11.3% | 28.3% | 44 |
| 12 | Please provide the following information about your core pension administration system: | | | | | | | | | | | | | |
| | a. For how many years has this system been in live, day-to-day use? | 20.0 | | 18.0 | 43.0 | 16.0 | 2.0 | 18.0 | 15 | 43.0 | 15.5 | 2.0 | 18.8 | 46 |
| | b. Was the system originally developed in-house or by a third-party provider? | Both | | Thirdparty | 47% In-House / 33% Third Party / 20% Both / 0% n/a | | | | 15 | 39% In-House / 46% Third Party / 15% Both / 0% n/a | | | | 46 |
| | b1. If developed by a third-party vendor: Approximately what percentage of the system was customized for your organization? | 50.0% | | 100.0% | 100.0% | 45.0% | 11.0% | 55.2% | 6 | 100.0% | 50.0% | 0.0% | 57.1% | 22 |
| 13 | Do you expect to replace your core pension administration system within the next ten years? | No | | n/a | 53% Yes / 47% No / 0% n/a | | | | 15 | 52% Yes / 46% No / 2% n/a | | | | 45 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| Replace means implementing an entirely new pension administration system to replace the legacy platform, whether built in-house or purchased from a third party.<br>Upgrade means enhancing or patching the existing system (updates, modules, improvements) without replacing the underlying platform. | | | | | | | | | | | | | |
| 14 Is your organization currently in the process of replacing the core pension administration system? | No | | n/a | 33% Yes / 40% No / 27% n/a | | | | 11 | 37% Yes / 35% No / 28% n/a | | | | 33 |
| a. How many years has the replacement project been underway? | n/a | | n/a | 10.5 | 3.0 | 1.0 | 4.1 | 5 | 11.0 | 4.0 | 1.0 | 5.1 | 17 |
| b. In how many years do you expect the new system to go live? | n/a | | n/a | 10.0 | 2.5 | 0.0 | 3.9 | 5 | 10.0 | 2.5 | 0.0 | 3.2 | 17 |
| 15 Did you have any material legislative changes or other unusual events that materially affected your costs and/ or service in the most recent fiscal year? | No | | Yes | 20% Yes / 80% No | | | | 15 | 26% Yes / 74% No | | | | 46 |
| a. If yes, describe:<br>n/a | | | | | | | | | | | | | |
| Pension Payments | | | | | | | | | | | | | |
| 17 Do you administer annuity pensions? | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 100% Yes / 0% No / 0% n/a | | | | 46 |
| 18 Were any of your pension payrolls late vis-à-vis your normal payment cycle? [For example, a payroll might be late because of IT system problems.] | No | | No | 0% Yes / 100% No / 0% n/a | | | | 15 | 0% Yes / 100% No / 0% n/a | | | | 46 |
| If yes: | | | | | | | | | | | | | |
| a) How many payrolls were late? | n/a | | n/a | n/a | n/a | n/a | n/a | 0 | n/a | n/a | n/a | n/a | 0 |
| b) On average, how many days late were they? | n/a | | n/a | n/a | n/a | n/a | n/a | 0 | n/a | n/a | n/a | n/a | 0 |
| 19 What percentage of pensions are paid by check? [as opposed to Electronic Funds Transfer ("EFT")] | 2.0% | | 2.0% | 4.2% | 1.2% | 0.0% | 1.8% | 15 | 8.4% | 0.9% | 0.0% | 1.4% | 44 |
| **Pension Inceptions** | | | | | | | | | | | | | |
| 20 How many changes in gross amount of annuity pensions paid occurred as a result of changes in an individual annuitant's personal circumstances? | 614 | | 690 | 2,303 | 1,087 | 0 | 960 | 15 | 97,816 | 813 | 0 | 4,167 | 46 |
| For example:<br>• When the spouse of an annuitant dies "last survivor" options result in decreases, and "pop-up" or "reversion" options result in increases. [Exclude annuitant deaths that result in new pensions paid to spouses.]<br>• When an annuitant or their beneficiary becomes eligible for social security, it often results in a reduction of the gross pension paid.<br>• Redesign of the payment option, appeal decisions, high low options shifting to low. | | | | | | | | | | | | | |
| 21 What percentage of annuity inceptions for: | | | | | | | | | | | | | |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| a) Retiring active members are paid without an interruption of cash flow greater than 1 month between the final pay check and the first pension check? | 78.0% | | 76.7% | 100.0% | 96.2% | 3.0% | 84.5% | 15 | 100.0% | 96.7% | 3.0% | 86.9% | 46 |
| b) Survivors are paid without an interruption of cash flow between the pensioner's final pension check and the survivor's first pension check? | 28.3% | | 20.6% | 100.0% | 87.2% | 2.0% | 70.5% | 15 | 100.0% | 86.0% | 0.0% | 64.9% | 46 |
| 22 Will you initiate a service retirement pension based on existing data or estimates, recognizing that you will have to finalize the payments later after you get final data? | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 80% Yes / 20% No / 0% n/a | | | | 46 |
| a) If yes, what proportion of your service retirement inceptions to retiring active members was based on existing data or estimates? | 27.5% | | 27.5% | 100.0% | 80.1% | 0.4% | 75.5% | 15 | 100.0% | 69.8% | 0.0% | 57.0% | 37 |
| b) On average, how long did it take to finalize service retirement inceptions based on estimates? (in months) | 6.0 | | 6.0 | 36.3 | 1.6 | 0.0 | 6.2 | 15 | 36.3 | 1.6 | 0.0 | 4.0 | 37 |
| 23 Do you require birth certificates and/or marriage certificates before incepting a pension? | No | | No | 53% Yes / 47% No / 0% n/a | | | | 15 | 67% Yes / 28% No / 4% n/a | | | | 44 |
| 24 Do you require notarization of normal or early retirement<br>a) If some, describe those that require versus those that do not:<br>n/a | No | | No | 7% Yes / 47% No / 47% Some / 0% n/a | | | | 15 | 9% Yes / 67% No / 24% Some / 0% n/a | | | | 46 |
| 25 What percentage of vested inactive members that reached their normal retirement age in the year have not received any benefits yet because the member is unreachable (e.g., mail has been returned)? | 0.1% | | 0.1% | 34.0% | 2.5% | 0.0% | 5.8% | 9 | 34.0% | 3.1% | 0.0% | 8.0% | 26 |
| Pension Estimates | | | | | | | | | | | | | |
| 26 Do you offer written pension estimates to members?<br>If no, go directly to question 31. | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 100% Yes / 0% No / 0% n/a | | | | 46 |
| 27 How many written pension estimates did you mail out pursuant to individual member requests? [Exclude estimates prepared during counseling sessions and not mailed in advance.] | 2,212 | | 1,995 | 212,265 | 6,786 | 18 | 23,192 | 15 | 212,265 | 4,596 | 18 | 15,850 | 46 |
| 28 When a member requests multiple different estimate scenarios, do you count each scenario as an 'estimate' or do you count the 'multiple request' as a single estimate? | Single Estimate | | Single Estimate | 67% Each Scenario / 33% Single Estimate | | | | 15 | 59% Each Scenario / 41% Single Estimate | | | | 46 |
| a) If you count each scenario, what is the approximate average number of scenarios per request by a member? | n/a | | n/a | 16 | 2 | 1 | 4 | 10 | 16 | 2 | 1 | 3 | 27 |
| 29 On average, how many business days does it take to provide a written pension estimate from the time of initial request from a member? [Exclude time in the mail.] | 5.9 | | 2.5 | 30.0 | 5.9 | 0.0 | 9.1 | 15 | 49.2 | 5.5 | 0.0 | 9.2 | 46 |
| 30 Do your written pension estimates (including cover letters, etc. sent with the estimate): | | | | | | | | | | | | | |
| a) Clearly address if and how the pension is inflation protected (or not protected)? | Yes | | Yes | 67% Yes / 33% No / 0% n/a | | | | 15 | 70% Yes / 30% No / 0% n/a | | | | 46 |

