



PERA

Strategic Goals; Staff and Salary Structure

Investments and Pensions Oversight Committee

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August 3, 2017

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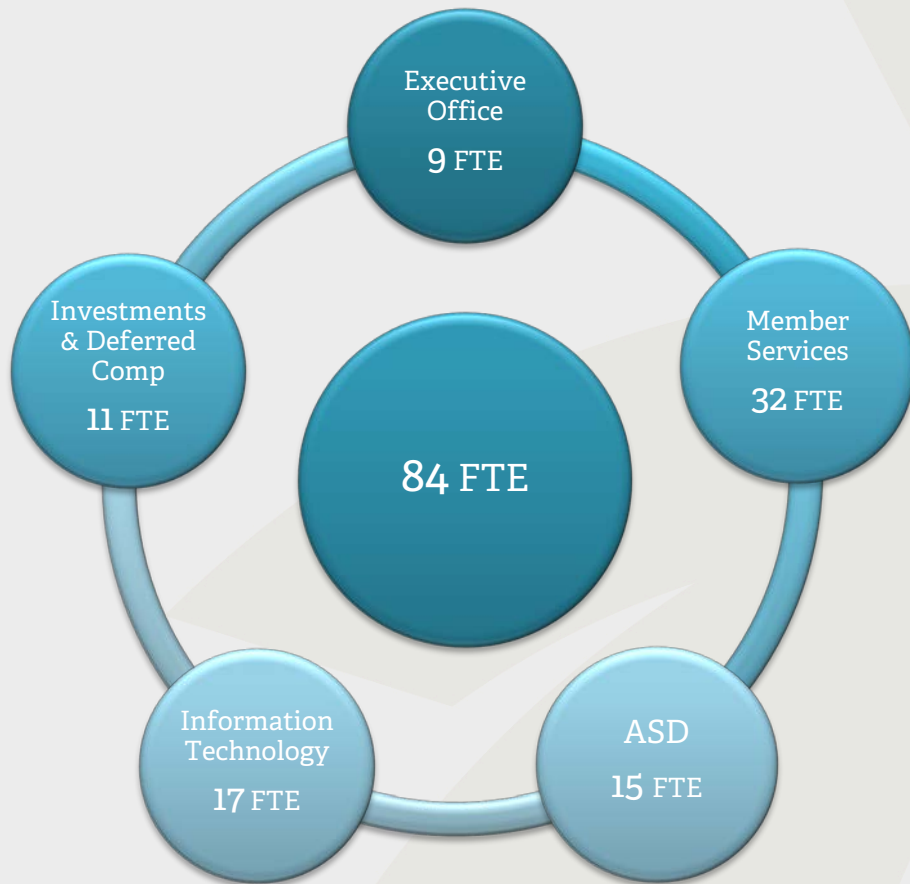
PERA Strategic Goals

- **Sustaining the Trust Fund for current and future retirees**
 - Maintain an appropriate strategic asset allocation to meet the actuarial discount rate assumption
 - Focus on liabilities and benefits to ensure long-term solvency of the Trust Fund
- **Improve Information Technology (IT) internal and external infrastructure**
 - Improve internal IT capabilities and processes
 - Expand IT capabilities for members and retirees
- **Continue to improve external and internal customer service**
 - Provide outreach to better educate employers and members
 - Improve internal communication
- **Improve organizational effectiveness**
 - Improve and streamline work processes
 - Provide professional development for employees

