

Department of Retirement Systems

Annual Update

Shawn Merchant

Legislative and Community Relations Director

LEOFF Board Meeting

Nov. 8, 2023



Pensions at a Glance

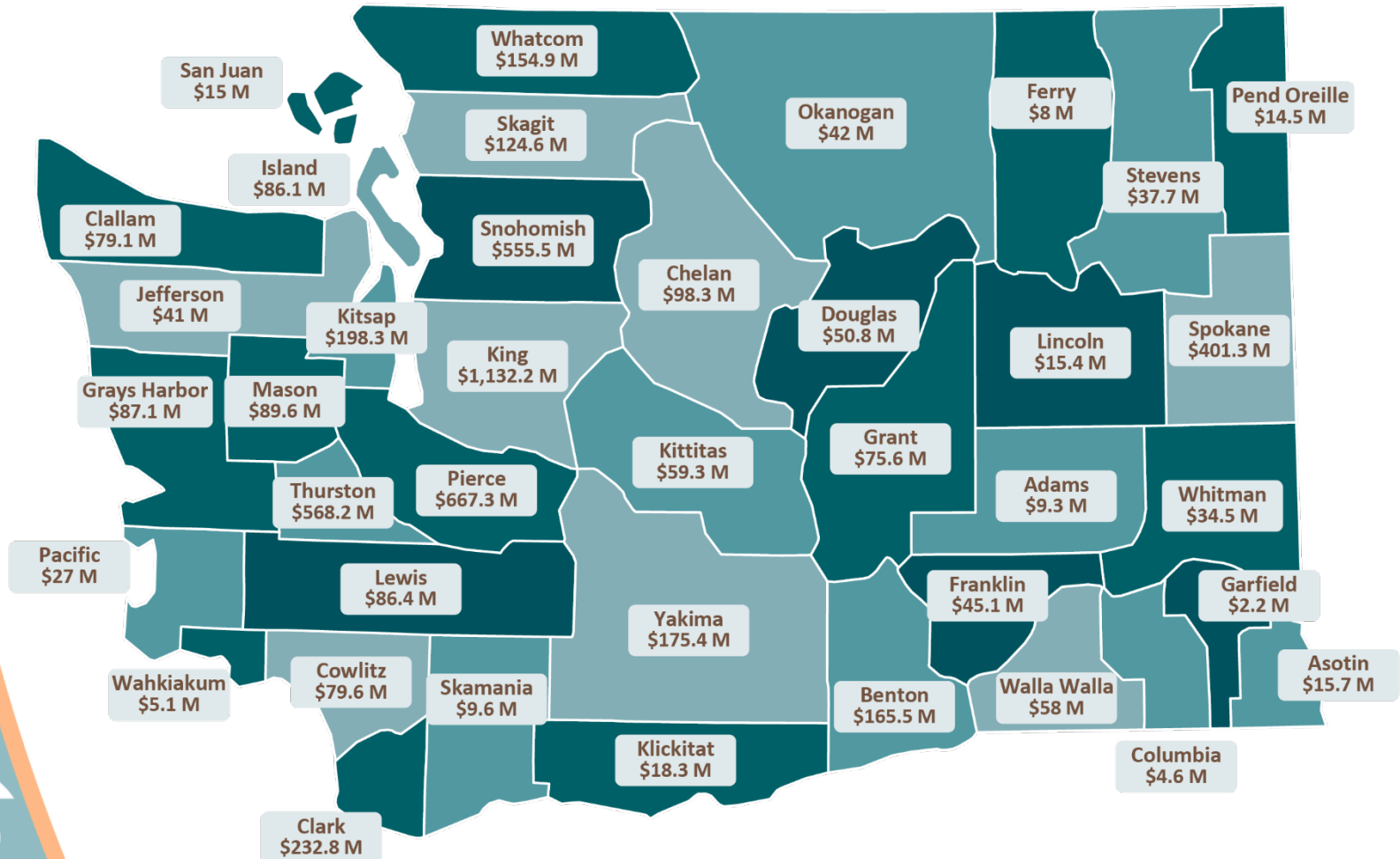
Membership