|  |  | Your Response |  |  | Peers 2025 |  |  |  |  | All Participants 2025 |  |  |  |  |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
|  | Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
|  | b) If your pension is coordinated with or reduced by social security (or CPP in Canada) is the impact explained? | Yes |  | Yes | 33% Yes / 67% No / 0% n/a |  |  |  | 15 | 48% Yes / 48% No / 4% n/a |  |  |  | 44 |
|  | c) Discuss alternative scenarios that could improve the pension such as purchasing service credit or working longer? | Yes |  | Yes | 93% Yes / 7% No / 0% n/a |  |  |  | 15 | 80% Yes / 20% No / 0% n/a |  |  |  | 46 |
|  | d) Model alternative retirement payment options? | Yes |  | Yes | 93% Yes / 7% No / 0% n/a |  |  |  | 15 | 91% Yes / 9% No / 0% n/a |  |  |  | 46 |
|  | Refunds, Transfers-out, Withdrawals |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 31 | How many written estimates for refunds/ terminations/ transfer-outs did you prepare in response to member requests? [Include all estimates whether they result in a refund or not.] | 230 |  | 379 | 51,482 | 4,368 | 0 | 9,850 | 12 | 51,482 | 2,664 | 0 | 7,338 | 36 |
| 32 | How long does it take on average, in business days, for you to complete an individual transfer-out to a member's new pension plan, including delays caused by external parties, beginning from the time of initial request by the member? | 27 |  | 14 | 356 | 22 | 2 | 53 | 12 | 356 | 29 | 2 | 58 | 38 |
|  | Purchases and Transfers-in |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 33 | Number of actual: |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | a) Prior service credit purchases? [e.g., for prior refunded service, military service, etc.] | 504 |  | 460 | 30,335 | 615 | 67 | 3,035 | 15 | 116,491 | 386 | 5 | 4,462 | 43 |
|  | b) In-service credit purchases? [e.g., maternity, parental, sabbatical, educational, illness leaves.] | 704 |  | 1,207 | 1,193 | 64 | 0 | 327 | 10 | 41,103 | 186 | 0 | 3,326 | 31 |
|  | c) Upgrades or 'Top-ups' where members can improve their pensionable salary (but not service credit)? | n/a |  | n/a | 149 | 0 | 0 | 13 | 15 | 1,081 | 0 | 0 | 29 | 44 |
|  | d) Upgrades where members can pay to upgrade from an older retirement formula to a new retirement formula? | n/a |  | n/a | 622 | 0 | 0 | 42 | 15 | 2,161 | 0 | 0 | 64 | 44 |
|  | e) Individual transfers-in from member's previous pension plan? [For example, many systems have reciprocal agreements with 'sister' plans that permit members to transfer-in credit from their previous employer's pension plan to their new plan and vice versa? Do not include collective transfers-in.] | n/a |  | n/a | 1,563 | 28 | 0 | 434 | 8 | 76,100 | 323 | 0 | 4,260 | 27 |
| 34 | How many written purchase, upgrade, or transfer-in estimates did you prepare in response to member requests? [Include all estimates whether these result in a purchase or not.] | 4,915 |  | 2,676 | 32,251 | 2,371 | 0 | 5,616 | 15 | 46,863 | 2,371 | 0 | 7,729 | 45 |
| 35 | On average, how many business days does it take from the date of first request to provide a written service credit purchase cost? | 4 |  | 4 | 285 | 5 | 1 | 27 | 15 | 285 | 7 | 1 | 23 | 44 |
| 36 | How long does it take on average, in months, for you to complete an individual transfer-in, including delays caused by external parties? | n/a |  | n/a | 6 | 2 | 0 | 2 | 12 | 12 | 2 | 0 | 3 | 34 |
|  | Disability |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 37 | Do you administer: |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | a) Long-term disability/ disability pensions? | Yes |  | Yes | 100% Yes / 0% No / 0% n/a |  |  |  | 15 | 83% Yes / 13% No / 4% n/a |  |  |  | 44 |
|  | b) Short-term disability? | No |  | No | 13% Yes / 87% No / 0% n/a |  |  |  | 15 | 7% Yes / 89% No / 4% n/a |  |  |  | 44 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| If you do not administer either short-term or long-term disability, or disability pensions skip to question 41. | | | | | | | | | | | | | |
| 38 Number of: | | | | | | | | | | | | | |
| a) Applications for disability pensions/ long-term disability? | 1,064 | | 1,381 | 3,411 | 360 | 27 | 654 | 15 | 3,411 | 108 | 0 | 333 | 43 |
| b) Members receiving long-term disability or a disability pension? | 5,860 | | 7,267 | 67,125 | | | | 15 | 67,125 | | | | 37 |
| c) Applications for short-term disability (if you administer)? | n/a | | n/a | 1,567 | 0 | 0 | 104 | 15 | 1,567 | 0 | 0 | 40 | 44 |
| d) Members receiving short-term disability (if you administer)? | n/a | | n/a | 1,095 | 0 | 0 | 365 | 3 | 1,095 | 163 | 0 | 355 | 4 |
| e) Independent medical examinations for disability application assessment or reassessment paid for by you, if any? | 0 | | 0 | 1,092 | 5 | 0 | 171 | 15 | 1,335 | 3 | 0 | 99 | 44 |
| f) New members that you reviewed the health status of? [For example, ESSS conducts Medical Classification Reviews on their new members. A Medical classification may reduce a member's entitlement to disability and/or death benefits.] | n/a | | n/a | 497 | 0 | 0 | 33 | 15 | 1,482 | 0 | 0 | 47 | 44 |
| g) Formal appeals of disability decisions? | 0 | | 0 | 229 | 18 | 0 | 45 | 15 | 229 | 1 | 0 | 21 | 45 |
| h) Recertifications of disabled members? [For example, Arizona SRS requires an annual opinion from a physician to continue on disability.] | 255 | | 434 | 2,209 | 327 | 0 | 623 | 13 | 3,283 | 98 | 0 | 468 | 30 |
| 39 Do you cover non-occupational disability? [Some systems only cover disabilities that happen at work.] | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 80% Yes / 2% No / 17% n/a | | | | 38 |
| a) If yes, does either the amount paid or the taxation of the disability benefit vary depending on whether the disability is occupational versus non-occupational? | No | | No | 60% Yes / 40% No / 0% n/a | | | | 15 | 43% Yes / 37% No / 20% n/a | | | | 37 |
| b) If yes to 'a' immediately above: Number of occupational disability applications? | n/a | | n/a | 2,402 | 64 | 3 | 429 | 9 | 2,402 | 50 | 0 | 253 | 20 |
| 40 How many months, on average, does it take to return a decision on a disability application from: | | | | | | | | | | | | | |
| a) Date of initial request from a member? | 2.0 | | 2.0 | 20.0 | 3.0 | 0.5 | 3.7 | 15 | 20.0 | 2.8 | 0.5 | 3.3 | 38 |
| b) Date of receipt of all necessary documentation to complete an application? | 1.0 | | 1.0 | 5.0 | 1.0 | 0.0 | 2.0 | 15 | 5.0 | 1.0 | 0.0 | 1.5 | 36 |
| Contact Center | | | | | | | | | | | | | |
| Volumes | | | | | | | | | | | | | |
| 41 What were your volumes of: | | | | | | | | | | | | | |
| a) Incoming calls that reach and are responded to by a knowledgeable service representative (i.e., exclude messages, etc.)? | 248,098 | | 211,090 | 828,291 | 200,106 | 70,098 | 247,602 | 15 | 828,291 | 145,916 | 12,497 | 175,762 | 46 |
| b) Outgoing calls from service representatives responding to messages (voice mail, receptionist, etc.) or following-up on previous calls? | 14,584 | | 8,072 | 24,561 | 6,651 | 727 | 8,894 | 15 | 24,561 | 7,994 | 26 | 8,782 | 46 |
| c) Incoming calls satisfied by self-serve options, if any? | 189,896 | | 151,099 | 1,121,472 | 4,083 | 0 | 121,025 | 15 | 1,121,472 | 0 | 0 | 45,451 | 46 |
| d) Email queries from members? | 89,535 | | 76,838 | 89,535 | 21,899 | 0 | 31,879 | 15 | 89,535 | 15,197 | 0 | 24,039 | 46 |
| e) Member queries via your secure messaging portal? | Unknown | | Unknown | 124,985 | 22,870 | 0 | 30,065 | 11 | 124,985 | 15,953 | 0 | 24,543 | 31 |
| f) Member queries via live chat? | 3,846 | | n/a | 3,846 | 0 | 0 | 883 | 5 | 17,078 | 3,524 | 0 | 5,563 | 10 |
| g) Incoming mail? | 250,304 | | 253,205 | 648,609 | 166,126 | 19,018 | 196,444 | 15 | 648,609 | 66,813 | 5,014 | 113,359 | 46 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| h) Outgoing mail? | 422,166 | | 381,658 | 3,458,468 | 1,095,229 | 128,316 | 1,297,501 | 15 | 3,801,649 | 404,657 | 17,273 | 812,179 | 46 |
| Before Reaching a Service Rep | | | | | | | | | | | | | |
| 42 What number of member phone calls did not connect to a person during business hours because: | | | | | | | | | | | | | |
| a) Busy signal, never enters the system? | n/a | | n/a | 949 | 0 | 0 | 237 | 4 | 6,080 | 0 | 0 | 879 | 8 |
| b) Caller gets pre-recorded 'call another time' message during business hours? | n/a | | n/a | 370,341 | 5,662 | 0 | 58,446 | 8 | 370,341 | 2,756 | 0 | 30,781 | 16 |
| c) Abandoned calls (i.e., caller hangs-up while in a menu)? | 16,066 | | 15,217 | 128,733 | 4,064 | 137 | 23,916 | 12 | 128,733 | 2,951 | 0 | 13,324 | 33 |
| d) Abandoned calls (i.e., caller hangs-up while in a queue or on | 37,005 | | 33,887 | 220,868 | 33,741 | 2,593 | 46,416 | 15 | 220,868 | 8,078 | 187 | 19,970 | 45 |
| e) Busy signal after navigating an automated attendant menu, or after being transferred by a receptionist? | n/a | | n/a | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 4 |
| f) Call rings unanswered during business hours? | n/a | | n/a | 1,398 | 699 | 0 | 699 | 2 | 1,398 | 16 | 0 | 347 | 7 |
| 43 Do you have a menu system that callers negotiate before speaking to someone? | Yes | | Yes | 93% Yes / 7% No / 0% n/a | | | | 15 | 85% Yes / 15% No / 0% n/a | | | | 46 |
| If yes: | | | | | | | | | | | | | |
| a) What is the average number of menu layers that must be navigated before a caller can speak to a live person? [Count each and every time a caller must select a menu option by pressing a button on the phone as a menu layer. Use the volume-weighted average number of menu layers if callers must negotiate different numbers of menu layers to reach a service representative on some menu-tree branches than on others.] | 4 | | 4 | 4 | 2 | 1 | 2 | 14 | 4 | 2 | 1 | 2 | 39 |
| b) What is the average time in seconds that it would take a caller to negotiate the menu and listen to menu options before the caller is forwarded to a live person (or queue for a live person)? | 30 | | 30 | 152 | 68 | 10 | 68 | 14 | 233 | 60 | 5 | 77 | 39 |
| c) Is the menu system by-passed if a service representative is available? | No | | No | 0% Yes / 93% No / 7% n/a | | | | 14 | 0% Yes / 85% No / 15% n/a | | | | 39 |
| c1) If yes, for what percentage of calls is the menu system by- | n/a | | n/a | n/a | n/a | n/a | n/a | 0 | n/a | n/a | n/a | n/a | 0 |
| 44 Is a receptionist the first point of human contact when a member calls? [A receptionist handles only basic requests like transferring calls, and is not a service representative.] | No | | No | 0% Yes / 100% No / 0% n/a | | | | 15 | 4% Yes / 96% No / 0% n/a | | | | 46 |
| 45 Do you have a queue for service representatives? [The entry to the queue could be a recorded message, a menu system or a receptionist.] | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 98% Yes / 2% No / 0% n/a | | | | 46 |
| If yes: | | | | | | | | | | | | | |
| a) What is the average wait time in seconds in queue for a service representative? | 175 | | 175 | 2,880 | 225 | 23 | 582 | 15 | 2,880 | 100 | 9 | 268 | 45 |
| 46 Does your system notify the caller of the expected wait time, or their place in the queue, for reaching a knowledgeable service representative if the expected wait exceeds a certain threshold? | Yes | | Yes | 87% Yes / 13% No / 0% n/a | | | | 15 | 57% Yes / 43% No / 0% n/a | | | | 46 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| 47 Do you have a callback feature on your phone system? [i.e., the caller's telephone number is placed in a queue for callback when their turn comes up] | Yes | | Yes | 87% Yes / 13% No / 0% n/a | | | | 15 | 65% Yes / 35% No / 0% n/a | | | | 46 |
| If yes: | | | | | | | | | | | | | |
| a) Can a member request a callback via the website? | Yes | | Yes | 13% Yes / 73% No / 13% n/a | | | | 13 | 17% Yes / 48% No / 35% n/a | | | | 30 |
| b) What was the total volume of callbacks? | 38,864 | | 32,692 | 193,347 | 38,864 | 5,212 | 49,161 | 13 | 193,347 | 19,724 | 194 | 27,506 | 30 |
| c) What is the callback completion rate (i.e., what percentage of callers that chose to be called back, were actually reached)? | Unknown | | Unknown | 100.0% | 94.9% | 31.0% | 90.0% | 13 | 100.0% | 97.2% | 31.0% | 92.5% | 30 |
| After Reaching a Service Rep | | | | | | | | | | | | | |
| 48 What was the: | | | | | | | | | | | | | |
| a) Average talk time? [Do not include: hold or queuing time prior to a member reaching a knowledgeable person, or hold time after a member has reached a knowledgeable person.] | 466 | | 480 | 690 | 432 | 345 | 451 | 15 | 690 | 416 | 183 | 380 | 45 |
| b) Average after call work time when service representative is unavailable to take another call? | 123 | | 120 | 321 | 67 | 20 | 96 | 14 | 321 | 70 | 3 | 97 | 38 |
| c) Average occupancy %? [time spent handling calls, including after call work, as a percentage of total available time to answer calls.] | 88.9% | | 85.9% | 99.1% | 81.0% | 58.0% | 80.4% | 13 | 99.1% | 79.3% | 23.5% | 76.5% | 38 |
| d) % of calls satisfied by the first contact? | Unknown | | Unknown | 98.0% | 92.0% | 53.5% | 88.0% | 14 | 98.8% | 93.0% | 53.5% | 89.8% | 38 |
| 49 When a member calls in, do your service representatives have real-time access to the following member data: | | | | | | | | | | | | | |
| a) Interactions via calls and email? | Yes | | Yes | 93% Yes / 7% No / 0% n/a | | | | 15 | 87% Yes / 13% No / 0% n/a | | | | 46 |
| b Copies of recent online correspondence? | Yes | | Yes | 100% Yes / 0% No / 0% Some | | | | 15 | 96% Yes / 2% No / 2% Some | | | | 46 |
| c) Use of digital tools (e.g., the pension calculator in the secure area of the website, etc.)? | No | | No | 73% Yes / 27% No / 0% n/a | | | | 15 | 87% Yes / 13% No / 0% n/a | | | | 46 |
| d) Most recent member statement? | Yes | | Yes | 100% Yes / 0% No | | | | 15 | 98% Yes / 2% No | | | | 46 |
| e) Beneficiary information? | Yes | | Yes | 100% Yes / 0% No | | | | 15 | 100% Yes / 0% No | | | | 46 |
| 50 Do your service representatives have real-time access to a workflow system that lets them know the status of open items? | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 96% Yes / 4% No / 0% n/a | | | | 46 |
| 51 Do you provide the following information on real-time basis to members over the phone? [If you do not have real-time access to the information or if your policy is not to give the information over the phone because of security or other concerns then your answer should be 'no'.] | | | | | | | | | | | | | |
| a) Estimates of the member's pension at retirement? | No | | No | 67% Yes / 33% No | | | | 15 | 70% Yes / 30% No | | | | 46 |
| If yes: | | | | | | | | | | | | | |
| a1) Can you provide alternate annuity payment options? [i.e., joint and 50% survivor, joint and 70% survivor, etc.] | n/a | | n/a | 67% Yes / 33% No | | | | 15 | 70% Yes / 30% No | | | | 46 |
| a2) Is the estimate based on an interactive benefit calculator linked to the member's actual account data? | n/a | | n/a | 67% Yes / 33% No | | | | 15 | 65% Yes / 35% No | | | | 46 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| b) Transfer value assuming the member exited employment at the time of the call? | Yes | | Yes | 87% Yes / 13% No | | | | 15 | 70% Yes / 30% No | | | | 46 |
| c) Pensionable salary? | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 96% Yes / 4% No / 0% n/a | | | | 46 |
| d) Service credit history including gaps? | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 98% Yes / 2% No / 0% n/a | | | | 46 |
| e) Cost to purchase service credit? | No | | No | 60% Yes / 40% No / 0% n/a | | | | 15 | 67% Yes / 33% No / 0% n/a | | | | 46 |
| 52 Can members calling in perform the following transactions over the phone: | | | | | | | | | | | | | |
| a) Change address? | No | | No | 87% Yes / 13% No / 0% n/a | | | | 15 | 70% Yes / 26% No / 4% n/a | | | | 44 |
| b) Change email address? | Yes | | Yes | 93% Yes / 7% No / 0% n/a | | | | 15 | 85% Yes / 15% No / 0% n/a | | | | 46 |
| c) Change payment instructions? [i.e., bank account] | No | | No | 20% Yes / 80% No / 0% n/a | | | | 15 | 26% Yes / 70% No / 4% n/a | | | | 44 |
| 53 Do you have the following call center support technology: | | | | | | | | | | | | | |
| a) Live chat (or a virtual assistant)? | Yes | | Yes | 20% Yes / 80% No / 0% n/a | | | | 15 | 17% Yes / 83% No / 0% n/a | | | | 46 |
| b) Chatbot (or virtual service agent)? | No | | No | 7% Yes / 93% No / 0% n/a | | | | 15 | 11% Yes / 89% No / 0% n/a | | | | 46 |
| c) Co-browsing? [Co-browsing enables joint navigation through the secure member area by the customer service representative and member.] | No | | No | 27% Yes / 73% No / 0% n/a | | | | 15 | 35% Yes / 65% No / 0% n/a | | | | 46 |
| Quality and Other | | | | | | | | | | | | | |
| 54 Do you review your staff's responses to member calls for coaching purposes on a regular basis? [As opposed to intermittent or only while training new service representatives, etc.] | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 89% Yes / 11% No / 0% n/a | | | | 46 |
| If yes: | | | | | | | | | | | | | |
| a) How many calls per agent per month (on average) do you monitor? | 4 | | 4 | 15 | 6 | 3 | 7 | 15 | 129 | 4 | 1 | 9 | 41 |
| b) Are you listening in on a live call or a recording? | Recording | | Recording | 53% Recording / 7% Live / 40% Both / 0% n/a | | | | 15 | 28% Recording / 11% Live / 50% Both / 11% n/a | | | | 41 |
| 55 Do you have a toll free number that members can call to speak with a service representative? [Or a number where members are only charged the cost of a local call no matter where they are located.] | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 96% Yes / 4% No / 0% n/a | | | | 46 |
| 56 How many hours per week is your 'call center' operational? | 35.0 | | 35.0 | 53.0 | 45.0 | 35.0 | 44.9 | 15 | 60.0 | 45.0 | 35.0 | 44.5 | 46 |
| 57 What is the average time (in business days) to respond to a member query via email or the secure messaging portal? Do not include auto-responses or confirmation of email receipt. | 2.0 | | 2.0 | 12.0 | 1.0 | 0.1 | 1.8 | 15 | 12.0 | 1.0 | 0.0 | 1.9 | 46 |
| 1-on-1 Counseling | | | | | | | | | | | | | |
| 58 Do you provide 1-on-1 counseling?<br>If you do not offer 1-on-1 counseling skip to question 63. | Yes | | Yes | 93% Yes / 7% No / 0% n/a | | | | 15 | 93% Yes / 7% No / 0% n/a | | | | 46 |
| 59 Provide the number of members counseled 1-on-1 that were: | | | | | | | | | | | | | |
| a) Pre-scheduled and/or walk-in counseled in-house? [Include only if the member actually sees a counselor. Exclude 'walk-through' traffic (i.e., picking up brochures or forms) where needs can be met by the receptionist.] | 4 | | 6 | 11,324 | 3,247 | 0 | 3,960 | 14 | 14,712 | 1,296 | 0 | 2,880 | 40 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| b) In the field at locations separate from the member's place of employment? | 0 | | 0 | 36,972 | 0 | 0 | 2,965 | 15 | 36,972 | 0 | 0 | 1,404 | 46 |
| c) At the member's place of employment? | 0 | | 0 | 2,740 | 0 | 0 | 295 | 15 | 4,511 | 0 | 0 | 234 | 46 |
| d) Via teleconference? [These are actual sessions with counselors, and will also include pre-scheduled counseling session covering materials sent to the member in advance.] | 0 | | 390 | 33,350 | 793 | 0 | 3,948 | 15 | 109,362 | 315 | 0 | 5,013 | 46 |
| e) Online, via videoconference? | 375 | | 587 | 12,566 | 851 | 0 | 2,850 | 15 | 12,566 | 682 | 0 | 1,758 | 46 |
| 60 Do you provide counseling for walk-in traffic? | No | | No | 73% Yes / 20% No / 7% n/a | | | | 14 | 74% Yes / 20% No / 7% n/a | | | | 43 |
| 61 For in-person 1-on-1 counseling sessions: | | | | | | | | | | | | | |
| a) Do almost all sessions take place in a private office with a door (versus a cubicle, etc.)? | Yes | | Yes | 87% Yes / 7% No / 7% n/a | | | | 14 | 76% Yes / 17% No / 7% n/a | | | | 43 |
| b) Do you have real-time access to the member's data (i.e., salary, service credit, refund value and beneficiaries, etc...)? | Yes | | Yes | 87% Yes / 7% No / 7% n/a | | | | 14 | 83% Yes / 11% No / 7% n/a | | | | 43 |
| c) Do you provide new written estimates on a real-time basis for anybody that wants one? | Yes | | Yes | 73% Yes / 20% No / 7% n/a | | | | 14 | 72% Yes / 22% No / 7% n/a | | | | 43 |
| 62 Do you provide financial advice? | No | | n/a | 0% Yes / 93% No / 7% n/a | | | | 14 | 7% Yes / 87% No / 7% n/a | | | | 43 |
| a) Provide the number of members that were counseled 1-on-1 by a certified financial planner. | n/a | | n/a | n/a | n/a | n/a | n/a | 0 | 3,561 | 2,603 | 2,159 | 2,774 | 3 |
| Member Presentations | | | | | | | | | | | | | |
| 63 Do you offer member presentations (including group counseling)?<br>If you do not offer member presentations skip to question 67. | Yes | | Yes | 93% Yes / 7% No | | | | 15 | 98% Yes / 2% No | | | | 46 |
| 64 How many presentations (including group counseling sessions) for members or annuitants [exclude presentations to employers] did you do that took place: | | | | | | | | | | | | | |
| a) In-house? | 0 | | 0 | 602 | 0 | 0 | 47 | 15 | 602 | 0 | 0 | 26 | 46 |
| b) In the field? | 6 | | 0 | 438 | 117 | 0 | 161 | 15 | 661 | 48 | 0 | 139 | 46 |
| c) Online, via a live webinar? [i.e., a real-time, online presentation that allows two-way communication between the presenter and audience] | 77 | | 174 | 1,009 | 90 | 23 | 236 | 14 | 1,009 | 77 | 2 | 164 | 45 |
| 65 What was the total number of attendees at all of the presentations per the question above? | 7,940 | | 10,523 | 40,624 | 13,294 | 1,693 | 16,541 | 14 | 41,055 | 8,402 | 376 | 12,566 | 45 |
| 66 Did you do specific presentations for members, in the past fiscal year, targeted solely for: | | | | | | | | | | | | | |
| a) New members? | No | | No | 73% Yes / 20% No / 7% n/a | | | | 14 | 83% Yes / 15% No / 2% n/a | | | | 45 |
| b) Members in mid career? | No | | No | 80% Yes / 13% No / 7% n/a | | | | 14 | 80% Yes / 17% No / 2% n/a | | | | 45 |
| c) Members approaching retirement or ready to retire? | No | | No | 87% Yes / 7% No / 7% n/a | | | | 14 | 96% Yes / 2% No / 2% n/a | | | | 45 |
| d) Healthcare? | No | | No | 53% Yes / 40% No / 7% n/a | | | | 14 | 41% Yes / 52% No / 7% n/a | | | | 43 |
| e) Changes to benefits? | No | | No | 40% Yes / 53% No / 7% n/a | | | | 14 | 39% Yes / 59% No / 2% n/a | | | | 45 |
| f) Other? (Please describe)<br>n/a | No | | No | 73% Yes / 20% No / 7% n/a | | | | 14 | 52% Yes / 46% No / 2% n/a | | | | 45 |
| Website | | | | | | | | | | | | | |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| 67 Does your website have a secure member area where: | | | | | | | | | | | | | |
| a) Active members can access their own data? | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 96% Yes / 4% No / 0% n/a | | | | 46 |
| b) Inactive members can access their own data? | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 87% Yes / 13% No / 0% n/a | | | | 46 |
| c) Annuitants can access their own data? | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 89% Yes / 11% No / 0% n/a | | | | 46 |
| d) Is the member's name prominently displayed on the home page in their secure member area? | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 93% Yes / 7% No / 0% n/a | | | | 46 |
| 68 Is the secure member area customized to only show options relevant to each member group? [e.g., active members see different options than annuitants] | | | | | | | | | | | | | |
| a) Active members? | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 91% Yes / 9% No / 0% n/a | | | | 46 |
| b) Inactive members? | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 83% Yes / 17% No / 0% n/a | | | | 46 |
| c) Annuitants? | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 85% Yes / 15% No / 0% n/a | | | | 46 |
| 69 How many unique members accessed the secure area in the year (count a member only once even if they visited multiple times)? | 302,753 | | 288,296 | 845,358 | 242,404 | 92,348 | 269,550 | 15 | 1,353,998 | 158,801 | 8,290 | 228,797 | 42 |
| a) Active members? | 125,332 | | 109,265 | 391,760 | 110,921 | 41,200 | 132,535 | 15 | 702,888 | 84,944 | 8,290 | 119,363 | 43 |
| b) Inactive members? | 41,777 | | 36,421 | 70,137 | 24,398 | 6,254 | 30,128 | 15 | 232,167 | 15,002 | 374 | 28,058 | 38 |
| c) Annuitants? | 135,644 | | 142,610 | 322,096 | 70,577 | 35,703 | 101,180 | 15 | 558,527 | 58,495 | 1,230 | 87,118 | 40 |
| 70 Provide the total number of visits to the secure area of the website [i.e., if one member logs in 3 times then the answer is 3] | 2,609,783 | | 2,581,160 | 3,987,503 | 1,407,825 | 286,098 | 1,838,748 | 15 | 5,289,185 | 1,181,477 | 36,275 | 1,456,156 | 42 |
| 71 Do you have pension estimate calculator: | | | | | | | | | | | | | |
| a) In the non-secure area? | Yes | | Yes | 47% Yes / 53% No / 0% n/a | | | | 15 | 48% Yes / 52% No / 0% n/a | | | | 46 |
| ai) Volume in the non-secure area? | 531,651 | | 23,356 | 1,075,560 | 442,890 | 52,628 | 439,119 | 7 | 1,075,560 | 77,664 | 3,031 | 184,796 | 22 |
| b) In the secure area, linked to a member's salary and service data? | Yes | | Yes | 93% Yes / 7% No / 0% n/a | | | | 15 | 91% Yes / 9% No / 0% n/a | | | | 46 |
| bi) Volume in the secure area, linked to a member's salary and service data? | 698,524 | | 981,880 | 747,361 | 246,190 | 40,268 | 323,109 | 14 | 803,574 | 164,788 | 8,375 | 242,120 | 40 |
| If yes, can the member: | | | | | | | | | | | | | |
| b1) Model different retirement start dates? | Yes | | Yes | 93% Yes / 0% No / 7% n/a | | | | 14 | 91% Yes / 0% No / 9% n/a | | | | 42 |
| b2) Model salary changes? | Yes | | Yes | 93% Yes / 0% No / 7% n/a | | | | 14 | 85% Yes / 7% No / 9% n/a | | | | 42 |
| b3) Model different working percentages (e.g., part-time or early termination)? | Yes | | No | 87% Yes / 7% No / 7% n/a | | | | 14 | 72% Yes / 20% No / 9% n/a | | | | 42 |
| b4) Model alternative payment options? | Yes | | Yes | 87% Yes / 7% No / 7% n/a | | | | 14 | 80% Yes / 9% No / 11% n/a | | | | 41 |
| b5) Do you have a pension estimate calculator that provides estimates of: | | | | | | | | | | | | | |
| b5i) Gross and net retirement income? | Gross | | Gross | 80% Gross / 0% Net / 13% Both / 0% Neither / 7% n/a | | | | 14 | 67% Gross / 0% Net / 24% Both / 0% Neither / 9% n/a | | | | 42 |
| b5ii) Monthly and annual retirement income? | Monthly | | Monthly | 53% Monthly / 0% Annual / 40% Both / 0% Neither / 7% n/a | | | | 14 | 50% Monthly / 0% Annual / 41% Both / 0% Neither / 9% n/a | | | | 42 |
| b5iii) Are various estimates run consolidated in a one-page summary for comparative purposes? | Yes | | Yes | 53% Yes / 40% No / 7% n/a | | | | 14 | 50% Yes / 41% No / 9% n/a | | | | 42 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| 72 Do you have a: | | | | | | | | | | | | | |
| a) Prior service credit purchase calculator? | Yes | | Yes | 87% Yes / 13% No / 0% n/a | | | | 15 | 70% Yes / 26% No / 4% n/a | | | | 44 |
| a1) Is the purchase estimate final? i.e., it won't change if the member chooses to purchase within a set time period? | No | | No | 20% Yes / 67% No / 13% n/a | | | | 13 | 15% Yes / 57% No / 28% n/a | | | | 33 |
| b) In-service credit purchase calculator? [e.g., maternity, parental, sabbatical, educational, illness leave.] | Yes | | Yes | 53% Yes / 47% No / 0% n/a | | | | 15 | 46% Yes / 50% No / 4% n/a | | | | 44 |
| b1) Is the purchase estimate final? i.e., it won't change if the member chooses to purchase within a set time period? | No | | No | 20% Yes / 33% No / 47% n/a | | | | 8 | 15% Yes / 30% No / 54% n/a | | | | 21 |
| 73 Indicate whether the following capabilities are available on your website: | | | | | | | | | | | | | |
| View | | | | | | | | | | | | | |
| a) The most recent member statement? | Yes | | Yes | 93% Yes / 7% No / 0% n/a | | | | 15 | 93% Yes / 7% No / 0% n/a | | | | 46 |
| b) Pensionable earnings and/or service without downloading? | Yes | | Yes | 93% Yes / 7% No / 0% n/a | | | | 15 | 83% Yes / 17% No / 0% n/a | | | | 46 |
| If yes: | | | | | | | | | | | | | |
| b1) Is salary and service data available? | Yes | | Yes | 93% Yes / 0% No / 7% n/a | | | | 14 | 83% Yes / 0% No / 17% n/a | | | | 38 |
| b2) Is online data up-to-date to the most recent pay period? | Yes | | Yes | 87% Yes / 7% No / 7% n/a | | | | 14 | 70% Yes / 13% No / 17% n/a | | | | 38 |
| b3) Is a complete annual history from the beginning of employment provided? | Yes | | Yes | 80% Yes / 13% No / 7% n/a | | | | 14 | 54% Yes / 28% No / 17% n/a | | | | 38 |
| c) Pension payment details? [i.e., gross amounts, deductions] | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 89% Yes / 11% No / 0% n/a | | | | 46 |
| d) Duplicate tax receipts? [i.e., 1099s in the U.S.] | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 93% Yes / 7% No / 0% n/a | | | | 46 |
| e) History of recent correspondence? | No | | No | 80% Yes / 20% No / 0% n/a | | | | 15 | 74% Yes / 26% No / 0% n/a | | | | 46 |
| Transactions | | | | | | | | | | | | | |
| f) Apply for retirement? | Yes | | Yes | 93% Yes / 7% No / 0% n/a | | | | 15 | 74% Yes / 26% No / 0% n/a | | | | 46 |
| f1) If yes, can it be completed online without any staff assistance (excl. internal review/ approval)? | Yes | | n/a | 80% Yes / 13% No / 7% n/a | | | | 14 | 57% Yes / 15% No / 28% n/a | | | | 33 |
| g) Change beneficiary? | Yes | | Yes | 93% Yes / 7% No / 0% n/a | | | | 15 | 78% Yes / 17% No / 4% n/a | | | | 44 |
| g1) If yes, can it be completed online without any staff assistance (excl. internal review/ approval)? | Yes | | n/a | 80% Yes / 13% No / 7% n/a | | | | 14 | 65% Yes / 11% No / 24% n/a | | | | 35 |
| h) Change banking information for direct deposit? | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 70% Yes / 26% No / 4% n/a | | | | 44 |
| h1) If yes, can it be completed online without any staff assistance (excl. internal review/ approval)? | Yes | | n/a | 93% Yes / 7% No / 0% n/a | | | | 15 | 57% Yes / 11% No / 33% n/a | | | | 31 |
| i) Change address? | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 91% Yes / 4% No / 4% n/a | | | | 44 |
| i1) If yes, can it be completed online without any staff assistance (excl. internal review/ approval)? | Yes | | n/a | 93% Yes / 7% No / 0% n/a | | | | 15 | 85% Yes / 4% No / 11% n/a | | | | 41 |
| j) Change email address? | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 96% Yes / 4% No / 0% n/a | | | | 46 |
| j1) If yes, can it be completed online without any staff assistance (excl. internal review/ approval)? | Yes | | n/a | 87% Yes / 13% No / 0% n/a | | | | 15 | 87% Yes / 7% No / 7% n/a | | | | 43 |
| k) Change tax withholding amount? | Yes | | Yes | 93% Yes / 7% No / 0% n/a | | | | 15 | 70% Yes / 26% No / 4% n/a | | | | 44 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| k1) If yes, can it be completed online without any staff assistance (excl. internal review/ approval)? | Yes | | n/a | 87% Yes / 7% No / 7% n/a | | | | 14 | 57% Yes / 11% No / 33% n/a | | | | 31 |
| l) Apply for a transfer-in? | No | | n/a | 27% Yes / 73% No / 0% n/a | | | | 15 | 26% Yes / 74% No / 0% n/a | | | | 46 |
| l1) If yes, can it be completed online without any staff assistance (excl. internal review/ approval)? | n/a | | n/a | 20% Yes / 7% No / 73% n/a | | | | 4 | 15% Yes / 11% No / 74% n/a | | | | 12 |
| m) Apply for transfer-out? | Yes | | Yes | 73% Yes / 27% No / 0% n/a | | | | 15 | 48% Yes / 52% No / 0% n/a | | | | 46 |
| m1) If yes, can it be completed online without any staff assistance (excl. internal review/ approval)? | No | | n/a | 40% Yes / 33% No / 27% n/a | | | | 11 | 24% Yes / 24% No / 52% n/a | | | | 22 |
| n) Apply for a prior service credit purchase? | No | | No | 53% Yes / 47% No / 0% n/a | | | | 15 | 39% Yes / 57% No / 4% n/a | | | | 44 |
| n1) If yes, can it be completed online without any staff assistance (excl. internal review/ approval)? | n/a | | n/a | 33% Yes / 20% No / 47% n/a | | | | 8 | 22% Yes / 17% No / 61% n/a | | | | 18 |
| o) Apply for an in-service credit purchase? | No | | No | 47% Yes / 53% No / 0% n/a | | | | 15 | 35% Yes / 61% No / 4% n/a | | | | 44 |
| o1) If yes, can it be completed online without any staff assistance (excl. internal review/ approval)? | n/a | | n/a | 20% Yes / 27% No / 53% n/a | | | | 7 | 15% Yes / 20% No / 65% n/a | | | | 16 |
| p) Upload documents such as birth or death certificates? | Yes | | Yes | 80% Yes / 20% No / 0% n/a | | | | 15 | 78% Yes / 22% No / 0% n/a | | | | 46 |
| q) Change communication preferences? | Yes | | Yes | 80% Yes / 20% No / 0% n/a | | | | 15 | 76% Yes / 24% No / 0% n/a | | | | 46 |
| 74 How many members submitted their retirement application online? | 10,362 | | 9,059 | 20,576 | 7,032 | 556 | 7,102 | 14 | 52,902 | 4,824 | 203 | 8,996 | 33 |
| a) Is the member provided with an estimate, final (gross or net) amount, or neither? | Estimate | | Estimate | 7% Final / 53% Neither / 33% Estimate / 7% n/a | | | | 14 | 11% Final / 35% Neither / 28% Estimate / 26% n/a | | | | 34 |
| b) What proportion of online retirement applications were completed without any manual staff assistance during the online submission and processing stage?<br>"Staff assistance" refers only to actions required during the online application process that prevent the member from completing the retirement application fully online. It does not include internal reviews or approvals that occur after the application is submitted and are not visible to the member. | 100.0% | | 0.0% | 100.0% | 75.0% | 0.0% | 67.5% | 13 | 100.0% | 80.4% | 0.0% | 65.3% | 26 |
| c) Can members track the status of their online retirement | Yes | | Yes | 73% Yes / 20% No / 7% n/a | | | | 14 | 57% Yes / 20% No / 24% n/a | | | | 35 |
| Outbound communication | | | | | | | | | | | | | |
| 75 What % of email addresses do you have for the following member groups: | | | | | | | | | | | | | |
| a) Active members? | 75.0% | | 73.7% | 98.3% | 75.1% | 49.1% | 76.3% | 15 | 100.0% | 79.8% | 1.0% | 76.6% | 43 |
| b) Vested inactive members? | Unknown | | Unknown | 76.0% | 47.2% | 12.0% | 49.1% | 14 | 94.0% | 54.9% | 0.0% | 50.9% | 41 |
| c) Annuitants? | 71.0% | | 74.6% | 95.2% | 76.1% | 59.2% | 76.9% | 15 | 95.2% | 71.0% | 0.0% | 68.5% | 42 |
| 76 Do you automatically send targeted emails, letters or, other correspondence (e.g., social media or text messages) to members in the following circumstances: | | | | | | | | | | | | | |
| a1) Approaching eligibility for retirement? (Active members) | No | | No | 53% Yes / 47% No / 0% n/a | | | | 15 | 46% Yes / 54% No / 0% n/a | | | | 46 |

