

April 16, 2026

Administrative Committee Meeting

2100 Evergreen Park Dr SW, Olympia, WA 98502

The link to view the meeting virtually can be found at www.sib.wa.gov/meetings.html

1. **Call to Order/Roll Call (8:00 am)**
2. **Adoption of Minutes (8:00-8:05)**
 - A. **Recommended Action:** That the Administrative Committee approve the February 19, 2026, Meeting Minutes.
02.19.2026 Administrative Committee Minutes_DRAFT for approval.pdf
3. **Biennial Compensation Review (8:05-8:35)**
 - A. Biennial Investment Officer Salary Survey and Salary Band
4. **Other Items (8:35-8:40)**
5. **Adjourn (8:40 am)**

INVESTMENT OFFICER COMPENSATION PLAN

APRIL 16, 2026

Bobby Humes

Director of Human Resources



RELEVANT WSIB COMPENSATION STATUTE (RCW 43.33A.100)

“Compensation levels for the executive director, a confidential secretary, and all investment officers, including the deputy director for investment management, employed by the investment board shall be established by the state investment board.”

“The compensation levels and incentive compensation for investment officers shall be limited to the average of total compensation provided by state or other public funds of similar size, based upon a biennial survey conducted by the investment board, with review and comment by the joint legislative audit and review committee.”

“The investment board shall provide notice to the director of financial management, and the chairs of the house of representatives and senate fiscal committees of proposed changes to the compensation levels for the positions. The notice shall be provided not less than sixty days prior to the effective date of the proposed changes.”



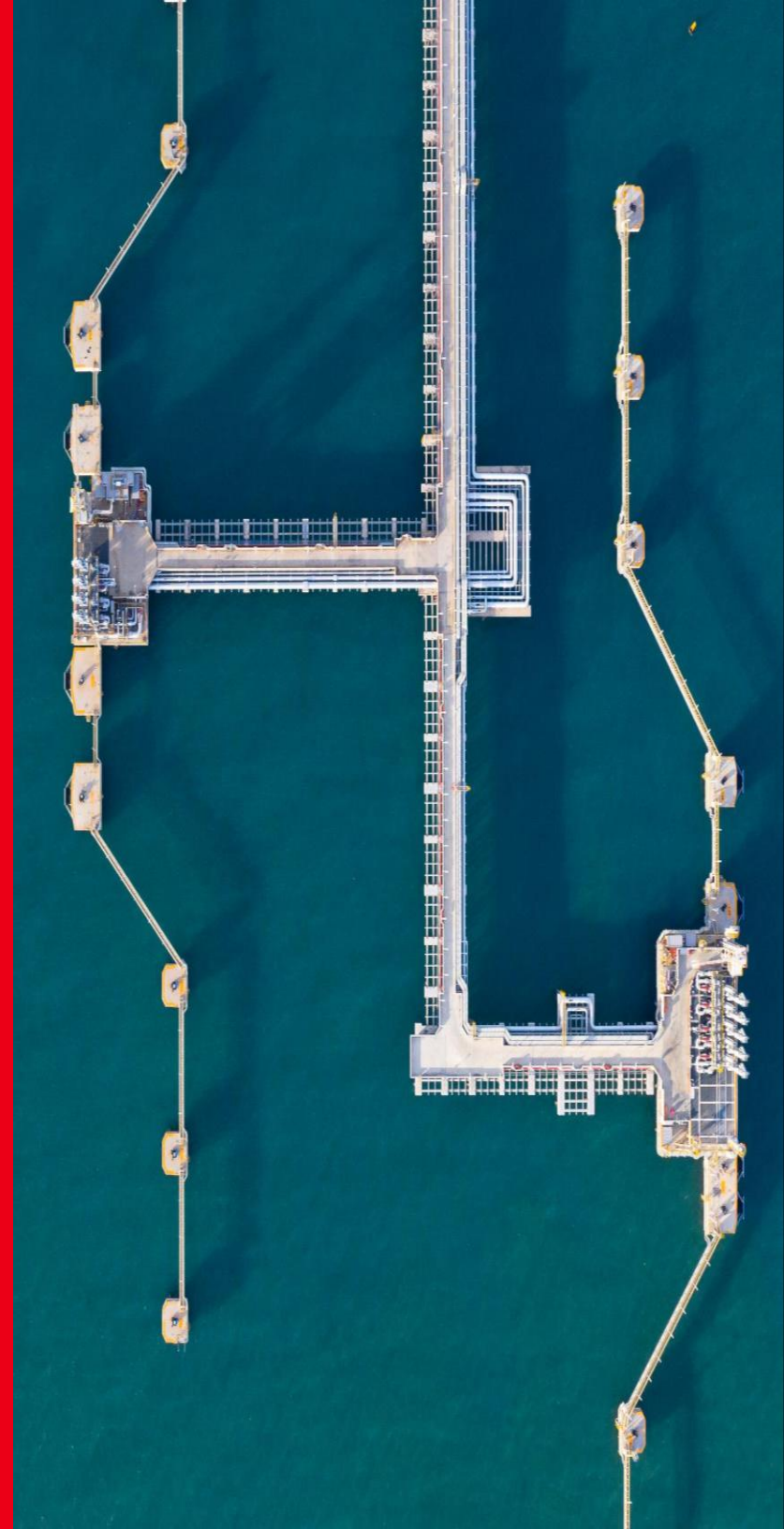
CURRENT AND PROPOSED INVESTMENT OFFICER SALARY RANGES