- 912,948 members

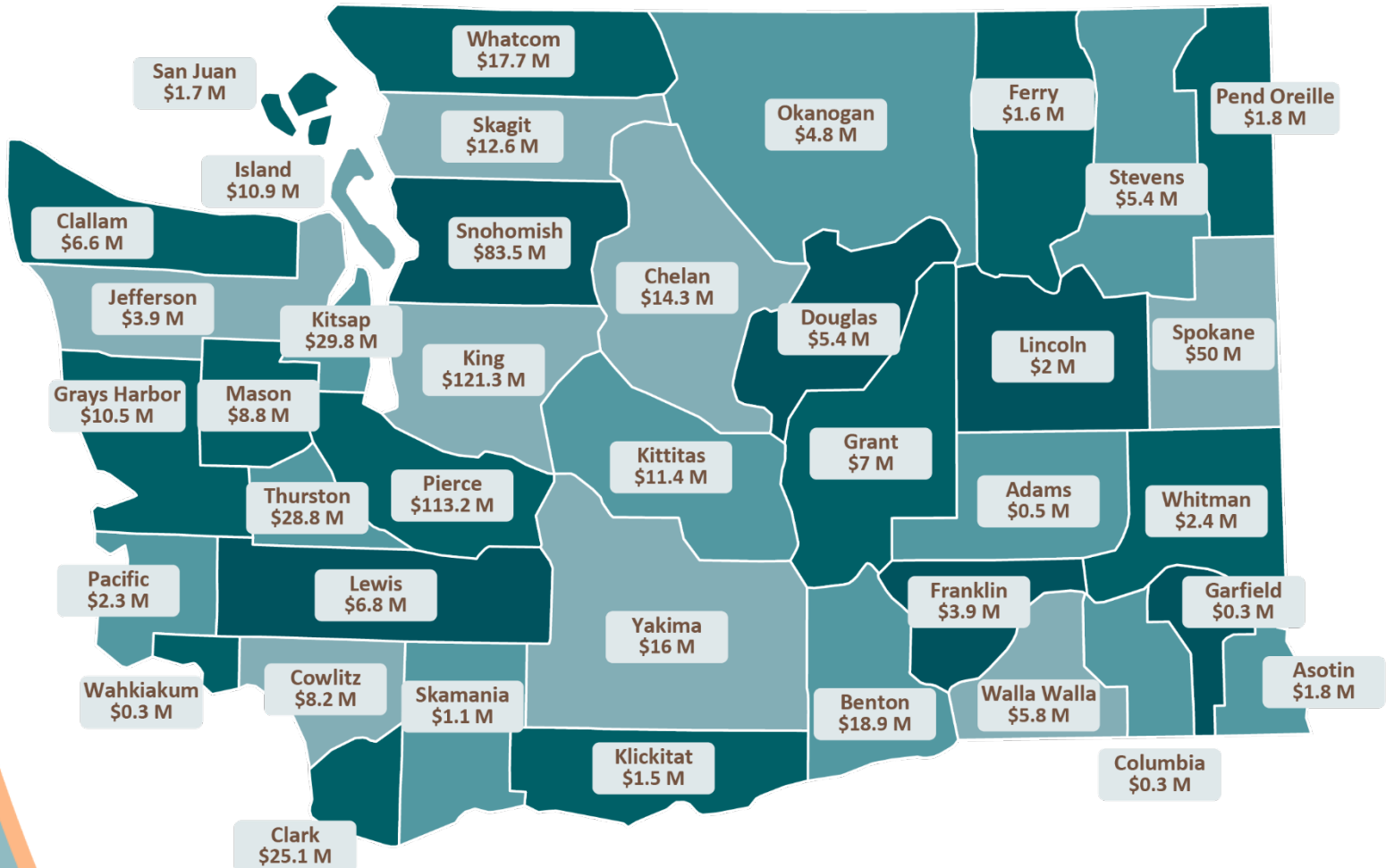
Financial

- \$189 billion held in retirement trust fund assets
- \$5.5 billion collected annually in contributions
- \$7.9 billion paid annually in benefits and contribution refunds