|  | Your Response |  |  | Peers 2025 |  |  |  |  | All Participants 2025 |  |  |  |  |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| a2) Approaching eligibility for retirement? (Inactive members) | No |  | Yes | 53% Yes / 47% No / 0% n/a |  |  |  | 15 | 52% Yes / 48% No / 0% n/a |  |  |  | 46 |
| b1) Missing beneficiary information? (Active members) | No |  | No | 27% Yes / 73% No / 0% n/a |  |  |  | 15 | 30% Yes / 65% No / 4% n/a |  |  |  | 44 |
| b2) Missing beneficiary information? (Inactive members) | No |  | No | 20% Yes / 80% No / 0% n/a |  |  |  | 15 | 22% Yes / 74% No / 4% n/a |  |  |  | 44 |
| b3) Missing beneficiary information? (Annuitants) | No |  | No | 13% Yes / 87% No / 0% n/a |  |  |  | 15 | 20% Yes / 76% No / 4% n/a |  |  |  | 44 |
| c1) Missing email address? (Active members) | No |  | No | 7% Yes / 93% No / 0% n/a |  |  |  | 15 | 24% Yes / 76% No / 0% n/a |  |  |  | 46 |
| c2) Missing email address? (Inactive members) | No |  | No | 0% Yes / 100% No / 0% n/a |  |  |  | 15 | 20% Yes / 80% No / 0% n/a |  |  |  | 46 |
| c3) Missing email address? (Annuitants) | No |  | No | 13% Yes / 87% No / 0% n/a |  |  |  | 15 | 24% Yes / 76% No / 0% n/a |  |  |  | 46 |
| d1) Missing address? (Inactive members) | No |  | No | 0% Yes / 100% No / 0% n/a |  |  |  | 15 | 17% Yes / 78% No / 4% n/a |  |  |  | 44 |
| d2) Missing address? (Annuitants) | No |  | No | 13% Yes / 87% No / 0% n/a |  |  |  | 15 | 24% Yes / 72% No / 4% n/a |  |  |  | 44 |
| e) New members? | No |  | No | 87% Yes / 13% No / 0% n/a |  |  |  | 15 | 85% Yes / 15% No / 0% n/a |  |  |  | 46 |
| f) Eligibility or likely eligibility, to purchase prior service credit? | No |  | No | 13% Yes / 87% No / 0% n/a |  |  |  | 15 | 24% Yes / 72% No / 4% n/a |  |  |  | 44 |
| g) Members are vested for pension benefits (if not vested immediately)? | No |  | No | 40% Yes / 60% No / 0% n/a |  |  |  | 15 | 24% Yes / 72% No / 4% n/a |  |  |  | 44 |
| h) Eligibility to purchase in-leave service credit? | No |  | No | 0% Yes / 100% No / 0% n/a |  |  |  | 15 | 13% Yes / 83% No / 4% n/a |  |  |  | 44 |
| i) Leaving the plan? | Yes |  | Yes | 33% Yes / 67% No / 0% n/a |  |  |  | 15 | 54% Yes / 46% No / 0% n/a |  |  |  | 46 |
| j) New retirees? | Yes |  | Yes | 73% Yes / 27% No / 0% n/a |  |  |  | 15 | 76% Yes / 24% No / 0% n/a |  |  |  | 46 |
| k) Pension amount changes? | Yes |  | Yes | 80% Yes / 20% No / 0% n/a |  |  |  | 15 | 87% Yes / 13% No / 0% n/a |  |  |  | 46 |
| l) Members are vested for disability benefits (if not vested immediately)? | No |  | No | 13% Yes / 87% No / 0% n/a |  |  |  | 15 | 13% Yes / 83% No / 4% n/a |  |  |  | 44 |
| m) Expiration of disability benefits for inactive members? | Yes |  | Yes | 20% Yes / 80% No / 0% n/a |  |  |  | 15 | 24% Yes / 72% No / 4% n/a |  |  |  | 44 |
| n) Other milestone communication? (describe below) | No |  | No | 73% Yes / 27% No / 0% n/a |  |  |  | 15 | 72% Yes / 28% No / 0% n/a |  |  |  | 46 |
| n/a |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 77 How many times did you send newsletter to the following member segments in the past year: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| a) Active members? | 1 |  | 1 | 47 | 4 | 1 | 8 | 15 | 51 | 3 | 0 | 6 | 42 |
| b) Inactive members? | 1 |  | 1 | 12 | 0 | 0 | 2 | 11 | 12 | 2 | 0 | 3 | 34 |
| c) Annuitants? | 1 |  | 2 | 27 | 3 | 1 | 5 | 15 | 27 | 3 | 0 | 5 | 42 |
| 78 Do the following member segments receive a different newsletter from the other member groups? |  |  |  |  |  |  |  |  |  |  |  |  |  |
| a) Active members? | Yes |  | Yes | 93% Yes / 7% No / 0% n/a |  |  |  | 15 | 78% Yes / 22% No / 0% n/a |  |  |  | 46 |
| b) Inactive members? | No |  | No | 13% Yes / 87% No / 0% n/a |  |  |  | 15 | 26% Yes / 74% No / 0% n/a |  |  |  | 46 |
| c) Annuitants? | Yes |  | Yes | 100% Yes / 0% No / 0% n/a |  |  |  | 15 | 87% Yes / 13% No / 0% n/a |  |  |  | 46 |
| Member Statement |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 79 How do you distribute the majority of your member statements? | Online |  | n/a | 60% Online / 7% Mail / 33% Both |  |  |  | 15 | 30% Online / 7% Mail / 63% Both |  |  |  | 46 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| 80 Do you mail member statements to: | | | | | | | | | | | | | |
| a) All active members, either all or all that have opted in to receiving mail? | n/a | | No | 40% Yes / 0% No / 60% n/a | | | | 6 | 67% Yes / 2% No / 30% n/a | | | | 32 |
| b) Active members who have not accessed the secure member portal in the last year? | n/a | | No | 27% Yes / 13% No / 60% n/a | | | | 6 | 41% Yes / 28% No / 30% n/a | | | | 32 |
| c) All inactive members, either all inactive members or all members that have opted in to receiving mail? | n/a | | No | 33% Yes / 7% No / 60% n/a | | | | 6 | 52% Yes / 17% No / 30% n/a | | | | 32 |
| 81 On average, how current is an active member's data in the mailed statements that the member receives?<br>[For example, if statements with data current to December 31st are mailed in a staggered mailing beginning May 1st and finishing June 30th, then the members are receiving data that is between 4 and 6 months old, or 5 months old on average.] | n/a | | 5.0 | 5.0 | 2.8 | 2.0 | 2.9 | 6 | 6.0 | 2.8 | 0.0 | 3.0 | 31 |
| 82 If member statements are available online: | | | | | | | | | | | | | |
| a) Do you send an email notice or text message to members (that have opted out of receiving mail) annually that the member statement is available online? | Yes | | Yes | 60% Yes / 40% No / 0% n/a | | | | 15 | 65% Yes / 30% No / 4% n/a | | | | 44 |
| b) Is the member statement updated based on real-time data? | No | | No | 33% Yes / 67% No / 0% n/a | | | | 15 | 30% Yes / 65% No / 4% n/a | | | | 44 |
| If not: | | | | | | | | | | | | | |
| b1) How current is an active member's data, on average? | 5.0 | | 5.0 | 6.0 | 2.5 | 1.0 | 2.9 | 9 | 10.0 | 3.0 | 1.0 | 3.5 | 29 |
| 83 Do your paper or online statements for active members include: | | | | | | | | | | | | | |
| a) Total accumulated service credit? | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 96% Yes / 4% No / 0% n/a | | | | 46 |
| b) Pensionable earnings? | Yes | | Yes | 80% Yes / 20% No / 0% n/a | | | | 15 | 87% Yes / 13% No / 0% n/a | | | | 46 |
| c) A historical summary of salary and service credit earned each year? | No | | No | 47% Yes / 53% No / 0% n/a | | | | 15 | 35% Yes / 65% No / 0% n/a | | | | 46 |
| d) An estimate of the future pension entitlement based on age scenario modeling or assuming the member continues to work until earliest possible retirement? | Yes | | Yes | 80% Yes / 20% No / 0% n/a | | | | 15 | 87% Yes / 13% No / 0% n/a | | | | 46 |
| Collections and Data Maintenance | | | | | | | | | | | | | |
| 84 Number of: | | | | | | | | | | | | | |
| a) Employers at the end of your fiscal year? | 2,833 | | 2,808 | 3,903 | 1,395 | 659 | 1,745 | 15 | 26,193 | 763 | 1 | 1,654 | 46 |
| b) Employers that joined your system during the fiscal year? | 2 | | 5 | 17 | 6 | 2 | 7 | 15 | 1,891 | 5 | 0 | 57 | 46 |
| c) Employers that exited your system during the fiscal year? | 1 | | 14 | 15 | 2 | 0 | 5 | 15 | 1,620 | 1 | 0 | 54 | 46 |
| 85 How many 'collection points' (i.e., employers, state agencies, departments and/or service providers etc) do you deal with for collecting: | | | | | | | | | | | | | |
| a) Member payroll data? | 2,833 | | 2,808 | 3,617 | 1,139 | 93 | 1,559 | 15 | 6,083 | 670 | 1 | 1,064 | 46 |
| b) Money (i.e., contributions)? | 2,833 | | 2,808 | 3,098 | 1,139 | 94 | 1,509 | 15 | 26,193 | 670 | 1 | 1,566 | 46 |

