

**BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION**

**IN THE MATTER OF THE APPLICATION )  
OF PUBLIC SERVICE COMPANY OF NEW )  
MEXICO FOR REVISION OF ITS RETAIL )  
ELECTRIC RATES PURSUANT TO ADVICE )  
NOTICE NO. 533 )**

**Case No. 16-00276-UT**

**PUBLIC SERVICE COMPANY OF NEW )  
MEXICO, )**

**Applicant )**

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**DIRECT TESTIMONY  
OF  
LAURIE S. MONFILETTO**

**December 7, 2016**

**NMPRC CASE NO. 16-00276-UT**  
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**WITNESS FOR**  
**PUBLIC SERVICE COMPANY OF NEW MEXICO**

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PNM EXHIBIT LSM-1

Résumé of Laurie S. Monfiletto

AFFIDAVIT

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**I. INTRODUCTION AND PURPOSE**

**Q. PLEASE STATE YOUR NAME, POSITION AND BUSINESS ADDRESS.**

**A.** My name is Laurie S. Monfiletto. I am Vice President, Human Resources, for PNM Resources, Inc. (“PNM Resources”), the parent corporation of Public Service Company of New Mexico (“PNM” or the Company). My business address is 414 Silver SW, Albuquerque, New Mexico 87102.

**Q. PLEASE DESCRIBE YOUR RESPONSIBILITIES AS VICE PRESIDENT OF HUMAN RESOURCES**

**A.** I oversee human resource strategy for PNM Resources and its affiliate companies including PNM. My areas of responsibility include employee and labor relations, compensation, benefits and workforce development. A copy of my resume is attached as PNM Exhibit LSM-1. I hold a Master’s Degree in Public Administration with a State and Local Finance and Management concentration from Syracuse University and a Bachelor’s Degree in Political Science and Economics from Illinois State University. I have worked in the human resources field for over twenty-seven years, responsible for compensation, benefits, employee and labor relations, staffing and learning. I have worked for PNM Resources for nine years, first as the director of strategic workforce planning and staffing, then the director of human resources for the utility function of the business. I was promoted to Vice President of Human Resources in 2012.

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1   **Q.    HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY BEFORE THE**  
2           **NEW MEXICO PUBLIC REGULATION COMMISSION (“NMPRC” OR**  
3           **“COMMISSION”)?**

4   **A.    Yes, I submitted testimony in NMPRC Case No. 15-00261-UT, PNM’s “2015**  
5           **Rate Case.”**

6  
7   **Q.    WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?**

8   **A.    The purpose of my testimony is to explain the Company’s compensation and**  
9           **benefits philosophy as well as the basis for compensation paid and benefits**  
10          **provided to employees. I also discuss certain incentive compensation plans and**  
11          **why the costs associated with these plans should be included as part of the**  
12          **Company’s revenue requirement as a reasonable cost of providing electric service**  
13          **to customers.**

14

15   **Q.    WHICH OF THE INCENTIVE COMPENSATION PLANS DO YOU**  
16          **DISCUSS?**

17   **A.    I discuss the following incentive compensation plans for inclusion in PNM’s**  
18          **proposed revenue requirement:**

- 19            •   The PNM Resources Wholesale Power Marketing Incentive Plan (“WPM  
20                Plan”);
- 21            •   The Business Unit Group Incentive Plan (“Group Incentive Plan”).

22

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**II. SUMMARY OF KEY CONCLUSIONS**

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**Q. PLEASE SUMMARIZE THE KEY CONCLUSIONS OF YOUR DIRECT TESTIMONY.**

**A.** My key conclusions are as follows:

- PNM’s employee compensation and benefits plans are benchmarked with relevant, independent, third-party industry survey data and represent a reasonable cost of providing safe and reliable service to customers.
- Monetary compensation for employees generally includes base compensation and incentive compensation. Some job classifications are also eligible for overtime pay and/or shift differential pay.
- Base compensation for non-union employees will escalate from 2.5 percent in 2017 to 3 percent in 2018. Union employee salaries will escalate from 2 percent in 2017 to 2.5 percent in 2018 in accordance with the negotiated collective bargaining agreement (“CBA”). These escalations are consistent with industry trends.
- The costs of certain PNM incentive compensation plans, including the WPM Plan and the Group Incentive Plan, have previously been included in PNM’s revenue requirement with the approval of the Commission as discussed below. The cost of these incentive compensation plans is reasonable and benefits customers by incentivizing work activities that support the provision of safe and reliable service.

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- 1           • As part of PNM’s cost-saving measures, PNM has engaged in measures to  
2           control post-retirement benefit costs. PNM has also undertaken a  
3           reduction in workforce process, which is reflected in the cost of service.  
4

5           **III. BASE SALARIES, ANNUAL INCREASES AND BENEFITS**

6   **Q. PLEASE DESCRIBE PNM RESOURCES’ COMPENSATION**  
7   **PHILOSOPHY.**

8   **A.** PNM Resources has established compensation policies and plans for its affiliated  
9   companies, including PNM. PNM Resources utilizes a “Total Rewards” approach  
10 for employee compensation and benefits to attract, retain, and motivate qualified  
11 employees. The Total Rewards approach is comprised of both tangible  
12 (compensation and benefits) and intangible (training and development, career  
13 growth opportunities and the work environment) components. The Total Rewards  
14 approach is intended to support the overall business objectives of PNM Resources  
15 and its affiliates, including the delivery of safe and reliable electric utility services  
16 to customers. Compensation plans are designed in accordance with the following  
17 principles:

- 18           • *Externally Competitive* - compensation is benchmarked to be market  
19           competitive within the relevant markets in which the Company  
20           competes to attract, retain and motivate qualified employees.