PERA Strategic Planning Results

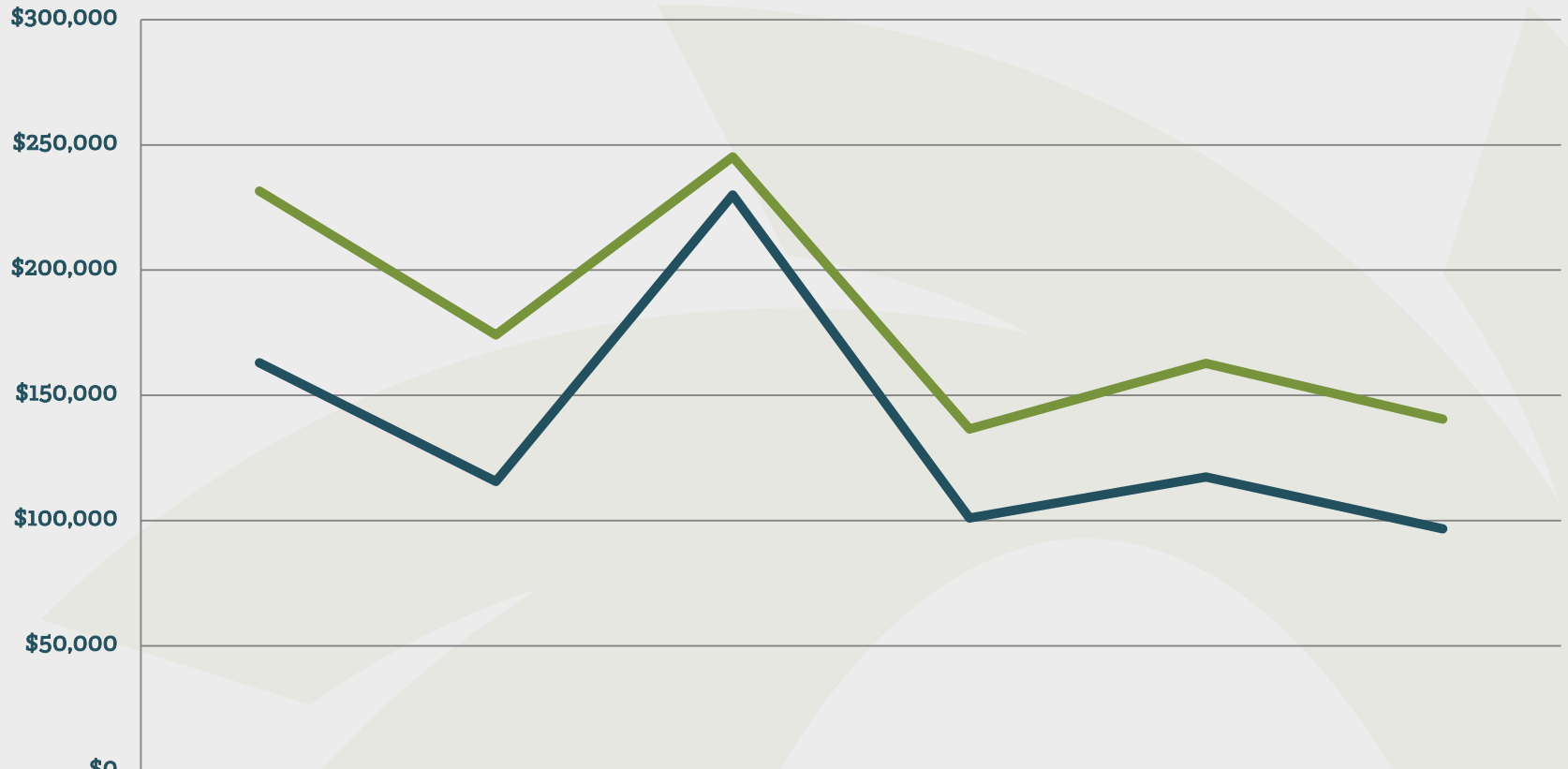
| Expanded Albuquerque office with new retirement space | Re-branding of PERA 457B Plan and increased emphasis on outreach |
|--|---|
| Accounting Process Improvement Project | Unmodified opinion for FY16 Audit |
| Custody bank transfer with improved data capacity | New contribution accounting employer training emphasizing importance of data quality |
| Gathering required member data by reaching out to members proactively and requesting required documentation | Introduction of electronic workflow to all functions for better tracking of member requests |
| Implementation of RIO Strategic Enhancement Project to address business process, data integrity and governance and system enhancements | |

PERA – Employees



- FY18 budget for Personnel Services and Employee Benefits totals \$6,431,600
- As of August 1, 2017, PERA has a 7.1% FTE vacancy rate (6 vacant positions)
- 6 exempt positions: Executive Director, Deputy Director, Chief of Staff/General Counsel, Chief Investment Officer, Administrative Services Director and Executive Assistant
- Since FY14 PERA has processed 71 personnel actions (promotions, reclassifications and in-pay bands)