|  | Your Response |  |  | Peers 2025 |  |  |  |  | All Participants 2025 |  |  |  |  |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| [Your number of 'collection points' could be less than your number of employers if, for example, some of your payroll data comes from a central agency that processes payroll data from numerous employers and then provides it to you in a consolidated, integrated format.] |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 86 How many 'reconciliation points' (i.e., employers, state agencies, departments and/or service providers, etc.) do you deal with when: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| a) Validating member data? | 2,833 |  | 2,808 | 3,617 | 1,395 | 578 | 1,720 | 15 | 6,920 | 731 | 0 | 1,035 | 46 |
| b) Reconciling money issues (i.e., contributions)? | 2,833 |  | 2,808 | 3,617 | 1,306 | 94 | 1,593 | 15 | 26,193 | 670 | 1 | 1,595 | 46 |
| [For most systems, the number of 'reconciliation points' will be the same as the number of 'collection points' per question immediately above. But they could be different. For example, MOSERS has 1 primary collection point - the Office of Administration. The Office of Administration does not check to see if employers have sent the correct amount. MOSERS has to go back to the individual payroll offices at each employer to reconcile money problems and validate data.] |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 87 What is the breakdown of 'collection points' providing you with payroll data between the following formats and what is the total number of active members covered by each format? |  |  |  |  |  |  |  |  |  |  |  |  |  |
| a) 100% electronic? [No manual steps required unless there are errors.] | 1,849 |  | 1,692 | 3,617 | 1,139 | 93 | 1,449 | 15 | 4,204 | 481 | 0 | 792 | 46 |
| b) Mostly electronic? [For example, some systems receive files by internet and then must manually start a program that uploads the file.] | n/a |  | 0 | 368 | 0 | 0 | 47 | 15 | 1,583 | 0 | 0 | 94 | 46 |
| c) Computer readable? [i.e., via computer tape or disk] | n/a |  | 0 | 0 | 0 | 0 | 0 | 15 | 0 | 0 | 0 | 0 | 46 |
| d) Paper? | 984 |  | 1,116 | 984 | 0 | 0 | 72 | 15 | 1,971 | 0 | 0 | 67 | 46 |
| Total # of active members |  |  |  |  |  |  |  |  |  |  |  |  |  |
| a) 100% electronic? [No manual steps required unless there are errors.] | 473.6K |  | 462.9K | 985.0k | 241.0k | 7.1k | 349.8k | 15 | 84,313.0k | 186.0k | 0.0k | 2,237.6k | 43 |
| b) Mostly electronic? [For example, some systems receive files by internet and then must manually start a program that uploads the file.] | n/a |  | 0.0K | 592.0k | 0.0k | 0.0k | 86.0k | 12 | 58,786.0k | 0.0k | 0.0k | 1,747.7k | 39 |
| c) Computer readable? [i.e., via computer tape or disk] | n/a |  | 0.0K | 0.0k | 0.0k | 0.0k | 0.0k | 12 | 0.0k | 0.0k | 0.0k | 0.0k | 38 |
| d) Paper? | 10.8K |  | 11.0K | 476.0k | 0.0k | 0.0k | 37.5k | 13 | 60,015.0k | 0.0k | 0.0k | 1,551.4k | 39 |
| 88 Do you actively keep track of the addresses of inactive members? | Yes |  | Yes | 87% Yes / 13% No |  |  |  | 15 | 87% Yes / 13% No |  |  |  | 46 |
| Service to Employers |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 89 Number of: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| a) Incoming calls from employers? | 4,757 |  | 3,711 | 104,747 | 10,744 | 1,038 | 18,926 | 15 | 104,747 | 4,798 | 10 | 10,002 | 46 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| b) Email queries from employers? | Unknown | | Unknown | 112,378 | 17,747 | 4,599 | 21,608 | 15 | 188,563 | 17,711 | 348 | 21,227 | 46 |
| c) Conferences for employers (conferences must span more than half a day and typically involve multiple presentations)?  [For example, some administrators with multiple employers host an annual conference to update the employers on trends, regulation, legislation, and new services that might affect their pension plan]. | 0 | | 0 | 11 | 0 | 0 | 2 | 15 | 42 | 0 | 0 | 2 | 46 |
| d) Presentations given to employers such as orientation workshops or seminars on benefit changes, etc. (do not include presentations given at conferences)? | 3 | | 0 | 512 | 32 | 3 | 112 | 15 | 593 | 29 | 0 | 78 | 46 |
| e) On-site reviews (or audits or inspections) of your employers? [For example, several systems perform reviews of their employers that have problems providing data and or contributions on a timely basis to ensure that they are correctly fulfilling their obligations to their members.] | 0 | | 0 | 330 | 58 | 0 | 66 | 15 | 600 | 5 | 0 | 62 | 46 |
| f) Other site visits to employers (exclude 'd' and  'e' above)? | 0 | | 0 | 74 | 0 | 0 | 9 | 15 | 3,215 | 0 | 0 | 123 | 46 |
| 90 As of the end of the most recent fiscal year, how many of your current employers were registered to use your secure employer | 1,846 | | n/a | 3,834 | 1,957 | 687 | 2,280 | 5 | 3,834 | 665 | 43 | 1,125 | 13 |
| 91 In the last year, how many unique employers logged in to your secure employer portal?<br>Count each employer only once, even if they logged in multiple times. | 1,737 | | n/a | 3,076 | 1,737 | 687 | 1,712 | 5 | 3,076 | 656 | 43 | 968 | 12 |
| 92 In the last year, how many total logins were made to your secure employer portal?<br>Count each login even if made by the same employer. | 418,397 | | n/a | 418,397 | 183,949 | 8,102 | 198,599 | 4 | 418,397 | 23,183 | 8,102 | 95,344 | 11 |
| Member Experience | | | | | | | | | | | | | |
| 93 Did you send any satisfaction or member experience surveys in your most recent fiscal year? | Yes | | Yes | 93% Yes / 7% No / 0% n/a | | | | 15 | 96% Yes / 4% No / 0% n/a | | | | 46 |
| a. Did you survey a sample of the following customer groups:<br>a1. Active members | No | | No | 80% Yes / 13% No / 7% n/a | | | | 14 | 85% Yes / 11% No / 4% n/a | | | | 44 |
| a2. Annuitants | No | | No | 80% Yes / 13% No / 7% n/a | | | | 14 | 85% Yes / 11% No / 4% n/a | | | | 44 |
| a3. Inactive members | No | | No | 53% Yes / 40% No / 7% n/a | | | | 14 | 63% Yes / 33% No / 4% n/a | | | | 44 |
| b. Did you send a survey focused on a sample of members that recently engaged with your plan?<br>b1. Calls | Yes | | Yes | 100% Yes / 0% No / 0% n/a | | | | 15 | 98% Yes / 0% No / 2% n/a | | | | 45 |
| b1a. Satisfaction / Net Promoter Score (NPS) | Yes | | Yes | 87% Yes / 7% No / 7% n/a | | | | 14 | 83% Yes / 13% No / 4% n/a | | | | 44 |
| b1b. Effort | No | | n/a | 47% Yes / 47% No / 7% n/a | | | | 14 | 41% Yes / 50% No / 9% n/a | | | | 42 |
| b2. Self-service website | | | | | | | | | | | | | |
| b2a. Satisfaction / Net Promoter Score (NPS) | Yes | | Yes | 60% Yes / 33% No / 7% n/a | | | | 14 | 63% Yes / 33% No / 4% n/a | | | | 44 |