| | Current Ranges | | Proposed Ranges | | % of Increase |
|-------------------------------------|--------------------|--------------|--------------------|--------------|---------------|
| | Beginning of Range | Top of Range | Beginning of Range | Top of Range | |
| Chief Investment Officer | \$432,000 | \$720,996 | \$485,000 | \$807,996 | 12% |
| Senior Investment Officer | \$231,000 | \$384,996 | \$265,000 | \$441,996 | 15% |
| Assistant Senior Investment Officer | \$174,000 | \$289,998 | \$197,000 | \$327,998 | 13% |
| Investment Officer | \$132,000 | \$219,000 | \$138,000 | \$230,000 | 5% |
| Assistant Investment Officer | \$84,000 | \$141,000 | \$88,000 | \$147,000 | 4% |

AON

**Competitive Pay Analysis –
Washington State Investment Board
2026**

MCLAGAN



Overview

- Similar to previous years, the Washington State Investment Board (WSIB) asked McLagan to complete a competitive pay assessment of WSIB's investment professionals. McLagan reviewed how WSIB's pay compares to the average of other public pension funds of similar size.
- As with the last analysis, McLagan's approach to completing this analysis involved:
 1. Confirming the roles and responsibilities of WSIB's positions.
 2. Validating and, as appropriate, modifying survey position matches identified by WSIB's HR staff.
 3. Assembling pay data from McLagan's *2025 Public Funds Compensation Survey*.
 4. Assessing how WSIB's compensation levels compare to the total compensation offered at other public funds of similar size (i.e., funds with roughly AUM ½ to 2X WSIB). This analysis compares each WSIB employee to the equivalent position at peer funds.

Methodology

Who are WSIB's peers?

- WSIB's peer group includes other similarly sized US public pension funds (i.e., funds with AUM ½ to 2x WSIB's AUM) that participate in McLagan's annual compensation survey. Peers included have a median AUM of \$146.5B. See appendix for a full listing of peer funds and how the peers have changed since the last analysis.
- This approach has been used for many years consistent with *RCW 43.33A.100* (see below).

How are WSIB's salaries determined?

- McLagan partners with WSIB's HR staff to match each WSIB position with an appropriate survey benchmark equivalent at peer funds based on the roles, responsibilities, and typical experience of each position.
- WSIB salaries (actual salaries and salary ranges) are compared to the total compensation levels within peer funds, using the best aligned survey benchmark.
- The maximum salary for each WSIB range is set at or below the market average, consistent with *RCW 43.33A.100*. Individual salaries are established within the range (e.g., at or below maximum) based on each person's relative experience and contributions.

