



Wyoming Retirement System

Partnering to Build Financial Security for Members and their Families

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Governor

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HB0024: State investments-compensation and relocation amendments

Summary: This bill will increase base salary caps and performance compensation for seven investment positions in the Wyoming Retirement System (WRS) and ten investment positions in the State Treasurer's Office (STO) beginning in FY 2024. The bill will also provide relocation allowances for new investment hires.

Position: WRS supports this legislation

Highlights:

- Increases base salaries for seven investment positions at WRS and ten positions at STO.
 - Increases performance compensation percentage for senior analysts and analysts from 25% of base salary to 35%
 - Provides relocation reimbursement of up to \$10,000 for employees hired to fill investment positions at WRS and STO
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Rationale:

- Allows the Board to consider adjustments to existing investment team salary caps, which have not changed since 2019
- Inflation since 2019 is 18.3%, according to the Bureau of Labor Statistics
- Competitive compensation is essential to retain experienced investment professionals
- Stability of the investment team is one of the most important factors in superior investment performance
- WRS investment performance has been good, beating benchmarks and ranking well amongst peers
- On a \$10 billion portfolio, even small differences in performance amount to millions of dollars. The difference between a 1.00% gain and a 1.01% gain is a million dollars.

WRS Implications: The adjusted base pay and benefit increase could create \$274,664 in additional expenditure in FY 2024. Assuming one relocated employee will also receive a moving expense of \$10,000, the additional expenditure could total **\$284,664**.