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|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
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| b2b. Effort | No | | n/a | 53% Yes / 40% No / 7% n/a | | | | 14 | 43% Yes / 46% No / 11% n/a | | | | 41 |
| b3. 1-on-1 counseling | | | | | | | | | | | | | |
| b3a. Satisfaction / Net Promoter Score (NPS) | Yes | | Yes | 87% Yes / 7% No / 7% n/a | | | | 14 | 83% Yes / 13% No / 4% n/a | | | | 44 |
| b3b. Effort | No | | n/a | 40% Yes / 53% No / 7% n/a | | | | 14 | 41% Yes / 48% No / 11% n/a | | | | 41 |
| b4. Member presentations | | | | | | | | | | | | | |
| b4a. Satisfaction / Net Promoter Score (NPS) | Yes | | Yes | 87% Yes / 7% No / 7% n/a | | | | 14 | 89% Yes / 7% No / 4% n/a | | | | 44 |
| b4b. Effort | No | | n/a | 40% Yes / 53% No / 7% n/a | | | | 14 | 41% Yes / 48% No / 11% n/a | | | | 41 |
| b5. New member enrollment | | | | | | | | | | | | | |
| b5a. Satisfaction / Net Promoter Score (NPS) | No | | n/a | 13% Yes / 87% No / 0% n/a | | | | 15 | 15% Yes / 85% No / 0% n/a | | | | 46 |
| b5b. Effort | No | | n/a | 7% Yes / 87% No / 7% n/a | | | | 14 | 11% Yes / 76% No / 13% n/a | | | | 40 |
| b6. Leaving the pension plan | | | | | | | | | | | | | |
| b6a. Satisfaction / Net Promoter Score (NPS) | No | | n/a | 27% Yes / 67% No / 7% n/a | | | | 14 | 28% Yes / 63% No / 9% n/a | | | | 42 |
| b6b. Effort | No | | n/a | 27% Yes / 67% No / 7% n/a | | | | 14 | 20% Yes / 67% No / 13% n/a | | | | 40 |
| b7. Disability | | | | | | | | | | | | | |
| b7a. Satisfaction / Net Promoter Score (NPS) | No | | n/a | 47% Yes / 47% No / 7% n/a | | | | 14 | 37% Yes / 59% No / 4% n/a | | | | 44 |
| b7b. Effort | No | | n/a | 33% Yes / 60% No / 7% n/a | | | | 14 | 24% Yes / 67% No / 9% n/a | | | | 42 |
| b8. Retirement experience | | | | | | | | | | | | | |
| b8a. Satisfaction / Net Promoter Score (NPS) | Yes | | Yes | 80% Yes / 13% No / 7% n/a | | | | 14 | 74% Yes / 22% No / 4% n/a | | | | 44 |
| b8. Effort | No | | n/a | 53% Yes / 40% No / 7% n/a | | | | 14 | 46% Yes / 46% No / 9% n/a | | | | 42 |
| Plan Design | | | | | | | | | | | | | |
| Plan Characteristics | | | | | | | | | | | | | |
| 101 Indicate 'yes' if your employers/ member groups can be described as the following (indicate all that apply): | | | | | | | | | | | | | |
| a) Is your membership limited to a city or county? | No | | No | 0% Yes / 100% No | | | | 15 | 4% Yes / 91% No | | | | 44 |
| b) Participating Local Employers (i.e., municipalities have a choice in participating in your plan)? | Yes | | Yes | 73% Yes / 27% No | | | | 15 | 48% Yes / 48% No | | | | 44 |
| c) State, Province, Country? | Yes | | Yes | 93% Yes / 7% No | | | | 15 | 74% Yes / 22% No | | | | 44 |
| d) Teachers? | Yes | | Yes | 73% Yes / 27% No | | | | 15 | 61% Yes / 35% No | | | | 44 |
| e) School Employees (Custodians, Admin. Staff)? | Yes | | Yes | 87% Yes / 13% No | | | | 15 | 72% Yes / 24% No | | | | 44 |
| f) Safety (Police, Fire, Sheriff's Dept, etc) ? | Yes | | Yes | 87% Yes / 13% No | | | | 15 | 63% Yes / 33% No | | | | 44 |
| g) Other (Judges, Legislators, etc)? | Yes | | Yes | 80% Yes / 20% No | | | | 15 | 57% Yes / 39% No | | | | 44 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| h) Corporate? | No | | No | 0% Yes / 100% No | | | | 15 | 9% Yes / 87% No | | | | 44 |
| i) Industry? | No | | No | 0% Yes / 100% No | | | | 15 | 24% Yes / 76% No | | | | 46 |
| i1) If Industry, describe the industry: | | | | | | | | | | | | | |
| n/a | | | | | | | | | | | | | |
| 102 Which of the following descriptions best describes the non-optional benefit plans that you administer for each of your member groups:<br>A plan is non-optional if members must participate in it, or choose between it and alternatives. Do not include membership in benefit plans that are supplemental and optional such as deferred compensation 457, 403B or 401(k) plans. Do not include plans administered by a 3rd party. | | | | | | | | | | | | | |
| a) Traditional Defined Benefit ("DB")? | Yes | | Yes | 93% Yes / 7% No | | | | 15 | 98% Yes / 2% No | | | | 46 |
| b) DB Cash Balance (aka Money Purchase)? | No | | No | 20% Yes / 80% No | | | | 15 | 11% Yes / 89% No | | | | 46 |
| c) Hybrid DB/ DC Cash Balance? | No | | No | 7% Yes / 93% No | | | | 15 | 4% Yes / 96% No | | | | 46 |
| d) Hybrid DB/ Money Match? | No | | No | 7% Yes / 93% No | | | | 15 | 2% Yes / 93% No | | | | 44 |
| e) DROP savings? | No | | No | 7% Yes / 93% No | | | | 15 | 9% Yes / 87% No | | | | 44 |
| f) Defined Contribution ("DC")? | No | | No | 33% Yes / 67% No | | | | 15 | 22% Yes / 78% No | | | | 46 |
| g) Hybrid DB/ DC? | No | | No | 47% Yes / 53% No | | | | 15 | 22% Yes / 78% No | | | | 46 |
| h) Other (describe)? | No | | No | 0% Yes / 100% No | | | | 15 | 7% Yes / 93% No | | | | 46 |
| n/a | | | | | | | | | | | | | |
| 103 Do members in any of your defined benefit plan(s) have the option of electing: [These questions are not applicable for DC plans or the DC portion of hybrid DB/DC plans] | | | | | | | | | | | | | |
| a) A 'variable investment option' that can increase or decrease the value of a member's future DB pension depending on the investment performance of a 'variable fund'? | No | | No | 7% Yes / 93% No | | | | 15 | 4% Yes / 91% No | | | | 44 |
| b) A 'pension savings overlay'? [Some Dutch systems have this option. The additional contributions are converted into an annuity at retirement. Interest is based on a fixed percentage or on the performance of the pension fund.] | No | | No | 27% Yes / 73% No | | | | 15 | 11% Yes / 85% No | | | | 44 |
| c) To change their contribution rate in order to get either more money at retirement or earlier eligibility to retire? | No | | No | 7% Yes / 93% No | | | | 15 | 4% Yes / 91% No | | | | 44 |
| 104 Do you have a Highly Compensated Employee replacement benefit program for employees that exceed legal or contractual limits of maximum pensionable earnings? | No | | Yes | 73% Yes / 27% No | | | | 15 | 67% Yes / 28% No | | | | 44 |
| 105 Are any of the following activities administered by a third party: | | | | | | | | | | | | | |
| a) DB administration? | No | | No | 0% Yes / 100% No | | | | 15 | 11% Yes / 89% No | | | | 46 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| b) DC administration? | Yes | | Yes | 73% Yes / 20% No / 7% n/a | | | | 14 | 39% Yes / 43% No / 17% n/a | | | | 38 |
| c) Pensioner data maintenance? | No | | No | 0% Yes / 100% No | | | | 15 | 13% Yes / 87% No | | | | 46 |
| d) Active member data maintenance? | No | | No | 0% Yes / 100% No | | | | 15 | 11% Yes / 89% No | | | | 46 |
| e) Contribution collection? | No | | No | 0% Yes / 100% No | | | | 15 | 13% Yes / 87% No | | | | 46 |
| f) Disability decisions? | No | | No | 40% Yes / 60% No | | | | 15 | 43% Yes / 57% No | | | | 46 |
| 106 Which of the following programs do you offer to members AND administer yourself? [i.e., design, enrolment, premium collection] | | | | | | | | | | | | | |
| a) Pre-retirement health? | No | | No | 13% Yes / 87% No | | | | 15 | 7% Yes / 89% No | | | | 44 |
| b) Post-retirement health? | No | | No | 47% Yes / 53% No | | | | 15 | 24% Yes / 72% No | | | | 44 |
| c) Pre-retirement dental and vision? | No | | No | 7% Yes / 93% No | | | | 15 | 2% Yes / 93% No | | | | 44 |
| d) Post-retirement dental and vision? | No | | No | 40% Yes / 60% No | | | | 15 | 20% Yes / 76% No | | | | 44 |
| e) Long-term care insurance? | No | | No | 13% Yes / 87% No | | | | 15 | 4% Yes / 91% No | | | | 44 |
| f) Loans to members? | No | | No | 7% Yes / 93% No | | | | 15 | 9% Yes / 87% No | | | | 44 |
| g) Optional tax deferred savings plans? [i.e., 457, 403, 401k, 401a, etc.] | No | | Yes | 33% Yes / 67% No | | | | 15 | 20% Yes / 76% No | | | | 44 |
| h) Optional insurance? [i.e., life and/or auto and/or home] | No | | Yes | 7% Yes / 93% No | | | | 15 | 7% Yes / 89% No | | | | 44 |
| i) Other (describe)? | No | | No | 20% Yes / 80% No | | | | 15 | 17% Yes / 78% No | | | | 44 |
| n/a | | | | | | | | | | | | | |
| n/a | | | | | | | | | | | | | |
| n/a | | | | | | | | | | | | | |
| 107 Is your organization directly responsible for both investments and pension administration? | No | | No | 67% Yes / 33% No | | | | 15 | 61% Yes / 39% No | | | | 46 |
| 108 Does your board have an organization separate from the plan administrator that supports the Board and helps oversee the administrator? [This separate organization may also be responsible for public relations and select administrative duties and projects such as designing communication materials.] | No | | No | 0% Yes / 100% No | | | | 15 | 17% Yes / 80% No | | | | 45 |
| 109 Does your board have the power on its own to approve your operating budget? [i.e., your budget does not also have to be approved by a separate government representative, such as the Treasury, Legislature, Governor, Minister and General Assembly, etc.] | No | | No | 33% Yes / 60% No | | | | 14 | 50% Yes / 41% No | | | | 42 |
| Paying Pension Rules | | | | | | | | | | | | | |
| 110 Do you make payments to annuitants that are accounted for separately from the normal pension? | Yes | | Yes | 60% Yes / 40% No | | | | 15 | 39% Yes / 57% No | | | | 44 |

|  | Your Response |  |  | Peers 2025 |  |  |  |  | All Participants 2025 |  |  |  |  |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| [For example :<br>• Some systems permit employers to supplement the normal pension of their retirees. The pension fund collects the supplement from the employer and pays it on behalf of the employer.<br>• At some Dutch systems contributions to the normal retirement pension are required by the pensioner during early retirement. These contributions are often reimbursed to the pensioner. The accounting and the member's payment advice shows 2 different payments (the pension + the reimbursement) and 1 collection (the required contribution).] |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 111 Do you: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| a) Check income of non-disabled pensioners? [For most systems this does not apply. At a few systems, if a pensioner's income from other sources exceeds a certain amount, his/her pension could be stopped or reduced.] | Yes |  | Yes | 47% Yes / 53% No |  |  |  | 15 | 37% Yes / 59% No |  |  |  | 44 |
| b) Check income of disabled members after they have started receiving disability payments? | Yes |  | Yes | 93% Yes / 7% No / 0% n/a |  |  |  | 15 | 61% Yes / 30% No / 9% n/a |  |  |  | 42 |
| c) Check school status? [For example, some systems will check that a dependent beneficiary is still eligible to receive a survivor pension benefit.] | No |  | No | 33% Yes / 67% No |  |  |  | 15 | 54% Yes / 41% No |  |  |  | 44 |
| d) Do proof-of-life checks that require individual annuitants to provide affidavits or notarization or similar proof of life? | Yes |  | Yes | 93% Yes / 7% No |  |  |  | 15 | 85% Yes / 11% No |  |  |  | 44 |
| e) Provide written confirmations of pensioner income or member account balances to third-parties? [For example, provide confirmation of income or account value for loans or for social security or subsidized housing, etc.] | No |  | Yes | 93% Yes / 7% No |  |  |  | 15 | 87% Yes / 9% No |  |  |  | 44 |
| Payment Options |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 112 Do you offer "joint and survivor" options that are: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| a) Reduced to Beneficiary Only? [For example, If the beneficiary dies first, then the retiree's pension continues at the same level. However if the retiree dies first then the beneficiary receives a reduced pension (such as 70% for spouse).] | Yes |  | Yes | 73% Yes / 27% No |  |  |  | 15 | 80% Yes / 15% No |  |  |  | 44 |
| b) Reduced to Last Survivor? [For example, if either the retiree or beneficiary dies the survivor receives a reduced pension (such as 70%).] | No |  | No | 27% Yes / 73% No |  |  |  | 15 | 30% Yes / 65% No |  |  |  | 44 |
| c) "Reversion" or "Pop-up"? [For example, if the beneficiary dies first, the retiree's pension increases to an unmodified level. However, if the retiree dies first the pension does not increase for the surviving beneficiary (and it may decrease).] | Yes |  | Yes | 87% Yes / 13% No |  |  |  | 15 | 61% Yes / 35% No |  |  |  | 44 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| 113 Do you limit the number of Joint and Beneficiary or Survivor percentages (i.e., 100% Survivor, 50% Survivor, etc.)? If you permit an unlimited number of percentages, then your response should be | Yes | | Yes | 60% Yes / 40% No | | | | 15 | 72% Yes / 24% No | | | | 44 |
| a) How many percentages do you permit? | 2 | | 2 | 91 | 3 | 2 | 13 | 9 | 91 | 4 | 2 | 7 | 33 |
| 114 Do any of your retirement formula for members explicitly subtract estimated Social Security (or CPP in Canada) when determining the benefit? | No | | Yes | 20% Yes / 80% No | | | | 15 | 48% Yes / 48% No | | | | 44 |
| a) If yes, is this true for all of your members or are some pensions reduced to reflect Social Security and others not? | n/a | | Some | 0% All / 20% Some / 80% n/a | | | | 3 | 9% All / 39% Some / 52% n/a | | | | 22 |
| b) If yes, do you have a "Level Income" option for early retirees that pays a higher benefit to members prior to age 65 and then reduces the benefit at age 65 when social security (or CPP in Canada) starts to be paid? | n/a | | Yes | 13% Yes / 7% No | | | | 3 | 41% Yes / 7% No | | | | 22 |
| 115 Do you have "High/ Low" or "Low/High" options that are not tied to social security? [For example, a retiree might want higher payments for 10 years until a mortgage obligation is repaid, followed by lower payments.] | No | | No | 13% Yes / 87% No | | | | 15 | 9% Yes / 87% No | | | | 44 |
| 116 Do you offer "Annuity Certain" options? [For example, Annuity Certain options provide the annuitant with a monthly benefit for life. If the annuitant dies before a set guarantee period, monthly benefits continue to be paid to a beneficiary for the balance of the guarantee period.] | No | | No | 47% Yes / 53% No | | | | 15 | 59% Yes / 37% No | | | | 44 |
| 117 Do you have a designer option where members can design virtually any actuarially sound cash flow they choose? [Designer options need to be custom priced by an actuary.] | No | | No | 7% Yes / 93% No | | | | 15 | 7% Yes / 89% No | | | | 44 |
| 118 Can a member choose between a COLA protected and a non-COLA pension? [The only example we have seen provides a much higher FAS salary base for the non-COLA pension.] | Yes | | Yes | 7% Yes / 93% No | | | | 15 | 7% Yes / 89% No | | | | 44 |
| 119 Do you have a Deferred Retirement Option Plan ("DROP")? [This option allows eligible employees to receive payment of retirement benefits while continuing to work. These payments are usually deposited into a separate account, and the total accumulated value of this account is paid via lump sum to the employee on actual retirement.] | No | | No | 20% Yes / 80% No | | | | 15 | 15% Yes / 80% No | | | | 44 |
| 120 At retirement, can a member convert: | | | | | | | | | | | | | |
| a) Part of his benefit into a partial lump sum payment? | No | | No | 53% Yes / 47% No | | | | 15 | 43% Yes / 52% No | | | | 44 |
| b) All of his benefit into a lump sum or commuted value payment? [That can be rolled over to another fund, or investment account, etc.] | No | | No | 27% Yes / 73% No | | | | 15 | 24% Yes / 72% No | | | | 44 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| 121 Are members permitted to retire mid-month (in which case they receive a partial pension payment for the remainder of the month) or are they always assumed to retire on a set day (usually the first or the last day) of the month? | Set Day | | Set Day | 27% Any Day / 73% Set Day / 0% n/a | | | | 15 | 39% Any Day / 57% Set Day / 4% n/a | | | | 44 |
| 122 How many mortality tables do you keep track of for determining joint and survivor or beneficiary options?<br>[Most systems track only one table. But some systems calculate joint and survivor pensions using the mortality table that was in effect when the retiring member joined the system. Since mortality tables change from time to time, the result is that these systems are required to track numerous mortality tables.] | 1 | | 1 | 348 | 2 | 1 | 26 | 15 | 348 | 2 | 0 | 11 | 44 |
| Cost of Living Adjustments | | | | | | | | | | | | | |
| 123 How many different cost of living adjustment ("COLA") rule sets do you have for retired, and if applicable, inactive members? (These rule sets may be either contractual or legislated.)<br>[Most systems have only one or none. Examples of different COLA rule sets that could apply to various member groups or grandfathered subsets of member groups include:<br>1. CPI uncapped<br>2. CPI capped at 2% without a carry forward;<br>3. CPI capped at 2% with a carry forward] | 1 | | 1 | 14 | 2 | 1 | 4 | 15 | 14 | 2 | 0 | 3 | 44 |
| 124 Do you have: | | | | | | | | | | | | | |
| a) Cost of living adjustment ("COLA") clauses that carry forward inflation that exceeds a cap (versus no cap or no carry forward or no COLA etc.)? | No | | No | 27% Yes / 73% No | | | | 15 | 24% Yes / 72% No | | | | 44 |
| b) Conditional COLA based on the level of funding? | No | | No | 27% Yes / 73% No | | | | 15 | 33% Yes / 63% No | | | | 44 |
| c) Umbrella legislation that guarantees the purchasing power of an annuitants' pension will not fall below a certain level? [An example of such legislated protection is the PPPA in California.] | No | | No | 20% Yes / 80% No | | | | 15 | 15% Yes / 80% No | | | | 44 |
| 125 Do you have COLA clauses that increase the base pensionable earnings of inactive members? | No | | No | 13% Yes / 87% No | | | | 15 | 24% Yes / 72% No | | | | 44 |
| a) If yes, are these COLA increases the same as they are for annuitants? | n/a | | n/a | 7% Yes / 7% No | | | | 2 | 15% Yes / 9% No | | | | 11 |
| Benefit Formulas | | | | | | | | | | | | | |
| 126 How many different rule sets do you have that apply to member groups or subsets of a member group for qualifying for an unreduced retirement formula?<br>[For example, one system has the following 3 rule sets that apply to its member groups and special subsets of its member groups. | 9 | | 9 | 91 | 9 | 2 | 14 | 15 | 91 | 6 | 1 | 10 | 44 |

| | | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| | 1. All public employees can get an unreduced retirement at 65 with 5 years of service, or at 60 with 20 years of service. (Even though there are two qualifying rules, it only counts as 1 rule set because the rules apply equally to all members.)<br>2. Pre-1995 public employees can get an unreduced retirement at age 55 with 20 years of service.<br>3. Teachers can get an unreduced retirement when age plus years of service equals 75.] | | | | | | | | | | | | | |
| 127 | Can members retire earlier than the age required for an unreduced retirement formula?<br>[For example, at one system an unreduced formula of 1.5% per year of service is available beginning at age 60. Members can retire earlier but the pension is reduced by 5% for each year earlier than age 60.] | Yes | | Yes | 100% Yes / 0% No | | | | 15 | 96% Yes / 0% No | | | | 44 |
| 128 | How many different salary definitions could apply in retirement formula calculations?<br>[Examples of different salary definitions include:<br>• Average of 3 final years' salary subject to raises not in excess of 10%;<br>• Average of 3 best consecutive years' salary with no cap on raises;<br>• Final 12 months salary.] | 5 | | 5 | 15 | 3 | 1 | 6 | 15 | 15 | 3 | 0 | 4 | 44 |
| 129 | How many different 'formula percentage' rule sets could apply in unreduced retirement formulas?<br>[For example, one system has the following three different 'formula percentage' rule sets:<br>1. Fire and Police get 2.5% per year of service;<br>2. Public Employees get 1.75% per year of service;<br>3. Teachers get 1.8% for the first 5 years of service, 2.0% for the next 5 years of service and 2.3% per year of service thereafter.] | 5 | | 5 | 91 | 4 | 1 | 12 | 15 | 91 | 5 | 1 | 8 | 44 |
| 130 | Do you have different employers with different benefit formula? | Yes | | Yes | 73% Yes / 27% No | | | | 15 | 52% Yes / 43% No | | | | 44 |
| | If yes, which of the following happens when a member moves from one employer that you administer to another with a different benefit formula? [For example, moves from PERS to Law Enforcement.] | | | | | | | | | | | | | |
| | a) Each system uses its own formula and salary data to determine the benefit. | Yes | | Yes | 33% Yes / 40% No | | | | 11 | 28% Yes / 24% No | | | | 24 |
| | b) Each system applies its own formula but uses either the salary earned in the last system, or the highest salary (or salaries) in either system. | Yes | | Yes | 33% Yes / 40% No | | | | 11 | 22% Yes / 30% No | | | | 24 |
| | c) The highest formula will apply. | No | | No | 7% Yes / 67% No | | | | 11 | 7% Yes / 46% No | | | | 24 |
| | d) The formula of the plan where the member works last will apply. | Yes | | Yes | 27% Yes / 47% No | | | | 11 | 17% Yes / 35% No | | | | 24 |
| | e) Other (describe). | No | | No | 7% Yes / 67% No | | | | 11 | 13% Yes / 37% No | | | | 23 |