Washington State Statute (RCW 43.33A.100)

*"The compensation levels and incentive compensation for investment officers **shall be limited to the average of total compensation provided by state or other public funds of similar size**, based upon a biennial survey conducted by the investment board, with review and comment by the joint legislative audit and review committee."*

WSIB's Salary Spend Falls Below Market Average Levels for Investment Staff

Investment Staff

- Across 50 employees, WSIB spends an aggregate \$13.1M on salary. If each WSIB employee were to be paid at the market average total compensation for their respective job, WSIB would need to spend ~\$15.4M.
- Note that the below chart represents WSIB's actual salaries, which represents a range of employees paid below, at, and above the midpoint for their respective range.

| | # of Incs | WSIB Average Salary | Market Average T. Comp | % Δ Required to Reach Market |
|-------------------------------------|-----------|---------------------|------------------------|------------------------------|
| Total Compensation | | | | |
| Chief Investment Officer | 1 | \$721 | \$808 | 12% |
| Senior Investment Officer | 6 | 380 | 442 | 16% |
| Assistant Senior Investment Officer | 26 | 277 | 328 | 18% |
| Investment Officer | 16 | 197 | 230 | 17% |
| Assistant Investment Officer | 1 | 115 | 147 | 28% |
| Total | 50 | \$13,160 | \$15,427 | 17% |

Note:

- (1) Market average includes base salary and actual earned incentive compensation, which is offered by a number of peer funds.
- (2) While there are 16 Investment Officers employed at WSIB, only 15 were included in this analysis. One Investment Officer was excluded from the overall analysis and summary findings due to insufficient market data.

WSIB's Salary Range vs. Competitive Market Average

- To remain competitive with other large public funds, McLagan proposes the following changes to WSIB's investment salary structure:

| | WSIB Current Salary | WSIB Current Salary Range | | | Market Average T. Comp | Proposed Salary Range | | | % Change in Max |
|-------------------------------------|---------------------------|------------------------------|-------|-------|------------------------------|-----------------------|-------|-------|--------------------|
| | | Min | Mid | Max | | Min | Mid | Max | |
| Chief Investment Officer | \$721 | \$432 | \$576 | \$721 | \$808 | \$485 | \$646 | \$808 | 12% |
| Senior Investment Officer | 380 | 231 | 308 | 385 | 442 | 265 | 354 | 442 | 15% |
| Assistant Senior Investment Officer | 277 | 174 | 232 | 290 | 328 | 197 | 262 | 328 | 13% |
| Investment Officer | 197 | 132 | 175 | 219 | 230 | 138 | 184 | 230 | 5% |
| Assistant Investment Officer | 115 | 84 | 112 | 141 | 147 | 88 | 118 | 147 | 4% |

Appendix

WSIB's Comparator Group

| Pay Comparator Group | | | | |
|--|----------------|---------------|--------------|-------------------------|
| | 2024 AUM | Prior Peer | 2025 Peer | Notes |
| California Public Employees' Retirement System | \$527.7 | | | outside of AUM range |
| California State Teachers' Retirement System | 349.7 | ✓ | ✓ | |
| New York State Common Retirement Fund* | 273.1 | ✓ | ✓ | |
| Teachers Retirement System of Texas | 224.0 | ✓ | ✓ | |
| Florida State Board of Administration | 218.9 | ✓ | ✓ | |
| State of Wisconsin Investment Board | 162.0 | ✓ | ✓ | |
| Minnesota State Board of Investment | 149.7 | | ✓ | Recent participant |
| New York State Teachers' Retirement System | 146.5 | ✓ | ✓ | |
| Oregon Public Employees' Retirement Fund | 141.1 | ✓ | ✓ | |
| Ohio Public Employees Retirement System | 119.4 | ✓ | ✓ | |
| Virginia Retirement Systems | 116.9 | ✓ | ✓ | |
| Tennessee Consolidated Retirement System | 112.6 | | ✓ | within AUM range |
| Michigan State Retirement System | 110.1 | | ✓ | within AUM range |
| Massachusetts PRIM | 109.7 | | ✓ | within AUM range |
| State Teachers' Retirement System of Ohio | 96.3 | ✓ | | falls outside AUM range |
| | High Quartile | \$222.7 | \$218.9 | |
| | Median | 154.3 | 146.5 | |
| | Low Quartile | 124.8 | 116.9 | |
| Washington State Investment Board** | \$222.5 | | | |

* estimated AUM - did not participate in 2025 survey; including prior participating compensation data in analysis

**current AUM as of Oct. 2025