

State Retirement Agency

MISSION

To administer the survivor, disability, and retirement benefits of the System's participants, and to ensure that sufficient assets are available to fund the benefits when due.

VISION

A state that provides a fully-funded retirement system that is affordable to all participating employees and provides guaranteed adequate disability, survivor, and retirement benefits.

KEY GOALS, OBJECTIVES, AND PERFORMANCE MEASURES

Goal 1. To invest prudently System assets in a well-diversified manner to optimize long-term returns, while controlling risk through excellence in execution of the investment objectives and strategies of the System.

- Obj. 1.1** By the end of each fiscal year, meet the Board of Trustees' total return objective of achieving a nominal rate of return that equals or exceeds the actuarial return assumption set by the Board of Trustees.
- Obj. 1.2** Over the long term (5-year rolling periods) meet or exceed both median peer performance, where peers are defined as other public pension funds with assets in excess of \$25 billion, and policy benchmark performance, where benchmarks are defined by the Board of Trustees.

| Performance Measures | 2016 Act. | 2017 Act. | 2018 Act. | 2019 Act. | 2020 Act. | 2021 Est. | 2022 Est. |
|---|------------|------------|------------|------------|------------|-----------|-----------|
| Difference between the actual rate of return for the composite portfolio and the actuarial return assumption set by the Board of Trustees over one year | -6.39% | 2.47% | 0.56% | -0.99% | -3.83% | N/A | N/A |
| 3-year annualized excess return over the actuarial rate | -1.64% | -3.00% | -1.21% | 0.72% | -1.39% | N/A | N/A |
| 10-year annualized excess return over the actuarial rate | -2.70% | -3.40% | -2.00% | 1.16% | 0.17% | N/A | N/A |
| 25-year annualized excess return over actuarial rate | -0.37% | -0.56% | -0.86% | -0.44% | -0.82% | N/A | N/A |
| Difference between the actual rate of return for the composite portfolio and the median peer return over a 5-year rolling period | -1.40% | -1.47% | -1.38% | -0.94% | -0.74% | N/A | N/A |
| MSRPS 5-year return in excess of policy benchmark | 0.72% | 0.75% | 0.43% | 0.26% | -0.03% | N/A | N/A |
| Fair value of investment portfolio at fiscal year-end (\$ thousands) | 45,465,359 | 49,097,846 | 51,956,589 | 54,204,605 | 54,767,092 | N/A | N/A |
| Net investment income earned during the fiscal year (\$ thousands) | 497,563 | 4,473,486 | 3,899,403 | 3,288,209 | 1,866,640 | N/A | N/A |

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Goal 2. To communicate effectively with all retirement plan participants to inform them about the benefits provided by the System and to educate them about planning and preparing for all aspects of their defined benefit system.

Obj. 2.1 On an ongoing basis, 95 percent of new retirees and active plan participants feel that they received adequate information to make informed decisions regarding their defined benefit retirement options.

Obj. 2.2 No more than 7.5 percent of incoming telephone calls will be abandoned by the phone system, and waiting time for calls to be answered will be less than 2:15 minutes.

| Performance Measures | 2016 Act. | 2017 Act. | 2018 Act. | 2019 Act. | 2020 Act. | 2021 Est. | 2022 Est. |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Percentage of new retirees and active plan participants who respond favorably to a customer survey regarding the retirement process and adequacy of information disseminated through individual counseling and through telephone inquiry | 92.60% | 95.60% | 97.00% | 97.43% | 96.78% | 95.00% | 95.00% |
| Percentage of incoming telephone calls abandoned by the automated telephone system | 9.54% | 5.38% | 6.50% | 15.00% | 18.45% | 12.50% | 7.50% |
| Average telephone waiting time in minutes and seconds | 2:38 | 1:25 | 1:44 | 4:30 | 5:44 | 3:30 | 2:15 |