|  |  | Your Response |  |  | Peers 2025 |  |  |  |  | All Participants 2025 |  |  |  |  |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
|  | Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
|  | n/a |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | External Reciprocity |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 131 | Do you have agreements with external systems where you both agree to use the member's final salary from the system where the member worked immediately prior to retirement in the benefit calculation? [Otherwise, each system pays the "dual" member a pension benefit based on its own rules for determining the benefit. Neither credit nor money are transferred between systems.] | No |  | No | 40% Yes / 60% No |  |  |  | 15 | 37% Yes / 59% No |  |  |  | 44 |
| 132 | Do you have agreements with external Systems where the member may combine internal and external credit to form one joint account?<br>[The accounts remain separate until the member applies for a benefit, at which time either:<br>• The System with the most service credit for that person is responsible for the combined account, or<br>• The System where the member worked last is responsible.] | No |  | No | 13% Yes / 87% No |  |  |  | 15 | 17% Yes / 78% No |  |  |  | 44 |
|  | Service Credit Rules |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 133 | How many different definitions do you have for a "full year" of service credit?<br>[For example, a system could have:<br>• One definition such as "more than 120 days = a year".<br>• Or the following three definitions: 9 months = a year for state colleges, 10 months = a year for teachers and 12 months = a year for public employees.<br>• Or the following three definitions: 182 days in school district A or B, 179 days in school district C and 180 days in all other school districts.<br>• Or the following two definitions for hourly employees: 48 weeks of 40 hours per week versus 48 weeks of 36 hours per week.] | 5 |  | 5 | 10 | 4 | 1 | 4 | 15 | 100 | 3 | 1 | 5 | 44 |
| 134 | Does your system have more than one payroll year for determining service credit?<br>[For example, the teachers' year could be July - June with their service credit determined based on the time worked July - June and the public employees' year could be January to December with their service credit determined based on time worked January to December.] | Yes |  | Yes | 27% Yes / 73% No |  |  |  | 15 | 28% Yes / 67% No |  |  |  | 44 |
|  | a) If yes, how many different payroll years exist in your system? | 9 |  | 9 | 12 | 6 | 2 | 7 | 4 | 30 | 3 | 2 | 6 | 13 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| 135 How many different vesting periods do you have that apply to active members? [Your answer should be 0 if you have immediate vesting. Most North American systems have only one.] | 2 | | 2 | 8 | 2 | 0 | 3 | 15 | 10 | 2 | 0 | 2 | 44 |
| 136 Do you permit: | | | | | | | | | | | | | |
| a) Permanent part-time employees to be members? [An example of a permanent part-time employee is someone contracted to work 3 days a week.] | Yes | | Yes | 93% Yes / 7% No | | | | 15 | 89% Yes / 7% No | | | | 44 |
| b) Casual/ temporary/ intermittent/ seasonal employees to be members? [An example of a 'temporary" employee is an infrequent substitute teacher.] | No | | No | 80% Yes / 20% No | | | | 15 | 65% Yes / 30% No | | | | 44 |
| 137 Are you sometimes asked by employers to determine the eligibility of members?<br>[This can occur when a member works for multiple employers in your system or when there is unclear eligibility legislation. For example, a school bus driver may drive buses for multiple districts or counties at the same time. Based on time spent within each district the driver would be ineligible. However, based on the combined employment the driver may be eligible.] | Yes | | Yes | 93% Yes / 7% No | | | | 15 | 87% Yes / 9% No | | | | 44 |
| Service Credit Purchases | | | | | | | | | | | | | |
| 138 Indicate each of the payment methods you permit for service credit purchases and upgrades: | | | | | | | | | | | | | |
| a) Rollover from tax qualified plans such as 401(a) or 401(k) or Conduit IRA or KEOGH in the US; or RRSP plans in Canada? | Yes | | Yes | 100% Yes / 0% No | | | | 15 | 93% Yes / 2% No | | | | 44 |
| b) Lump sum payments from members? | Yes | | Yes | 100% Yes / 0% No | | | | 15 | 93% Yes / 2% No | | | | 44 |
| c) Installment payments direct from members? | No | | No | 53% Yes / 47% No | | | | 15 | 63% Yes / 33% No | | | | 44 |
| d) Installment payments via payroll deduction through employers? | No | | No | 60% Yes / 40% No | | | | 15 | 52% Yes / 43% No | | | | 44 |
| 139 How many different service credit purchase categories do you have with different definitions and/or eligibility requirements?<br>[For example, some systems have multiple different categories with different definitions such as 'refunded prior service', 'sick leave', 'military service', etc. Other systems have a single category such as 'any previous work, any time, anywhere'.] | 7 | | 18 | 54 | 14 | 4 | 16 | 15 | 54 | 12 | 2 | 14 | 43 |
| 140 How many different service credit purchase calculation formula or methodologies do you have?<br>[For example, one system has the following 4 different cost calculation formula:<br>• Previously refunded contributions X the actuarial earnings rate. | 4 | | 4 | 16 | 5 | 3 | 7 | 15 | 19 | 5 | 0 | 6 | 44 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| • Salary X Contribution Rate (no interest) for active duty military service.<br>• Salary X Contribution Rate X 5% per annum for out-of-state government, or private school teaching service<br>• Actuarial Cost for up to 5 years of any non-government, non-teaching work done outside of the pension system.] | | | | | | | | | | | | | |
| 141 Are your service credit purchase rules (category definitions, eligibility requirements and calculation methodologies): | | | | | | | | | | | | | |
| a) Essentially identical for all your members? | No | | No | 20% Yes / 73% No | | | | 14 | 30% Yes / 63% No | | | | 43 |
| b) Similar for all member groups, albeit with some differences? | Yes | | Yes | 73% Yes / 27% No | | | | 15 | 54% Yes / 41% No | | | | 44 |
| c) Very different for different member groups? | No | | No | 7% Yes / 87% No | | | | 14 | 11% Yes / 83% No | | | | 43 |
| Refunds, Transfers-out and Terminating Payments | | | | | | | | | | | | | |
| 142 Do you pay a one-time death payment when a member, retiree or the retiree's beneficiary dies (separate from the survivor pension)? | Yes | | Yes | 60% Yes / 40% No | | | | 15 | 54% Yes / 41% No | | | | 44 |
| a) If yes, how many different one-time death payment rule sets do you have? [i.e., $5,000, $2,000 etc.] | 6 | | 6 | 6 | 4 | 2 | 4 | 9 | 8 | 3 | 1 | 4 | 25 |
| 143 How many different refund formulas do you have? | 2 | | 2 | 7 | 3 | 1 | 3 | 15 | 10 | 2 | 0 | 3 | 44 |
| [For example, a few systems have different formulas for vested and non-vested members, or for different member groups.] | | | | | | | | | | | | | |
| Disability | | | | | | | | | | | | | |
| 144 What happens to disabled members' benefits when they reach regular retirement age: | | | | | | | | | | | | | |
| a) No change (disabled member continues to receive the same disability payments. There are no new potential pension obligations.)? | No | | No | 80% Yes / 20% No | | | | 15 | 67% Yes / 24% No | | | | 42 |
| b) Disabled members receive the greater of their current disability benefit or service retirement based on their service credit earned to the date of disability? [i.e., time on disability does not count as service credit] | No | | No | 27% Yes / 73% No | | | | 15 | 11% Yes / 80% No | | | | 42 |
| c) Disabled members receive service retirement (time on disability counts as eligible service credit)? | Yes | | Yes | 33% Yes / 67% No | | | | 15 | 33% Yes / 59% No | | | | 42 |
| d) Other (describe)? | No | | No | 40% Yes / 60% No | | | | 15 | 26% Yes / 61% No | | | | 40 |
| n/a | | | | | | | | | | | | | |
| 145 Will you pay a disabled member that returns to work at a salary lower than they previously earned: | | | | | | | | | | | | | |
| a) The difference between his old salary (or their old disability benefit) and their new lower salary? | Yes | | Yes | 33% Yes / 67% No | | | | 15 | 17% Yes / 70% No | | | | 40 |
| b) An amount that is potentially greater than the difference between their old salary and their new lower salary? | No | | No | 7% Yes / 93% No | | | | 15 | 7% Yes / 80% No | | | | 40 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| 146 How do you determine whether a member qualifies for long-term disability/ disability pension: | | | | | | | | | | | | | |
| a) Follow the ruling of a government agency such as social security or worker's compensation? | No | | No | 13% Yes / 87% No | | | | 15 | 15% Yes / 74% No | | | | 41 |
| b) Employer decides? | No | | No | 0% Yes / 93% No / 7% Some / 0% n/a | | | | 15 | 2% Yes / 83% No / 7% Some / 9% n/a | | | | 42 |
| c) Process independent of social security, worker's compensation and employer decisions? [For example, many systems use independent internal processes or medical review boards or medical | Yes | | Yes | 100% Yes / 0% No | | | | 15 | 78% Yes / 11% No | | | | 41 |
| d) Other (describe)? | No | | No | 13% Yes / 80% No | | | | 14 | 17% Yes / 72% No | | | | 41 |
| n/a | | | | | | | | | | | | | |
| 147 Which of the following descriptions best describes the MINIMUM level of disability necessary to be eligible for a long-term disability/ disability pension: [If you have different plans with different definitions, choose the definition that applies to the largest number of cases.] | | | | | | | | | | | | | |
| a) Disabling injury or illness that prevents you from performing your current job duties (even though you might be able to perform other jobs) and expected to be permanent (or for some systems - persist longer than 6 or 12 months)? | Yes | | Yes | 53% Yes / 47% No | | | | 15 | 50% Yes / 39% No | | | | 41 |
| b) Disabling injury or illness that prevents the member from performing current and 'other' jobs that he/she is qualified for and/or can become qualified to do in a reasonable period of time and expected to be permanent (or for some systems - persist longer than 6 or 12 months)? [Sometimes but not always the 'other job' is defined as not able to earn a certain level (i.e., 75%) of pre-disability earnings.] | No | | No | 20% Yes / 80% No | | | | 15 | 15% Yes / 70% No | | | | 39 |
| c) Totally and permanently incapacitated and member is not reasonably expected to recover from disabling medical condition or not expected to ever work again? | No | | No | 27% Yes / 73% No | | | | 15 | 26% Yes / 57% No | | | | 38 |
| d) Other (describe)? | No | | No | 7% Yes / 87% No | | | | 14 | 11% Yes / 70% No | | | | 37 |
| n/a | | | | | | | | | | | | | |
| 148 If you administer short-term disability: | | | | | | | | | | | | | |
| a) Are the short-term and long-term disability/ disability pension processes closely entwined? [i.e., difficult to distinguish between costs of long-term/disability pensions and short term disability, same staff do both, similar approval processes.] | n/a | | n/a | 13% Yes / 33% No | | | | 7 | 9% Yes / 37% No | | | | 21 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| b) Are the disability definitions, other than the expected duration of disability, the same for both long-term and short-term disability? [For example, the only difference between the definition of long-term/ disability pensions and short-term disability at some systems is the disabling injury or illness is expected to last longer than 12 months for long-term.] | n/a | | n/a | 0% Yes / 47% No | | | | 7 | 4% Yes / 41% No | | | | 21 |
| c) Are there materially different approval processes for short-term and long-term disability/ disability pensions? | n/a | | n/a | 13% Yes / 33% No | | | | 7 | 4% Yes / 43% No | | | | 22 |
| 149 How many different rule sets with different definitions or benefits do you have that apply to member groups or subsets of a member group for: | | | | | | | | | | | | | |
| a) Long-term disability/ disability pensions? | 7 | | 7 | 100 | 3 | 2 | 11 | 15 | 100 | 3 | 1 | 7 | 37 |
| b) Short-term disability (if you administer it yourself)? | n/a | | n/a | 2 | 2 | 1 | 2 | 2 | 2 | 1 | 0 | 1 | 7 |
| [For example, some systems have different disability definitions or benefits for police and fire than they do for other public employees. Other systems have grandfathered disability rule sets that only apply to members hired prior to a certain date.] | | | | | | | | | | | | | |
| 150 Do you reduce payments if the member qualifies or receives: | | | | | | | | | | | | | |
| a) Disability social security? | Yes | | Yes | 53% Yes / 47% No | | | | 15 | 33% Yes / 59% No | | | | 42 |
| b) Worker's compensation? | Yes | | Yes | 67% Yes / 33% No | | | | 15 | 37% Yes / 50% No | | | | 40 |
| c) Other public funds (i.e., federal military disability)? | Yes | | Yes | 27% Yes / 73% No | | | | 15 | 9% Yes / 78% No | | | | 40 |
| d) Income protection plans/other disability insurance? | No | | No | 20% Yes / 80% No | | | | 15 | 9% Yes / 78% No | | | | 40 |
| e) Employer sick leave and annual leave pay? | Yes | | Yes | 33% Yes / 67% No | | | | 15 | 20% Yes / 67% No | | | | 40 |
| f) Unemployment compensation? | No | | No | 27% Yes / 73% No | | | | 15 | 13% Yes / 74% No | | | | 40 |
| g) Income from other employment? | Yes | | Yes | 67% Yes / 33% No | | | | 15 | 43% Yes / 43% No | | | | 40 |
| h) Other (describe)? | No | | No | 20% Yes / 73% No | | | | 14 | 13% Yes / 67% No | | | | 37 |
| n/a | | | | | | | | | | | | | |
| Pensionable Earnings | | | | | | | | | | | | | |
| 151 Indicate which of the following forms of variable compensation are paid in your system. And, if paid, indicate whether all, some or none of that type of variable compensation is included in pensionable earnings. | | | | | | | | | | | | | |
| a) Bonuses? | Yes | | Yes | 80% Yes / 20% No | | | | 15 | 72% Yes / 24% No | | | | 44 |
| b) Allowances, such as remote location pay or 'high risk' duty allowance or a car allowance? | Yes | | Yes | 87% Yes / 13% No | | | | 15 | 72% Yes / 24% No | | | | 44 |
| c) Overtime pay? | Yes | | Yes | 93% Yes / 7% No | | | | 15 | 83% Yes / 13% No | | | | 44 |
| d) Commissions or similar payments such as fees paid to sheriffs for process serving? | No | | No | 33% Yes / 67% No | | | | 15 | 30% Yes / 65% No | | | | 44 |

|  |  | Your Response |  |  | Peers 2025 |  |  |  |  | All Participants 2025 |  |  |  |  |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
|  | Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
|  | If yes, is all, some or none of it included in pensionable earnings? |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | a) Bonuses? | Some |  | Some | 7% All / 7% None / 67% Some / 20% n/a |  |  |  | 12 | 9% All / 15% None / 48% Some / 28% n/a |  |  |  | 33 |
|  | b) Allowances, such as remote location pay or 'high risk' duty allowance or a car allowance? | Some |  | Some | 7% All / 13% None / 67% Some / 13% n/a |  |  |  | 13 | 7% All / 11% None / 54% Some / 28% n/a |  |  |  | 33 |
|  | c) Overtime pay? | All |  | All | 60% All / 0% None / 33% Some / 7% n/a |  |  |  | 14 | 39% All / 15% None / 28% Some / 17% n/a |  |  |  | 38 |
|  | d) Commissions or similar payments such as fees paid to sheriffs for process serving? | n/a |  | n/a | 13% All / 0% None / 20% Some / 67% n/a |  |  |  | 5 | 9% All / 9% None / 13% Some / 70% n/a |  |  |  | 14 |
| 152 | When determining a member's pensionable earnings does a cap on salary increases apply? | No |  | No | 60% Yes / 40% No |  |  |  | 15 | 46% Yes / 50% No |  |  |  | 44 |
|  | Customization Options |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 153 | Can either existing employers, or a new employer joining your system, choose: |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | a) Whether they offer early retirement, or a window of early retirement? | No |  | Yes | 27% Yes / 73% No |  |  |  | 15 | 17% Yes / 78% No |  |  |  | 44 |
|  | b) Whether or not part-time employees are eligible? | No |  | No | 13% Yes / 87% No |  |  |  | 15 | 11% Yes / 85% No |  |  |  | 44 |
|  | c) Whether employee contributions are paid pre or post tax? | Yes |  | Yes | 53% Yes / 47% No |  |  |  | 15 | 20% Yes / 76% No |  |  |  | 44 |
|  | d) Whether they pay for employee contributions themselves, or not? | No |  | No | 53% Yes / 47% No |  |  |  | 15 | 24% Yes / 72% No |  |  |  | 44 |
|  | e) Position coverage based on predetermined rule sets? [For example, employers can choose from a list of pre-determined rules sets such as 1.5% X FAS for General and 2.5% X FAS for Law Enforcement. Employers may have flexibility to determine eligibility | No |  | No | 27% Yes / 73% No |  |  |  | 15 | 11% Yes / 85% No |  |  |  | 44 |
|  | f) Contribution levels and/ or match rates? [For example, at Texas MRS, employers can choose employee deposit rates of 5%, 6% or 7% and employer match rates of 1 to 1, 1.5 to 1 or 2 to 1. We think this only applies to money match and DC plans because for DB plans the promised benefit determines the contribution.] | No |  | No | 20% Yes / 80% No |  |  |  | 15 | 9% Yes / 87% No |  |  |  | 44 |
|  | g) To pay for one-time improvements in retiree or member benefits? [For example, one fund's employers can elect to pay to improve the money purchase entitlement of their members.] | Yes |  | No | 27% Yes / 73% No |  |  |  | 15 | 15% Yes / 80% No |  |  |  | 44 |
| 154 | When new employers join your system, do they have the flexibility to customize any of the following items: If yes, indicate the number of standard choices for that item. |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | a) Benefit program multipliers? [i.e., 2% per year of service, 2.5% per year of service, etc.] | No |  | No | 13% Yes / 87% No |  |  |  | 15 | 7% Yes / 89% No |  |  |  | 44 |
|  | b) Final salary definition? [i.e., Sick Leave in or out, Final 1 year, Highest 5 consecutive years, etc.] | No |  | No | 20% Yes / 80% No |  |  |  | 15 | 7% Yes / 89% No |  |  |  | 44 |
|  | c) Retirement eligibility rules? [i.e., age and/or years of service required to retire] | No |  | No | 7% Yes / 93% No |  |  |  | 15 | 4% Yes / 91% No |  |  |  | 44 |

