

Public Officials Compensation Commission: State Treasurer

Supplemental Data Sheet

Organized by Criteria Put Forth in ORS 292.91(2)

ORS 292.912(2)(a): Comparable position in neighboring states.

The Oregon State Treasurer is charged with a particularly broad range of duties, one of the broadest in the nation. Also, Oregon's investment portfolio is one of the largest as well, the pension fund being the 23rd largest in the U.S. and the 41st in the world, public or private. Therefore, "comparable" and "neighboring" are necessarily different and separate considerations for Oregon's State Treasurer, because no neighboring states are comparable in scope and scale of duties.

Salary & Duties - Treasurers in Western States

State	Salary	Staff	Annual Budget	Portfolio	Banking	Cash Mgmt	Debt Issuance	Local Govt Investment Pool	Short Term Investment	Pension Fund Investment	529 College Savings	Unclaimed Property	Land Board	Notes
California	\$169,743	300	\$22.8 million	\$55.7 billion	x	x	x		x					on boards of CalSTRS, CalPERS investment boards
Washington	\$105,811	70	\$7.5 million	\$9.8 billion		x	x	x	x					on pension investment board, college savings board
Hawaii	\$104,040	290	\$1.5 billion	\$3.8 billion		x	x			x	x	x		treasury services in Budget & Finance Dept; retirement system
Nevada	\$97,000	39	\$6.3 million	\$3.4 billion	x	x	x		x		x	x		
Wyoming	\$92,000	25	\$3.3 million	\$8.5 billion		x	x	x	x		x	x	x	
Alaska	\$102,480	35	\$5.2 million	\$22.3 billion	x	x	x		x	x				
Idaho	\$85,800	18	\$1.9 million	\$2.2 billion	x	x		x			x			
Montana	\$85,000	487	\$276 million	n/a	x	x	x							treasury services housed in Dept of Admin Services
New Mexico	\$85,000	43	\$4.2 million	\$5 billion	x	x		x	x					
Utah	\$82,200	24	\$2.5 million	\$11 billion	x	x	x	x				x		
Oregon	\$72,000	80	\$12.2 million	\$80 billion	x	x	x	x	x	x	x	*	x	*indirect unclaimed property oversight through Land Board
Arizona	\$70,000	33	\$2.8 million	\$12.1 billion	x	x		x	x				x	
Colorado	\$68,500	26	\$3.2 million	\$5 billion	x	x	x		x			x		

Salary & Duties - Treasurers in Comparable States to Oregon

State	Salary	Staff	Annual Budget	Portfolio	Banking	Cash Mgmt	Debt Issuance	Local Govt Investment Pool	Short Term Investment	Pension Fund Investment	529 College Savings	Unclaimed Property	Land Board	Notes
Tennessee	\$180,000	197	\$16.5 million	\$38 billion	x	x		x		x	x	x		also administers retirement system
Pennsylvania	\$141,565	520	\$60 million	\$7.3 billion	x	x	x	x	x	x	x	x		
Massachusetts	\$130,916	168	\$8 million	\$100 billion	x	x	x	x	x	x		x		oversees retirement system, Lottery commission
N. Carolina	\$119,901	345	\$41.8 million	\$75 billion	x	x	x	x	x	x		x		also administers retirement systems
Connecticut	\$110,000	153	\$163 million	\$30 billion	x	x	x	x	x	x	x	x		Is principal fiduciary of pension funds
Iowa	\$103,212	27	\$3.5 million	\$2.1 billion	x	x	x			x	x	x		
Vermont	\$95,139	38	\$3.4 million	\$3.3 billion	x	x	x	x	x	x		x		
S. Carolina	\$92,007	67	\$5.6 million	\$19.8 billion	x	x	x	x	x	x	x	x		manages only fixed income of retirement funds
Wyoming	\$92,000	25	\$3.3 million	\$8.5 billion		x	x	x	x		x	x	x	
Mississippi	\$90,000	40	\$4.7 million	\$2.1 billion	x	x	x		x	x	x	x		
Oregon	\$72,000	80	\$12.2 million	\$80 billion	x	x	x	x	x	x	x	*	x	*indirect unclaimed property oversight through Land Bd

ORS 292.912(2)(b): The qualifications and skills necessary for the office.

The State Treasurer is a statewide constitutional office and a partisan position. Oregon law requires the State Treasurer to be at least the age of 18 and an Oregon resident. A qualified candidate winning the respective primary state for statewide election in November and earns the vote – and implicitly the trust and confidence – of a majority of Oregon voters. Once elected, the State Treasurer represents the entire state.

No particular academic degree, certification, or type of experience is explicitly required for the office. Former state treasurers have come from a variety of backgrounds, both professional and in public service. A number served in elective office prior to serving as state treasurer.

