



**City
of**

Milwaukee

*INTERDEPARTMENTAL CORRESPONDENCE
LEGISLATIVE REFERENCE BUREAU
RESEARCH & ANALYSIS SECTION*

MEMO

To: Beth Conradson Cleary, Assistant City Attorney

From: Mary Turk, Fiscal Review Analyst – Senior

Date: original date 3/19/07; updated 11/7/07 for City of Milwaukee 2007 salary numbers

Subject: ERS Executive Director Salary Survey

The following is in response to your request for information about the salaries of Executive Directors of other public employee pension systems. For comparison, the City of Milwaukee ERS position is in pay grade 16 with a 2007 minimum of \$93,167 and a maximum of \$130,441.

An initial list of retirement systems of similar total asset size to that of the Milwaukee ERS was developed and additional systems of a larger size were added when readily available. The resulting list of 19 retirement systems surveyed ranges in total asset size from \$1.4 billion to \$16.4 billion (as compared to \$5.3 billion for Milwaukee) as of their 2005 financial reports. Most of the systems are statewide systems and 2 are county level. There were no cities of similar size to Milwaukee in the original list.

A phone survey was conducted to gather data on the salaries of Executive Directors of public pension funds. Some data was provided by all 19 surveyed; however one – Rhode Island - declined to provide the exact salary presently paid to the Executive Director. The results of the salaries paid are presented below.

<u>RETIREMENT SYSTEM</u>	<u>SALARY</u>	<u>NET ASSETS</u> <u>(in billions) 2005</u>
Wyoming Employees	\$89,376	6.3
Delaware Public Employees	\$93,000	5.9
Montana Public Employees	\$96,693	3.7
Montana Teachers	\$99,750	10.5
Rhode Island Retirement System	NA	7.8
South Dakota Retirement System	\$102,619	7.6*
Oklahoma Police	\$109,227	1.4
Oklahoma Teachers	\$116,536	9.7
Oklahoma Public Employees	\$116,536	5.7
West Virginia Public Employees	\$120,000	6.2
Indiana Public Employees	\$123,500	16.4
Indiana Teachers	\$125,970	9.5

*2006

Arkansas Public Employees	\$133,289	5.5
Arkansas Teachers	\$150,000	10.0
Michigan Municipal Employees	\$169,744	6.1
Louisiana State Employees	\$175,000	6.6
Contra Costa County Employees (CA)	\$176,388	5.2
Arizona Public Safety	\$185,000	5.5
San Diego Employees (CA)	\$210,038	7.1
Alameda County Employees (CA)	\$228,852	5.4

Salaries paid to Executive Directors ranged from a low of \$89,376 in Wyoming to a high of \$228,852 in Alameda County, California. Salary levels do not appear to be related to the asset size of the system but do have some geographical and population based features. The 4 systems with the lowest salaries were in jurisdictions with lesser populations, Delaware, Montana and Wyoming (salaries ranging from \$89,376 to \$99,750). The systems with the 4 highest salaries were located in 3 of the largest metro areas of the country, Phoenix, San Diego and San Francisco/Oakland (salaries ranging from \$176,388 to \$228,852). Eliminating the 4 highest (roughly 20%) and 4 lowest (roughly 20%) salaries reported resulted in a list of 11 retirement systems that are all located in the central United States, ranging from as far south as Louisiana and as far north as Michigan. The range in salaries for the 11 central states was from \$102,619 to \$175,000 with an average salary of \$131,129.

About half of the systems reported having a salary range associated with the Executive Director position and several only had a maximum. The majority of the other half had salary levels limited only by the discretion of the board of the system and, in 2 cases, the governor of the state. The salary ranges and maximums reported are presented below.

<u>RETIREMENT SYSTEM</u>	<u>SALARY RANGE</u>	
Montana Public Employees	\$60,017 - \$90,026*	
Montana Teachers	\$60,017 - \$90,026*	
Oklahoma Police	\$82,034 - \$110,987	
Oklahoma Teachers	\$82,034 - \$110,987*	
Oklahoma Public Employees	\$82,034 - \$110,987*	*Note: Salary presently paid exceeds maximum.
Delaware Public Employees	\$82,550 - \$123,826	
Rhode Island Retirement System	\$98,781 - \$110,816	
Arkansas Public Employees	\$133,290 maximum	
Arkansas Teachers	\$150,000 maximum	
Indiana Public Employees	\$214,942 maximum	
Indiana Teachers	\$214,942 maximum	
Arizona Public Safety	\$140,000 - \$220,000	
San Diego Employees (CA)	\$135,865 - \$224,182	

Respondents were nearly evenly split in terms of the length of time the incumbents have been in their positions and there was no clear relationship between the length of tenure and salary level. Both the 2 highest salaried and 2 lowest salaried individuals have been in their positions for quite some time. The majority of those in between had either been newly hired or the salaries for the positions had been reevaluated and adjusted within the past couple years.

I hope this information will prove useful to you. Please feel free to contact me at x8680 with any questions or for further data.

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