



## 2018-2020 WRS Strategic Plan

### **Mission**

Providing expert administration and responsible investment of Wyoming's public retirement and supplemental savings programs

### **Vision**

Partnering to build financial security for members and their families

### **Values**

The Wyoming Retirement System has four values which serve as a code of conduct for its employees:

- Integrity
- Accountability
- Commitment
- Excellence

### **Overall Goals**

1. Retain quality staff, board, and leadership
2. Develop best in class institutional investment program
3. Enhance further credibility and influence with Executive branch, legislature and Wyoming constituents
4. Ensure consistent and accurate benefit administration and recordkeeping
5. Manage WRS operations and outreach with a customer service centric focus and culture
6. Periodically evaluate comprehensive plan design to ensure long-term actuarial soundness

## **GOAL #1 Retain quality staff, board, and leadership**

- A. Sustain and enhance Board quality and engagement
  - 1. Develop a position statement for the Board regarding the importance of the defined benefit plan. Assign a staff member to keep current on news articles, reports and social media, and provide regular updates to the Board.
- B. Preserve and protect gains in WRS governance structure
- C. Effectively address investment resources and complexity
  - 1. Evaluate performance-based compensation, targeted staff, structure (both staffing and organizational model), and criteria.
  - 2. Develop an understanding of best practices across other systems
  - 3. Evaluate enhanced collaboration with the State Treasurer's Office
- D. Succession planning
  - 1. Address staff turnover and its impact on WRS credibility
  - 2. Create and implement a WRS staff leadership development program
- E. Evaluate ways to promote and enhance a positive working environment for staff
  - 1. Develop a non-monetary staff recognition program
  - 2. Maintain / enhance WRS culture
- F. Develop communication expertise at Board and staff levels for DB and DC issues
- G. Explore more comprehensive budget autonomy, so that the Board can more effectively fulfill its fiduciary duty to the System's membership

## **GOAL #2 – Develop best in class institutional investment program**

### **A. Continue to improve risk-adjusted performance**

1. Being ahead of market trends.
2. Strong quantitative and qualitative process and tools to evaluate investment decisions.
3. Continue to develop high-functioning teams by following best in class trends, compensation, and work culture.
  - a) Develop an incentive compensation program – staff targeted, structure, criteria
  - b) Succession planning within Investment Department
  - c) Transition AWEC Investment Analysts to full-time employees

### **B. Develop a plan to measure our effectiveness**

1. Working with the outside consultant, develop appropriate benchmarks to accurately measure risk-adjusted performance.
2. Use absolute return over a 5-7 year market cycle and rate our return versus our objective, peers, and benchmarks.
3. Perform a gap analysis to determine what a strong investment program does utilizing our consultant, leadership team, and relationships with others.

### **C. Enhance reputation in institutional investment community**

1. Be sought after for our expertise
2. Share our thought leadership with others via publications and collaboration.

### **D. Improve operating flexibility (currently a 2-year process with budgetary approval from the legislature)**

1. Evaluate seeking a small but meaningful legislatively approved contingency reserve for each budget year, expenditures at the discretion of the Board and ED with each use fully documented

### **E. Explore more comprehensive budget autonomy, so that the Board can more effectively fulfill its fiduciary duty to the System's membership**

1. Discuss budgetary authority for the Board to make decisions between regular budgets and report budget amendment back to the Budget Division and the JAC
2. Discuss the possibility of lump-sum budget authority for Investment team salaries rather than footnoted caps for individual positions

**GOAL #3 - Enhance further credibility and influence with Executive branch, legislature and Wyoming constituents**

- A. Develop a communication plan that includes regular communications with members and other stakeholders
  - 1. Maintain and expand communications materials for policy makers and stakeholders
  - 2. Enhance member communications to engage younger members and equip late career members to make appropriate decisions regarding saving and retirement
- B. Develop a communication plan that includes regular communications with both existing and new legislators and the executive branch
  - 1. Assess the effectiveness of the current outreach program and develop plan for improvements, if necessary
  - 2. Create talking points for priority messaging
- C. Explore more comprehensive budget autonomy, so that the Board can more effectively fulfill its fiduciary duty to the System's membership
- D. Evaluate pursuing significant awards (Six Sigma, Baldrige)
- E. Promote the benefits of a DB system to the State of Wyoming and the professional and successful management of the system at WRS.

#### **GOAL #4 - Ensure consistent and accurate benefit administration and recordkeeping**

- A. Ensure adequate staff training and cross-training in all departments
  - 1. Cross-train in different areas (inter and intra agency)
  - 2. Create a desk manual for each position
  - 3. Pursue professional development experiences (shadowing, mentoring, training)
  - 4. Implement a learning management system to record training and hours attended by employees
- B. Strengthen areas of thin staffing to improve efficiency
  - 1. Transition 2<sup>nd</sup> receptionist position from temporary to permanent full-time
  - 2. Develop internship program to benefit all operating departments and strengthen relationships with local community colleges and UW
- C. Ongoing improvement of 457 Plan operations and administration
  - 1. Issue RFI in early 2017 to evaluate recordkeeping services
  - 2. IRS qualification of 457 plan document
- D. Develop a new website to ensure our site is robust enough to handle the requirements for more usage by members and better dissemination of information (ease of administration by staff and ease of use by members)
- E. Continue to enhance and upgrade the RAIN system as necessary
- F. Continue to improve the CAFR to highlight significant information and make it more user-friendly
- G. Explore more comprehensive budget autonomy, so that the Board can more effectively fulfill its fiduciary duty to the System's membership
- H. Continue to explore finding improved office space to relocate to, keeping in mind convenience for members and appropriate office layout to facilitate efficient WRS operations.

**GOAL #5 - Manage WRS operations and outreach with a customer service centric focus and culture**

- A. Expand participant education into other relevant areas such as Social Security, saving for college and financial literacy
- B. Enhance on-line communications with members
  - 1. Educational videos / on-line seminars
  - 2. Improved website for easier navigation
  - 3. Acknowledgement e-mails when members update their account information
- C. Develop a public relations emphasis regarding the importance of defined benefit plans
- D. Increase participation in and contributions to the 457 Plan
  - 1. Establish 401(a) plan for the employer 457 matches with auto-enrollment
  - 2. Promote automatic enrollment with non-state employers
  - 3. Create and offer a deemed IRA platform
- E. Watch the development of programs in other states offering a private sector defined contribution plan, and report back to the Board.
- F. Improve customer service levels as measured by response times and survey results
  - 1. Determine what the workflow system in RAIN will track and how that can be used to inform Operations staff of their workload and responsiveness

**GOAL #6 - Periodically evaluate comprehensive plan design to ensure long-term actuarial soundness**

- A. Evaluate potential new legislation for 2019
  - 1. Inconsistencies in WRS statutory language
  - 2. Statutory changes needed to secure affirmative IRS determination letters for all plans
  - 3. Possible contribution rate changes if indicated by 2018 plan design review
  - 4. Continue to raise awareness to the funding needs of Fire A
  - 5. Report on funded status / shortfalls for any of the plans, as appropriate
- B. Regularly review actuarial assumptions and contribution levels for reasonability with a goal to keep the WRS pension plans within a 30 year or less funding period
  - 1. Periodically conduct staff surveys and review best practices in industry trends to analyze comprehensive plan design
  - 2. Ensure all studies and review look at both the benefit side of the equation as well as the contribution side
- C. Focus on retirement security of our members in the form of providing adequate benefits
  - 1. Monitor minimum pension levels and cost-of-living adjustments and respond to pressure from members and third party coalitions.