2016 National Association of State Retirement Administrators (NASRA) Salary Survey



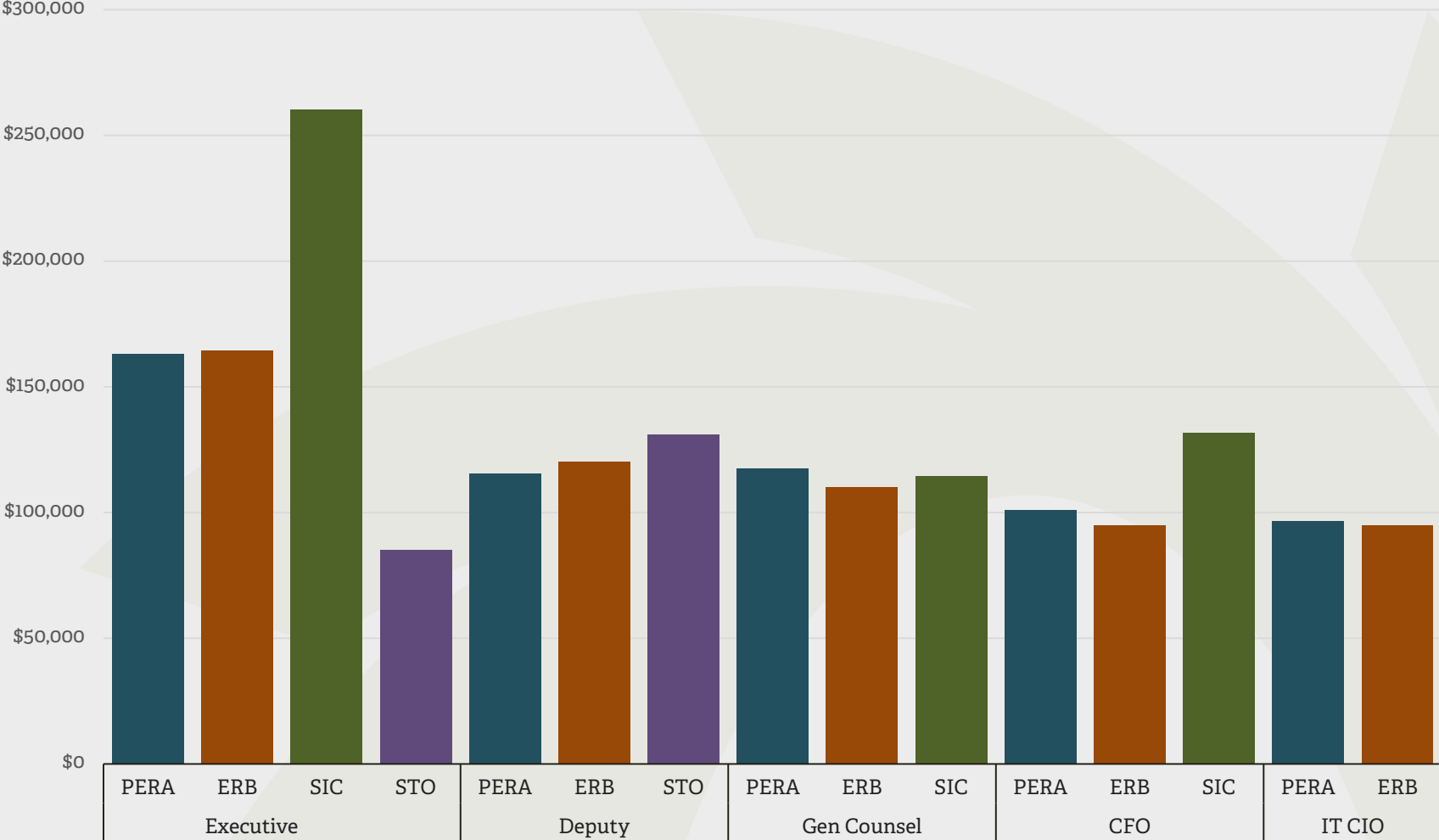
| | Executive Director/CEO | Assistant Director/COO | Chief Investment Officer | Chief Financial Officer | Chief Legal Counsel | Chief Information Technology Officer |
|--------------|------------------------|------------------------|--------------------------|-------------------------|---------------------|--------------------------------------|
| PERA | \$163,030 | \$115,565 | \$235,000 | \$101,019 | \$117,358 | \$96,738 |
| NASRA Survey | \$231,611 | \$174,099 | \$245,169 | \$136,565 | \$162,802 | \$140,568 |

Note: The Chief Investment Officer salary does not account for bonuses/incentives.