One can look to the nature of the position to help gain an understanding of the sorts of skills that will be utilized in the execution of the State Treasurer's duties.

- Understanding financial markets, economic and business principles, and budgets.
- Understanding public policy and influencing it at a national, state, and local level.
- Representing Oregon and Oregonians in various public and private forums internationally, nationally, and around the state.

ORS 292.912(2)(c): The level of responsibility that accompanies the office.

- The Office of the State Treasurer has 82 full-time employees, and a biennial budget of \$32 million.
- The State Treasurer directly staffs nine boards and commissions, and serves on several more by statute.
- In addition, the State Treasurer oversees the management of myriad private sector relationships – currently more than 320 – including investment managers, consultants, financial advisors, bond and underwriters' counsel, banking services, technical support, and many other service providers. These are relationships maintained locally, nationally, and around the world.
- The State Treasurer bears a great deal of responsibility for the prudent management of state funds. Poor judgment and management could result in severe consequences for the State's credit rating, the pension fund system, the state budget, and taxpayers to the tune of millions, even billions, of dollars. Conversely, the State Treasurer is in the position to save the State just as many billions of dollars through wise investment, innovative programs, and sound policy development.
- The State Treasurer is an independent elected officer, directly elected, and does not report to the Governor in the execution of his duties, which are proscribed by law. The State Treasurer does share decision-making authority with the Governor and Secretary of State in the management of state lands for the benefit of the Common School Fund.
- The State Treasurer is second in line, after the Secretary of State, to succeed the Governor should the position become vacant.

ORS 292.912(2)(d): The cost of living.

We understand this criterion to refer to the cost of living over time compared to salaries over that same time period. POCC staff can provide the historical data related to the increase in cost of living over time in the state of Oregon. It is important to note that the State Treasurer's salary has remained fixed in statute, with no increase, for many years. A planned increase scheduled for 2001 was repealed within months of its passage and has not been reinstated. During this time until present, state employees' salaries have received both cost-of-living increases and step level increases.

A point of context about the State Treasurer’s position (and other statewide elected officials’ positions): these statewide positions are four-year positions. However, it may be nearly a five-year commitment to run for a statewide office because it is necessary to run a statewide primary and general campaign to achieve the office. There is an opportunity cost to candidates to devote that amount and length of time before even entering the position – time they might otherwise devote to earning wages or to their families.

ORS 292.912(2)(e): Total compensation of the position, including benefits other than salary.

POCC staff should be able to provide other state treasurers’ total compensation information, if desired. Below is information specific to the Oregon State Treasurer.

Annual Salary:	Salary Effective Date:	Additional Annual Earnings:	Source of Additional Earnings:	Total Gross Earnings:	Employer Contribution to Ret. (%)	Employer Contribution to Ret. \$	Employer Contribution to Health Insurance Per Annum:	Type of Health Insurance Plans Covered	Total Compensation Per Annum
\$72,000	7/1/2001	\$3,000	add'l \$250/mo by statute	\$75,000	17.2%*	\$12,900	\$11,428	Medical, Dental, Vision,	\$99,328

*Figure used by POCC staff; lower rates actual and forecast.

ORS 292.912(2)(f): Budget limits.

Recognizing that it is ultimately the legislature’s prerogative and responsibility to evaluate and determine the appropriate budget limitations for each office and agency in light of all the demands on the State’s resources, the Public Officials Compensation Commission will be cognizant of those many demands when making its recommendations. The State Treasurer budget is entirely an “Other Funds” budget, with no General Fund monies appropriated to it. The budget is largely based on a “fee-for-service” structure, with the various funds supporting their own administration. Budget costs are paid through charges to the Oregon Public Employees Retirement Fund and other funds the Treasurer manages, issuance costs from the sale of bonds, and banking transactions paid by state agencies. Because of the high volume of banking transactions, the billions issued every biennium in State bonds, and the tens of billions of investment assets managed, and because of the high degree of efficiency with which the State Treasurer’s office operates, administration costs to the Other Funds are very low. The budgetary impact of a change in the State Treasurer’s compensation would be very minimal.

ORS 292.912(2)(g): Any other factors the commission may consider to be reasonable, appropriate and in the public interest.

- A general principle of basic fairness should apply to the salaries of statewide elected officials that their salaries should track the same cost of living increases received by other state employees.
- While Oregon has been fortunate that its statewide offices have attracted worthy candidates and officials, there are a number of barriers to running for public office. While no one contemplating public service expects to become rich, low compensation can be another barrier to consider public service. Those barriers limit the pool of candidates from which voters may choose. Because a premise of our democratic process is providing voters with a number of choices, the public good may not be well served by setting compensation for elected office so low that it is a barrier to many otherwise willing and able candidates for public office.