|  | Your Response |  |  | Peers 2025 |  |  |  |  | All Participants 2025 |  |  |  |  |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| d) Cost of living adjustment rules? [i.e., CPI capped at 2%, CPI uncapped, etc] | No |  | No | 7% Yes / 93% No |  |  |  | 15 | 4% Yes / 91% No |  |  |  | 44 |
| e) Vesting period? | No |  | No | 0% Yes / 100% No |  |  |  | 15 | 0% Yes / 96% No |  |  |  | 44 |
| f) Service credit purchase categories? | No |  | No | 13% Yes / 87% No |  |  |  | 15 | 4% Yes / 91% No |  |  |  | 44 |
| g) Death benefit coverage? [i.e., one system has 3 choices: none, $5,000 and $10,000] | Yes |  | Yes | 13% Yes / 87% No |  |  |  | 15 | 4% Yes / 91% No |  |  |  | 44 |
| h) Disability coverage rules? | No |  | No | 13% Yes / 87% No |  |  |  | 15 | 11% Yes / 85% No |  |  |  | 44 |
| i) Choice as to whether and how contributions and benefits are coordinated with social security? | No |  | No | 7% Yes / 93% No |  |  |  | 15 | 4% Yes / 91% No |  |  |  | 44 |
| j) Other (describe)? | No |  | No | 13% Yes / 87% No |  |  |  | 15 | 15% Yes / 80% No |  |  |  | 44 |
| n/a |  |  |  |  |  |  |  |  |  |  |  |  |  |
| If yes: # of standard options |  |  |  |  |  |  |  |  |  |  |  |  |  |
| a) Benefit program multipliers? [i.e., 2% per year of service, 2.5% per year of service, etc.] | n/a |  | n/a | 5 | 5 | 5 | 5 | 2 | 5 | 5 | 2 | 4 | 3 |
| b) Final salary definition? [i.e., Sick Leave in or out, Final 1 year, Highest 5 consecutive years, etc] | n/a |  | n/a | 4 | 2 | 2 | 3 | 3 | 4 | 2 | 2 | 3 | 3 |
| c) Retirement eligibility rules? [i.e., age and/or years of service required to retire] | n/a |  | n/a | 3 | 3 | 3 | 3 | 1 | 3 | 3 | 2 | 3 | 2 |
| d) Cost of living adjustment rules? [i.e., CPI capped at 2%, CPI uncapped, etc] | n/a |  | n/a | 4 | 4 | 4 | 4 | 1 | 4 | 3 | 2 | 3 | 2 |
| e) Vesting period? | n/a |  | n/a | n/a | n/a | n/a | n/a | 0 | n/a | n/a | n/a | n/a | 0 |
| f) Service credit purchase categories? | n/a |  | n/a | 10 | 6 | 2 | 6 | 2 | 10 | 6 | 2 | 6 | 2 |
| g) Death benefit coverage? [i.e., one system has 3 choices: none, $5,000 and $10,000] | 2 |  | 2 | 6 | 4 | 2 | 4 | 2 | 6 | 4 | 2 | 4 | 2 |
| h) Disability coverage rules? | n/a |  | n/a | 4 | 4 | 3 | 4 | 2 | 4 | 2 | 2 | 3 | 5 |
| i) Choice as to whether and how contributions and benefits are coordinated with social security? | n/a |  | n/a | 2 | 2 | 2 | 2 | 1 | 2 | 2 | 1 | 2 | 2 |
| j) Other (describe)? | n/a |  | n/a | 30 | 17 | 4 | 17 | 2 | 30 | 3 | 1 | 6 | 7 |
| 155 Can an existing employer change any of the choices (per the question above), effectively creating a new or altered rule set, at any | Yes |  | Yes | 27% Yes / 73% No |  |  |  | 15 | 24% Yes / 70% No |  |  |  | 43 |
| Collections and Data Maintenance |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 156 How many different contribution percentages do you collect from: |  |  |  |  |  |  |  |  |  |  |  |  |  |
| a) Employers? [For example, single member group systems may have only one contribution percentage whereas some multi-plan systems may collect numerous different contribution rates from various participating employers.] | 89 |  | 89 | 4,331 | 14 | 1 | 938 | 15 | 17,176 | 6 | 0 | 717 | 44 |
| b) Members? | 2 |  | 2 | 44 | 3 | 1 | 8 | 15 | 44 | 4 | 0 | 6 | 44 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| 157 Which of the following payment methods for employee contributions occur in the plans that you administer: | | | | | | | | | | | | | |
| a) No employee contributions? | Yes | | Yes | 40% Yes / 60% No | | | | 15 | 33% Yes / 63% No | | | | 44 |
| b) Employer pays their part and also the employee contributions? | No | | No | 60% Yes / 40% No | | | | 15 | 46% Yes / 50% No | | | | 44 |
| c) Employer withholds employee contributions pre-tax from their salary? | Yes | | Yes | 100% Yes / 0% No | | | | 15 | 91% Yes / 4% No | | | | 44 |
| d) Employer withholds employee contributions post-tax from their salary? | Yes | | Yes | 73% Yes / 27% No | | | | 15 | 35% Yes / 61% No | | | | 44 |
| 158 Do you have any other contributions in addition to the regular employee and employer contributions? [For example, Ohio SERS collects a surcharge for members who earn less than a minimum compensation amount.] | Yes | | Yes | 47% Yes / 53% No | | | | 15 | 52% Yes / 43% No | | | | 44 |
| a) If yes, describe: | | | | | | | | | | | | | |
| Contribution-based benefit cap; service purchases sometimes paid by employer; court costs collected toward LEO retirement. | | | | | | | | | | | | | |
| 159 Do you collect pension contributions from any members directly? [For example, Nurses in the Netherlands can continue to contribute to their pension even if they are inactive. Do not include optional contributions such as to 401k savings plans] | Yes | | Yes | 27% Yes / 73% No | | | | 15 | 28% Yes / 67% No | | | | 44 |
| 160 Do members deal with you directly when selecting or changing DB plan options such as options to switch from core DB to DC or DROP plans, option to participate in variable investment option overlays, option to change their contribution rate, option to repair pension gaps, pre-retirement election options, etc.? | Yes | | Yes | 40% Yes / 60% No | | | | 15 | 46% Yes / 48% No | | | | 43 |
| 161 Are you required, by policy or by law, to actively seek out and initiate either a benefit or a refund for inactive vested members or inactive unvested members? | Yes | | Yes | 93% Yes / 7% No | | | | 15 | 85% Yes / 11% No | | | | 44 |
| Billing and Inspection | | | | | | | | | | | | | |
| 162 Do you: | | | | | | | | | | | | | |
| a) Send a written advice to employers that inform them of their required contribution rates and then rely on each employer to pay the correct contributions? | Yes | | Yes | 73% Yes / 27% No / 0% n/a | | | | 15 | 65% Yes / 26% No / 9% n/a | | | | 42 |
| b) Invoice employers in arrears based on actual member service and salary data? | Yes | | Yes | 80% Yes / 20% No / 0% n/a | | | | 15 | 61% Yes / 30% No / 9% n/a | | | | 42 |
| c) Invoice employers in advance based on estimated member service and salary data, and then adjust based on actual experience? | No | | No | 20% Yes / 80% No / 0% n/a | | | | 15 | 11% Yes / 80% No / 9% n/a | | | | 42 |
| 163 How many times per year do you send invoices or 'advices' to each employer? | 12 | | 1 | 26 | 12 | 0 | 11 | 14 | 56 | 2 | 0 | 9 | 39 |

| | Your Response | | | Peers 2025 | | | | | All Participants 2025 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Survey Question | 2025 | 2024 | 2023 | Max | Med | Min | Avg | # | Max | Med | Min | Avg | # |
| Divorce | | | | | | | | | | | | | |
| 164 Choose the statement that best describes how divorce settlements for active members (or divorce decrees or QDROS, or QILDROS, or Division of Benefit Orders, etc.) impact your system. If you have different rules for different plans, choose the statement that applies to the largest number of cases. | | | | | | | | | | | | | |
| a) Minimal impact. Law prevents you from paying the pension to anybody except the member and the member's specified beneficiaries. | No | | No | 0% Yes / 100% No | | | | 15 | 7% Yes / 89% No | | | | 44 |
| b) Minimal impact unless children are involved. With children you may be required to redirect payment. | No | | No | 0% Yes / 100% No | | | | 15 | 0% Yes / 96% No | | | | 44 |
| c) A portion of the pension is paid to the ex-spouse, but ONLY when the member begins receiving benefits. | Yes | | Yes | 67% Yes / 33% No | | | | 15 | 54% Yes / 41% No | | | | 44 |
| d) A portion of the pension is paid to the ex-spouse. The ex-spouse can initiate the pension at a time different than the member provided that eligibility conditions are met. | No | | No | 40% Yes / 60% No | | | | 15 | 37% Yes / 59% No | | | | 44 |
| e) Other (describe) | No | | No | 13% Yes / 87% No | | | | 15 | 20% Yes / 76% No | | | | 44 |
| n/a | | | | | | | | | | | | | |

# Appendix B - Foreign currency conversion

All currency amounts have been converted to USD using Purchasing Power Parity figures per the OECD. The table below shows the foreign exchange rates for the past 4 years.

| Purchasing Power Parity[1] | | | | |
|---|---|---|---|---|
| **Currency** | **2025** | **2024** | **2023** | **2022** |
| United States Dollars - USD | 1.000 | 1.000 | 1.000 | 1.000 |
| Canada Dollars - CAD | 0.872 | 0.875 | 0.881 | 0.868 |
| Euro - EUR | 1.459 | 1.459 | 1.470 | 1.518 |
| Denmark Kroner - DKK | 0.164 | 0.156 | 0.156 | 0.161 |
| Sweden Kronor - SEK | 0.118 | 0.113 | 0.114 | 0.119 |
| United Kingdom Pounds - GBP | 1.493 | 1.441 | 1.514 | 1.567 |
| Australia Dollars - AUD | 0.733 | 0.730 | 0.732 | 0.735 |

[1] 2025 Purchasing power parity values have been updated on May, 2026.

# Appendix C - Activity definitions

| **1. Member Transactions** | |
|---|---|
| 1a. Pension Payments | 1. Paying (but not incepting) annuity pensions for disability, early and normal retirees and their survivors, including:<br>• EFT processing.<br>• Check processing and postage.<br>• Resolving failed, misdirected and lost payments.<br>• Paying, but not calculating, adjustments to pensions. For example, many systems pay retroactive adjustments to pensions initiated based on incomplete data.<br>• Collecting overpayments.<br>• The processing of return payments from annuitants.<br>• Stopping pension payments upon the death of an annuitant.<br><br>2. Processing deductions from the gross pension payment. For example:<br>• Processing and paying taxes and other governmental deductions, such as social security.<br>• Processing legally required deductions such as liens on wages ordered by a judge.<br>• Processing and effecting payment of optional deductions that the member can request, such as for health care or optional life insurance or union dues.<br>• Processing and mailing of check stubs or EFT payment advices.<br>• Processing and mailing of annual tax receipts to annuitants.<br>• Keeping track of the rules and regulations for deductions.<br><br>3. Confirming payment eligibility. This includes:<br>• Cross referencing pension payrolls with death records.<br>• Obtaining proof that someone is alive.<br>• Checking eligibility.<br><br>If a sister organization performs any of the above tasks, then the costs incurred by the sister organization should be included here and in your Total Costs.<br><br>Do NOT include:<br>• Maintaining banking, address and beneficiary data for retirees. These belong in 3c Data Not from Employers.<br>• The work of inflation adjustments. It belongs in 1b Pension Inceptions. |
| 1b. Pensions: Inceptions and Written Estimates | 1. New annuitants: calculating, finalizing and arranging annuity pensions to new payees including:<br>• Early, normal service retirements and survivor pensions and marriage-breakdown.<br>• Exclude disability inceptions (except Dutch schemes). Disability belongs in 1e Disability.<br><br>2. Changes to gross amount of pensions (excluding disability pensions) including:<br>• Adjusting pensions that were initiated based on incomplete or estimated data.<br>• Reductions to the annuity payment when pensioner begins receiving social security (NL: AOW, Canada: CPP).<br>• Cost of living adjustments for pensioners.<br><br>3. Time spent by the pension inception team on appeals about annuity pension inceptions. Exclude time and cost of legal staff or external legal counsel. Legal costs belong in 7d Legal and Rule Interpretation.<br><br>4. Preparing and sending, by mail or email, customized written estimates in response to requests from individual members regarding:<br>• Annuity pensions including early and service retirement.<br>• Giving customized written insight into pension consequences of divorce, death, layoffs, taxes, gaps in pension coverage, etc.<br>• Lump sum or commuted value payouts. |

# Appendix C - Activity definitions

| | |
|---|---|
| 1c. Withdrawals, Refunds, Transfers-out | Payments that terminate your relationship with a member including:<br>• Withdrawals and Refunds of contributions.<br>• Lump sum and commuted value payments.<br>• Pre-retirement death that results in a final payment (refund, commuted value, death payment).<br>• One time death payments that are supplemental to the annuity payments. Do not include the cost of paying or stopping the final pension payment which belong in 1a Pension Payments.<br>• Hardship withdrawals (including partials).<br>• Excess contribution refunds (For example, 50% Rule Refunds in Canada).<br>• Individual rollovers of DB monies to internal DC accounts which effectively terminate the DB pension entitlement.<br>• Individual transfers-out of monies to authorized external systems.<br>• Collective transfers-out when an employer exits your system.<br><br>The activity also includes:<br>• Providing written estimates of refunds and transfers-out (do not include estimates for Lump Sums and Commuted Value Payments which belong in 1b Pension Inceptions and Written Pension Estimates).<br>• Calculating, arranging and making estimated and final payments.<br>• Related tax deductions, filings and reporting sent to members and tax authorities.<br>• Reminders to speed up processing by external parties.<br>• Collecting overpayments of lump sums or other terminating payments. |
| 1d. Purchases and Transfers-in | • Service credit purchases for refunded past service, military service, etc.<br>• Purchases that provide members with additional pensionable salary.<br>• Individual transfers-in/ rollover of monies from external retirement systems.<br>• Collective transfers-in such as when a new employer is merged into your system.<br><br>The activity also includes:<br>• Providing formal written estimates of purchases and transfers-in/ rollovers.<br>• Posting purchases and applying payments.<br>• Receiving purchase payments.<br>• Related tax reporting sent to members and tax authorities.<br>• Purchases applicant dealing directly with the Purchase division, subsequent to an initial request for a purchase. |
| 1e. Disability | Include only if you are responsible for the administration of non-optional long term disability, and/ or short term disability. Includes:<br>• Written disability estimates.<br>• Disability approval process.<br>• Applications and inceptions.<br>• Disability appeals and complaints, provided that they are not handled by your legal staff or external legal counsel. Legal costs belong in 7d Legal Rule Interpretation.<br>• Monitoring and reviewing disabled pensioners and/ or temporarily disabled members for continuing entitlement, including checks on income and medical reviews.<br>• Checks on eligibility of disability payments.<br>• Rehabilitation of disability recipients (very few systems perform this activity).<br>• Medical assessment reviews of new hires for eligibility for death and disability benefits.<br><br>Do not include if disability is an optional benefit for members. Instead include in 1g Optional and Third Party Administered Benefits.<br>Do not include insurance costs. If an insurance company administers the disability program on your behalf, and you cannot clearly separate the administration cost from the insurance cost, then treat disability as a third party administered benefit.<br>Do not include paying disability pensions. This belongs in 1a Pension Payments. |