2016 NASRA Salary Survey is provided as an attachment.



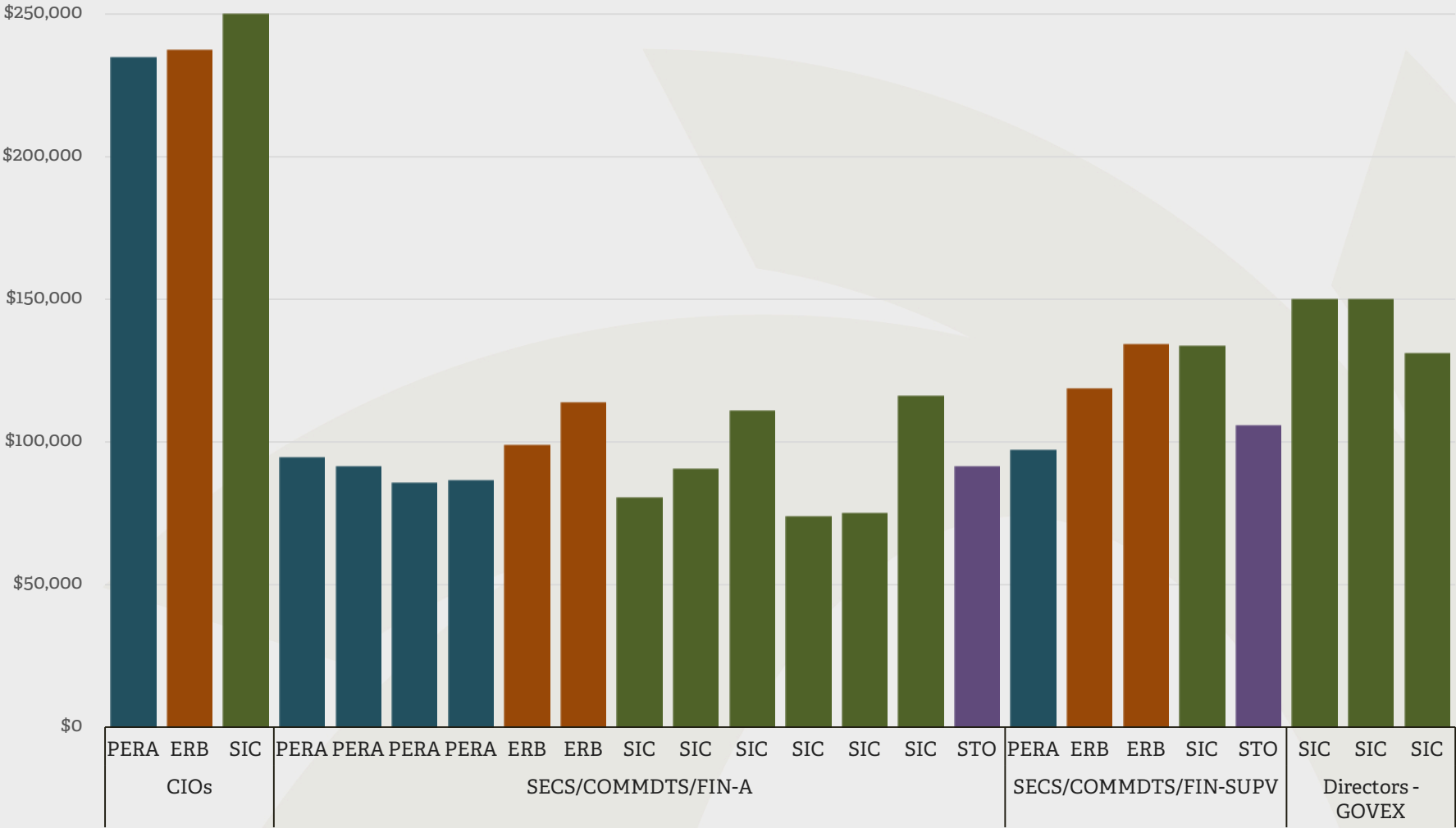
Comparison Senior Staff Salaries with Peers



Data taken from NewMexico.Gov - State Employee Listing as of 7/28/2017



Comparison Investment Staff Salaries with Peers



Note: There are 4 vacant SECS/COMMDTS/FIN-A positions (3 SIC and 1 ERB). There is one Director position vacant at SIC

Data taken from NewMexico.Gov - State Employee Listing as of 7/28/2017



Other Investment Salary Structures

- New York City Retirement Systems provided pay raises in 2015 to 40 pension positions based on a study that showed New York City pension system's salaries trailed those of its peers.
- The Florida Retirement System has an incentive compensation plan for the Executive Director, Chief Investment Officer and 61 other investment staff members.
- The Pennsylvania State Employees' Retirement System's (SERS) Board establishes and maintains a pay schedule and structure that reflects market competitive salary ranges for each job classification based on median salary levels in the Public Pension Funds Comparator Group. This group of 15 public pension systems is similar to SERS in size and investment approach. However, these comparable pension systems do not utilize a bonus program.
- State of Wisconsin Investment Board (SWIB) utilizes salaries and performance-based bonuses for investment staff compensation.