Benefits by County – FY 2023



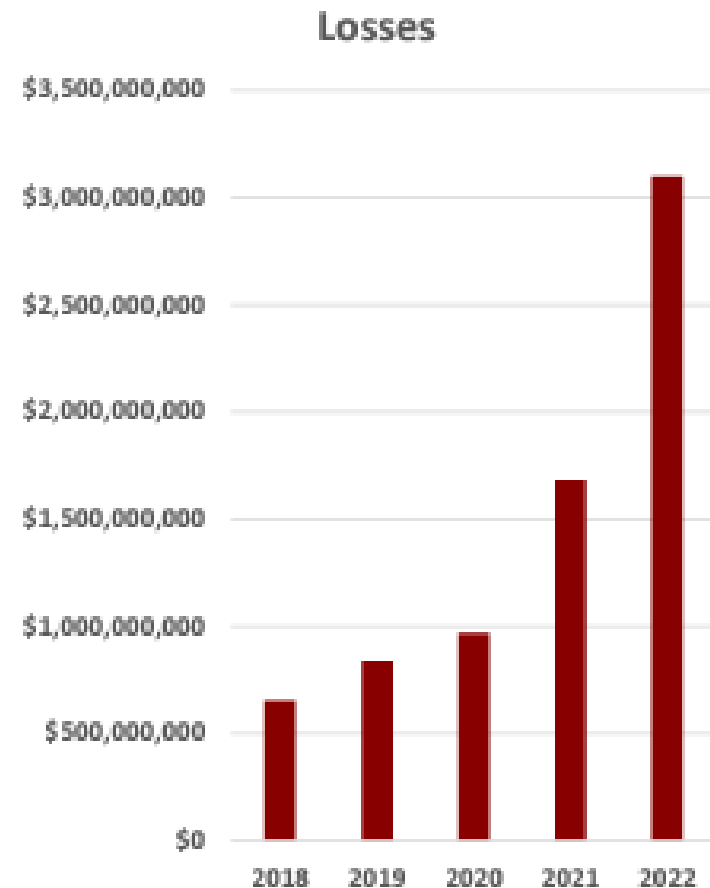
L2 Benefits by County – FY 2023



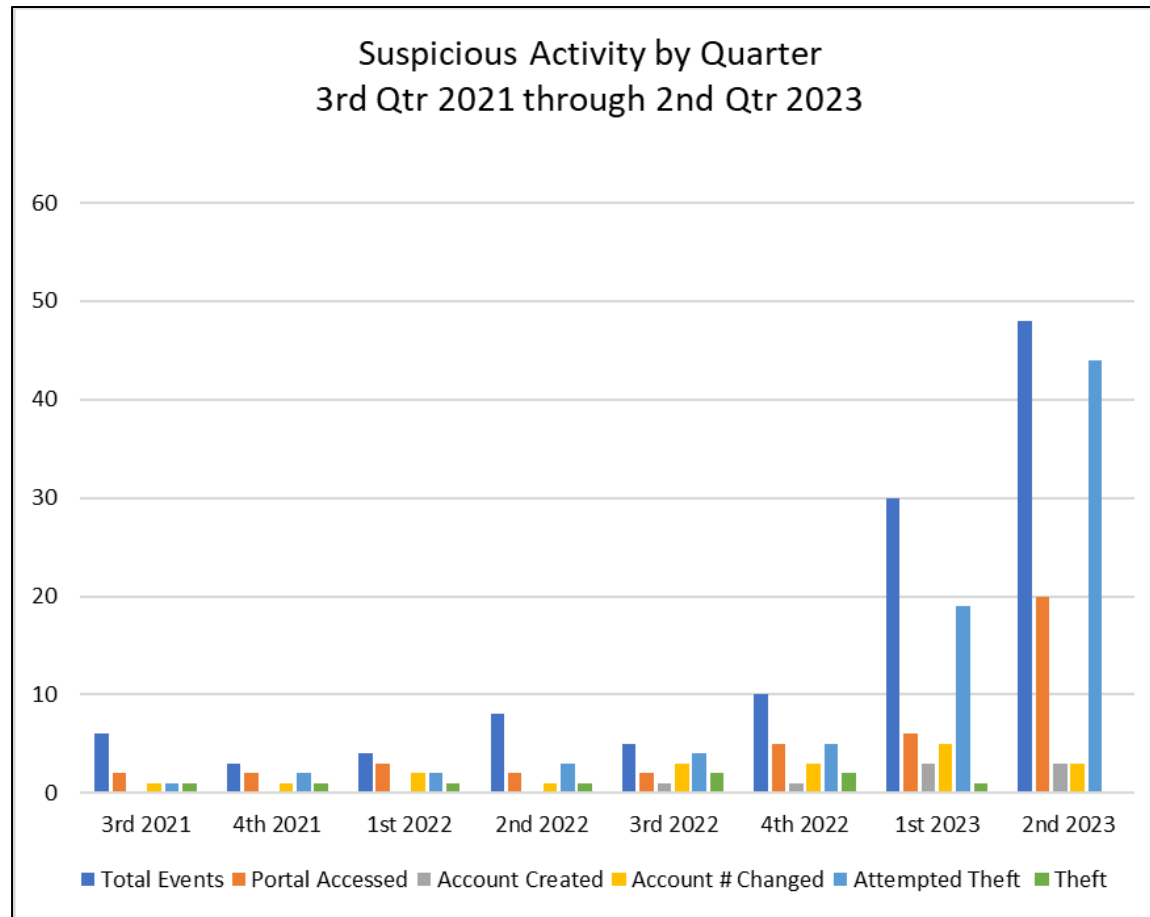
Workload Growth

Year	Estimates	Calcs	Recalcs	Withdrawals	ACD Calls	Emails	Scheduled Zooms	Completed Zooms
2018	31,758	12,137	4,754	4,826	164,112	22,452	N/A	N/A
2019	31,498	12,185	7,443	5,398	147,202	7,928	N/A	N/A
2020	29,945	12,818	7,894	4,625	126,065	36,647	N/A	N/A
2021	29,262	13,935	6,587	5,039	132,848	50,248	1,583	1,360
2022	29,153	14,309	8,965	7,213	161,467	62,128	1,972	1,625
2023	23,532	10,024	5,041	5,861	118,844	51,990	1,697	1,390
Total	175,148	75,408	40,684	32,962	850,538	231,393	5,252	4,375

Elder Fraud in the US



Suspicious Activity at DRS



Supplemental Budget Request

- ❑ Lexis-Nexis fraud prevention software and integration with existing systems
- ❑ Add 1 FTE for fraud prevention
- ❑ Add 1 FTE for cybersecurity
- ❑ Temporary project staff for implementation
- ❑ \$1.25 million in 23-25, \$1.07 million in 25-27

Month of Death

❑ Current situation

- Member dies partway through the month.
- DRS reclaims full benefit payment per banking (Automated Clearing House) rules.