# Appendix C - Activity definitions

| | |
|---|---|
| 1f. Healthcare Administration | This activity only applies to the subset of U.S. systems that administer healthcare. Include only the costs of the healthcare department and any healthcare activities that are not closely integrated with pension administration activities (i.e., If the healthcare call center is separate from the pension administration call center, include its costs and volumes here. But if healthcare calls are integrated with the pension call center, include the costs and volumes in the Call Center activity.). The healthcare department will usually, at a minimum, be responsible for design, vendor management and enrolment.<br>Do NOT include any activities that are integrated with pension administration and not done by the healthcare department. For example:<br>• Communication activities such as call center calls and presentations are often integrated with pension administration. In these cases the cost and volumes belong in the pension administration activity.<br>• Similarly, the legal and actuarial departments often handle both healthcare and pension issues. If this is the case, these costs belong in activities 7c Actuarial and 7d Legal and Rules Interpretation. |
| 1g. Optional and Third Party Administered Benefits | Examples of optional and third party administered benefits are:<br>• Benefits that are supplemental to the members' primary pension benefit at retirement. Examples include tax deferred savings plans (i.e., 403B, 457, 401k and 401a), insurance (dental, vision, long-term care) and loans to members.<br>• Third party administered benefits. For example, the defined contribution portion of hybrid DB/DC plans are often outsourced.<br>Include the costs of:<br>• Specialists responsible for optional and third party benefits, including design, vendor management and enrolment.<br>• Fees paid to third parties to administer outsourced benefits.<br>Do NOT include:<br>• Communication activities such as call center calls, presentations and brochures. These belong in the communication activities. For example, the cost and volumes of call center calls about supplemental benefits belong in 2a Call Center.<br>• Actuarial and legal costs. These belong in activities 7c Actuarial and 7d Legal and Rules |

| **2. Member Communication** | |
|---|---|
| 2a. Call Center | The 'first-line' communication work for active, inactive and annuitant member inquiries.<br>First-line communication includes responding to general questions, initial requests for activity specific work to be performed (such as a request for a written estimate or a refund of contributions, death reporting, change of address or direct deposit or beneficiary), questions about account status or annual statements, advice given over the phone, etc. This activity includes member inquiries by:<br>• Telephone: waiting for calls, talking to members on the phone, redirecting calls, training Contact Center staff, auditing calls, call satisfaction surveying and long distance charges.<br>• Automated information or self-serve lines (i.e., telephone lines where the member never needs to speak to a service representative and can navigate menu options where they request forms and publications, etc.). But do NOT include the cost of responding to requests for forms and publications. This belongs in Activity 2e Mass Communication.<br>• Email: reading, responding to simple requests, redirecting activity specific requests.<br>• Written correspondence: reading, responding to simple requests, redirecting activity specific<br>Includes contact center hardware and software.<br>Do NOT include:<br>• Work performed after the call for activities where costs are collected separately. For example, if a member requests a written pension or benefit estimate, then the cost of preparing it belongs in 1b Pension Inceptions and Written Pension Estimates and not here, even if the work is done in the Contact Center.<br>• Subsequent follow-up activity specific communication. For example, a disability applicant dealing directly with the disability division belongs in 1e Disability. |

# Appendix C - Activity definitions

| | |
|---|---|
| 2b. Mail Room, Imaging | • Managing incoming and outgoing mail.<br>• Incoming written correspondence: sorting, redirecting activity specific requests.<br>• Scanning and imaging of incoming documents and forms to start a workflow process.<br><br>Do NOT include:<br>• Postage. This belongs in the activities where they were incurred. For example, the mailing of pension checks, check stubs, EFT advices or annual tax receipts belong in 1a Pension Payments. |
| 2c. 1-on-1 Counseling | • Walk-in traffic that meets with counselors.<br>• Pre-scheduled 1-on-1 retirement and other counseling. Include pre-scheduled counseling sessions that are conducted via teleconference or over the phone that cover materials sent to the member in advance of the session.<br>• If written pension estimates are prepared during a counseling session the cost belongs in 2c. counseling and not in 1b. Pension inceptions and written pension estimates. |
| 2d. Presentations and Group | • All presentations to members and retirees.<br>• Group retirement counseling.<br>• Webinars. |
| 2e. Mass Communication | Any benefit related communication that is sent to all members or groups of members. The cost should include design, printing and mailing costs. Examples include:<br>• Member statements.<br>• Brochures and publications.<br>• Newsletters and information letters.<br>• Videos, CD-ROMS.<br>• Website pension content targeted at members and annuitants. Includes design, development and maintenance of the member content, as well as its pro rata share of the website infrastructure.<br>• Annual reports and popular annual report summaries, but do not include the accounting and auditing costs incurred to prepare the annual report. Accounting costs belong in 4a Financial Administration and Control and auditing costs belong in 7e Audit.<br>• Welcome kits.<br>• Letters informing members when they reach or approach certain milestones such as becoming vested, eligible for disability, eligibility for retirement, etc.<br><br>Do NOT include:<br>• Pre-scheduled retirement counseling done in group sessions or 1-on-1 or member presentations. These belong in 2c 1-on-1 Counseling and 2d Presentations and Group Counseling.<br>• 1-on-1 correspondence. These costs belong in the activity to which the correspondence pertains. For example, correspondence re: pension estimates belongs in 1b. Pension Inceptions and Written Pension Estimates.<br>• Payment advices, check stubs, letters informing of changes in gross amount, and annual tax receipts prepared for retirees. These belong in 1a Pension Payments.<br>• Employer targeted communication such as the employer portions of the website and employer newsletters. These belong in 3b Service to Employers. |

# Appendix C - Activity definitions

| **3. Collections and Data Maintenance** | |
|---|---|
| 3a. Data and Money from Employers | • Collection and cashiering of member and employer contributions from employers.<br>• Collection of member data (service credit, salary, personal information, employer, etc) from employers.<br>• Reconciliation of required versus remitted money.<br>• Analysis, correction and confirmation with employer of member data.<br>• Setting up the data and money collection process for new employers.<br>• Improving the data collection process for existing employers (i.e., converting paper systems to electronic, etc).<br>• Registering member choices and instructions that are received through the employer. For example:<br>▫ Some hybrid DB/ DC systems require that a member's DC instructions come through the employer.<br>▫ Members at some Dutch systems can choose to contribute more to get early retirement. This choice is registered via the employer.<br>(The activities below used to be in a separate activity 'Billing and Inspection' and are now merged into 3a Data and Money from Employers)<br>• Advising employers of the required contribution rate (but excluding the actuarial cost of determining the rates which belongs in 7c Actuarial).<br>• Billing employers for regular contributions, special contributions to cover funding shortfalls, additional payments to retirees funded by the employer, etc.<br>• Collecting bad debts. But do not include legal costs. These belong in 7d Legal and Rules<br>• Employer reviews or audits. For example, several systems perform on-site reviews of employers that have problems providing data and or contributions on a timely basis. They want to ensure that the employers are correctly fulfilling their obligations to their members.<br>• Inspection and enforcement of obligation to participate in the System (i.e., participation in some Dutch industry funds is mandatory if the employer has certain characteristics). |
| 3b. Service to Employers | • Training employers.<br>• Helping new employers.<br>• Maintaining employer relationships.<br>• Presentations, counseling, workshops for employers.<br>• Publications and newsletters for employers (as opposed to materials sent to members through<br>• Employer helpdesk/ Employer Call Center.<br>• Employer website including the design, development and maintenance. as well as the pro rata share of the website infrastructure.<br>• Advice, account management, HRM support re: pensions.<br>Do NOT include marketing to employers. Marketing costs belong in 4c Government and Public Relations. |
| 3c. Data Not From Employers | Gathering and maintaining member data that is not provided by employers including:<br>• Retiree and Inactive data maintenance such as change of address, change of beneficiary, change in marital status, death, registering changes in payments, etc.<br>• Tracking 'lost' inactive members.<br>• If applicable, registering cost of living adjustments to the salary base of inactive members (a few systems do this).<br>• Registering the impact of divorce on the future rights of members. But do not include the work of estimating the impact of divorce which belongs in either 2c 1-on-1 Counseling and or 2a Call Center. Also do not include the cost of changing or initiating pensions as a result of divorce. This belongs in 1b Pension Inceptions and Written Pension Estimates.<br>• Billing and collecting contributions directly from inactive members. For example, nurses in the Netherlands can continue to contribute to their pension even if they are inactive.<br>• Registering member choices and instructions that are received directly from the member. For<br>▫ Defined Contribution instructions obtained directly from active, inactive or retired members, such as changes in asset allocation.<br>Do NOT include the cost of incepting new pensions or determining changes to the gross amount of the pension paid to retirees. This belongs in 1b Pension Inceptions and Written Pension Estimates. |

# Appendix C - Activity definitions

| **4. Governance and Financial Control** | |
|---|---|
| 4a. Financial Administration and Control | • Budgeting and forecasting.<br>• Financial reporting including preparing the annual report.<br>• The chief financial officer's office including assistants. Exclude time spent on investments.<br>• Compliance unless it is done by the legal department. If this is the case compliance costs belong in 7d Legal and Rules Interpretation.<br>• Risk.<br><br>Do NOT include:<br>• Internal auditing of activity processes, or auditing of financial statements. These belong in 7e<br>• Actuarial work. This belongs in 7c Actuarial.<br>• Printing and mailing, including postage, of annual reports to members. This goes in 2e Mass Communication.<br>• Administration work that pertains to the Investment division, such as investment accounting. |
| 4b. Board, Strategy, Policy | • Board of Trustees: elections, fees, expenses, etc.<br>• The CEO's office including assistants. Exclude time spent on investments (when in doubt we suggest 50% administration, 50% investments).<br>• Benchmarking studies, strategic planning, fiduciary audits, asset liability studies. But exclude portions attributed to investments.<br>• New and existing plan/ product development.<br>• Strategic market research.<br><br>Do NOT include:<br>• Actuarial or legal advisors to the Board. These costs belong in 7c Actuarial and 7d Legal, |
| 4c. Government and Public Relations | • Maintaining relationships with government, unions and employer organizations.<br>• Anticipating, influencing and initiating plan rule changes by government, by unions, by employers, and by employer organizations.<br>• Costs of coordination with organizations of employers and employees.<br>• Formulating a Governmental Policy document.<br>• Media relations.<br>• Marketing costs to attract new employers, or new members, or to support the position of the pension fund within the industry or other interest groups.<br>• General communication/ marketing to support the position of the pension system in the community or in the industry.<br>• Memberships in Councils of Industry Funds, Company Funds or International Organizations. |

# Appendix C - Activity definitions

| **5. Major Projects** | |
|---|---|
| | Major Projects are long lived assets that could be (or are) capitalized and expensed over their useful life if you follow GAAP (Generally Accepted Accounting Principles). Examples of Major Projects include:<br>• Acquisitions of long lived assets such as computer hardware or a new building.<br>• Major software development projects that will have an extended life.<br><br>If you do not capitalize Major Projects, provide the actual costs expensed during the year. If you do capitalize Major Projects, include the depreciation or amortization costs of all past and current Major projects. But do not include the current year's cash investment in Major Projects that are being capitalized.<br><br>Do NOT include:<br>• Major Projects that pertain to non-pension or optional benefits such as a new IT system for health care. These costs should be excluded from Total Pension Administration Costs per question 1f and /or 1g. Non-Pension and Optional Benefits are defined in the comment field in 1f/1g. |
| 5a. Amortization of non-IT major projects | Current year amortization of the non-IT portion of capitalized major projects.<br><br>Major Projects are long lived assets that are capitalized (under GAAP or GASB 51) and expensed over their useful life, which is greater than one reporting period. Examples of non-IT major projects could include if the costs were capitalized: i) a large, one-time historic data cleaning project, or, ii) imaging all historic records.<br><br>Do NOT include:<br>• Amortization of the IT portion major projects. This belong in activity 5c Amortization of IT major projects.<br>• Amortization of leaseholds or office furniture. This belongs in activity 7a Building and Utilities. |
| 5b. Non-IT major projects (if you don't capitalize) | If you do not capitalize major projects, then include the current year cost of the non-IT portion of major projects that could be capitalized under GASB 51 or GAAP.<br><br>Do NOT include the IT portion of major projects. This belong in activity 5d IT Major Projects (if you don't capitalize). |
| 5c. Amortization of IT major projects | Current year amortization of the IT portion of capitalized major projects.<br><br>Major Projects are long lived assets that are capitalized (under GAAP or GASB 51) and expensed over their useful life, which is greater than one reporting period. An example of an IT major project could be a major software development project in the application stage of development, i.e., design, software configuration, software interfacing, coding, installing hardware and testing.<br><br>Do NOT include:<br>• Amortization of the non-IT portion major projects. This belongs in activity 5a Amortization of non-IT major projects.<br>• Amortization/depreciation of IT infrastructure such as mainframes and servers. This belongs in 6a IT Strategy, Database Management and Applications (excl. major projects).<br>• Amortization/depreciation of desktop hardware and software, or telecommunications equipment. This belongs in activity 6b. IT Desktop, Network, and Telecommunication.<br>• Amortization of projects that relate to investment management. |
| 5d. IT major projects (if you don't capitalize) | If you do not capitalize major projects, then include the current year cost of the IT portion of major projects that could be capitalized under GASB 51 or GAAP.<br><br>Do NOT include the non-IT portion of major projects. This belong in activity 5b Non-IT major projects (if you don't capitalize). |

# Appendix C - Activity definitions

| **6. Information Technology** | |
|---|---|
| 6a. IT Strategy, Database Management and Applications (excl. major projects) | • IT management and strategy.<br>• IT architecture.<br>• Data center i.e., current year cost (whether cash or amortization) of mainframe, servers, data center hosting.<br>• Training.<br>• Head of the IT department's office.<br>• Database management including: building databases, testing databases for data integrity, maintaining databases, ensuring operation of databases.<br>• Application maintenance, enhancement and development that is not capitalized.<br>• Project management that is not included in Major Projects.<br><br>Do NOT include the portion of the above that relates to investment management. |
| 6b. IT Desktop, Network, and Tele-communications | • User services including application licenses, personal computer hardware and software, help desk.<br>• Network (i.e., LAN and WAN).<br>• Telecommunications including call center equipment and mobile devices. If any of the above costs are capitalized, include current year amortization.<br><br>Do NOT include the portion of the above that relates to investment management. |
| 6c. IT Security | • IT security management and strategy.<br>• Compliance with relevant rules and regulations about data privacy and security.<br>• Protecting data and information, and the systems used to process records and data, from unauthorized access or use.<br>• Testing security strategies and defenses.<br>• Maintaining, updating and developing new defensive systems and protocols.<br>• Detecting security incidents.<br>• Cyber insurance.<br>• Includes network, application, endpoint, data, IT infrastructure, cloud, identity management and database security.<br><br>Dedicated to protecting the information and systems used to process records and data. |

# Appendix C - Activity definitions

| **7. Support Services** | |
|---|---|
| 7a. Building and Utilities | • Building occupancy costs including rent, lease, amortization of leaseholds and building and office furniture depreciation.<br>• Building depreciation if you own the building.<br>• Building insurance.<br>• Building maintenance services such as custodial, maintenance, security services etc.<br>• Utilities.<br><br>Do NOT include the portion of the above that relates to investment management. |
| 7b. Human Resources | • Human resources staff and human resources consulting, including recruitment, training, career development, induction, disciplinary action etc.<br>• Include time spent in the development of the HR framework, including policies and procedures.<br><br>Do NOT include:<br>• Time spent by non HR staff interviewing or training. For example the training of a call center agent belongs in activity 2a Call Center.<br>• The portion of the above that relates to investment management.<br>• Recruitment fees - these should be added to the staff costs of the people to which they relate in the different business units.<br><br>Do NOT include separation or severance costs here. These belong in the 'Third Party and Other Costs' of the activities that the terminated FTE performed. |
| 7c. Actuarial | All internal actuarial department costs, external actuarial fees and sister-entity cross charges for actuarial work including:<br>• Actuarial work for financial and government reporting.<br>• Actuarial work to determine funding policy, contribution rates or billing rates.<br>• Quantifying the impact of changes in the plan.<br>• Advice on plan design / redesign, funding and contributions, the employer’s covenant, mergers and acquisitions etc.<br>• Inception, disability and healthcare calculations that require actuarial input.<br>• Formulating an Actuarial Policy document. |
| 7d. Legal and Rule Interpretation | • All external legal fees.<br>• Internal legal department (including legal fees charged by sister organizations or the corporate parent).<br>• Appeals concerning pension inceptions (as well as any other appeals) if they are handled by the legal department or by external legal counsel.<br>• Plan contract amendments. Adding new participating employers.<br>• Interpretation of existing rule sets and laws.<br>• Developing rules that simplify the interpretation of the plan contract and related legislation on behalf of staff, employers or members.<br>• Support to the communications department in writing brochures and other communication material.<br><br>Do NOT include the portion of the above that relates to investment management. |
| 7e. Internal and External Audit | • Fees paid to the external auditor, particularly for the audit opinion on the accounts.<br>• The external auditor may be the public audit office or an independent audit firm - in either case these fees or charges belong in the '3rd Party Fees' column.<br>• The costs of internal audit and / or quality assurance departments. |
| 7f. Benefits Paid for Retired Staff | Healthcare and other benefit costs for retired or inactive staff that are paid by the employer (and not via member contributions) on a 'pay-as-you-go' basis.<br><br>Do NOT include accrued costs for existing staff such as contributions to their pension. These belong in each activity's' cost as part of salary and benefits. |
| 7g. Other Support | All other pension administration costs that have not been included elsewhere. |

# Appendix D - Defaults

| | |
|---|---|
| Page | Communication |
| Question | 39. If you have a callback feature, what is the callback completion rate? |
| Default | Your response was unknown. As a default (93.08%) we used the 25th percentile response of other participants to this question. |
| Page | Communication |
| Question | 89. Number of:<br>b) Email queries from employers? |
| Default | Your response was unknown. As a default (21,227.42) we used the average response of other participants to this question. |

# NORTH CAROLINA RS

DB Administration Benchmarking Subscription

Private & Confidential

EXHIBITS

JUNE 2026