- Estate has to file paperwork for pro-rata benefit.
- Confusing to members and delays payment.

❑ Proposed legislation

- Member dies partway through the month.
- Estate receives full month payment.

Roth - October Rollout

- ❑ DCP page traffic up 65% month-to-month
- ❑ 1,384 attended live Roth webinars and Q&As
- ❑ 10,280 watched Roth videos at drs.wa.gov
- ❑ In-Plan Conversions: \$1,242,874
- ❑ Rollovers: \$325,121
- ❑ Deferrals: 2,052 participants

CORE: PAM

We're implementing a scalable, modernized system that makes data easily accessible and creates an excellent user experience for team members and customers. This CORE: PAM phase of ongoing technology upgrades will replace our legacy technology in these areas:

Calculating benefits

Maintaining member info

Paying benefits

Document management

Accounting for retirement funds

Project features:



Modernized system to accelerate responsiveness



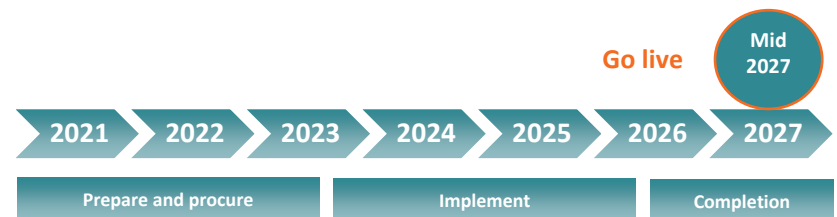
Enable data-driven decisions



Offer personalized experiences to align with customer needs



Scalable, easy-to-use tools



Questions?