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- 1           • *Strategically Aligned* - compensation programs and practices are  
2           intended to reinforce each business area's business strategy, structure  
3           and needs.
- 4           • *Internally Equitable* – compensation for jobs fairly reflects their value  
5           relative to other jobs within the Company.
- 6           • *Personally Motivating* - salaries and incentives recognize employees  
7           based on individual contribution and job responsibilities.
- 8           • *Cost Effective* - compensation programs are designed to provide value  
9           to the Company and its customers in relation to the cost involved.
- 10          • *Legally Compliant* - programs are in compliance with all applicable  
11          state and federal laws and regulations.

12

13 **Q.     WHAT IS COMPENSATION BENCHMARKING?**

14 **A.**    Compensation benchmarking is a process used to provide factual data on where  
15          PNM stands in comparison with other companies in our industry for specific job  
16          duties and skills. Survey data used to benchmark compensation is prepared by  
17          highly-qualified, independent, third-party vendors and provides quantifiable and  
18          objective compensation data points.

19

20 **Q.     WHAT ARE THE BENEFITS OF BENCHMARKING IN ASSESSING**  
21 **EMPLOYEE COMPENSATION?**

22 **A.**    Benchmarking has three primary benefits. First, benchmarking allows PNM  
23          Resources to assess the current state of its compensation program. Benchmarking

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1 provides a fact-based understanding of the cost and performance drivers of PNM  
2 Resources compensation plans. Second, benchmarking allows PNM Resources to  
3 more easily identify and prioritize compensation options. Benchmarking multiple  
4 compensation plans and programs simultaneously allows PNM Resources to  
5 review those plans and/or programs that need more attention based on how they  
6 compare with market. Third, benchmarking helps provide periodic measurement  
7 against a market-based baseline. Benchmarking assists PNM Resources in  
8 determining reasonable annual merit pool and incentive award levels for  
9 employees in the job categories covered under our plans.

10  
11 **Q. WHY DO COMPANIES BENCHMARK COMPENSATION?**

12 **A.** Companies benchmark compensation to assess if their compensation programs  
13 and plans are aligned with the market to attract, retain and motivate employees.  
14 Factors that generally influence compensation benchmarking can include level of  
15 job responsibility, industry type, geographical area (e.g. local market, regional  
16 market or national market) and company size (e.g. revenues between \$1.0 billion  
17 to \$3.0 billion).

18  
19 **Q. HOW DOES PNM RESOURCES OBTAIN ITS COMPENSATION  
20 SURVEY DATA?**

21 **A.** PNM Resources purchases compensation survey data from established, highly-  
22 qualified, independent third-party vendors, of which Willis Towers Watson LLC  
23 (“Willis Towers Watson”) and AONHewitt are the primary survey vendors.



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1       These vendors conduct surveys of other participating companies to gather  
2       confidential compensation information. Surveys are generally conducted  
3       annually. This time-intensive process requires the vendors to invest their time,  
4       labor, knowledge and skills to produce and develop their proprietary  
5       compensation survey data. A compensation survey involving a significant  
6       number of positions can take several months to complete, even after the data is  
7       collected.

8  
9       **Q. PLEASE PROVIDE A DESCRIPTION OF WILLIS TOWERS WATSON  
10       AND AONHEWITT.**

11      **A.** Willis Towers Watson is a leading global professional company that, as an  
12      independent, third-party firm, conducts regional, national and industry surveys  
13      and provides consulting and other services in the areas of benefits, talent  
14      management, rewards and risk and capital management. *Fortune Magazine* has  
15      included Willis Towers Watson on its list of World's Most Admired Companies  
16      for 2012, 2013, 2014, 2015 and 2016. AONHewitt is among the world's top  
17      global human capital and management consulting firms and also provides human  
18      capital and management consulting services, including compensation survey data.

19  
20      **Q. PLEASE PROVIDE A DESCRIPTION OF PNM RESOURCES' PROCESS  
21      FOR COMPENSATION BENCHMARKING.**

22      **A.** PNM's Compensation Department determines whether there are survey data  
23      available for the particular job classification or classifications being evaluated. If

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1 survey data are available, the data are used to benchmark a particular job  
2 classification or group of job classifications. The appropriate market data are  
3 identified by assessing the market in which we compete for talent. The  
4 appropriate markets may be different for each job classification. By assessing the  
5 appropriate market for each job classification, a determination is made whether to  
6 use local, regional or national survey data and whether to use utility and/or  
7 general industry survey data. The job classification is matched to applicable  
8 survey data.

9  
10 Compensation survey data typically provide a range of compensation, which is  
11 generally presented in percentile format. PNM Resources' compensation  
12 philosophy is to utilize the market median or 50<sup>th</sup> percentile, when benchmarking.  
13 If survey data are not available for a job classification or group of job  
14 classifications, the job(s) are slotted into a pay grade with other jobs that have a  
15 similar scope or are of a similar nature.

16  
17 **Q. WHAT ARE THE COMPONENTS THAT MAKE UP THE**  
18 **COMPENSATION PAID TO EMPLOYEES?**

19 **A.** Compensation for employees is generally comprised of two elements: (1) base  
20 compensation and (2) incentive compensation. Also, based on certain job  
21 classifications, some employees are eligible for overtime and/or shift differential  
22 pay. Additionally, all regular, full-time and part-time employees are eligible to  
23 receive employee benefits.

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1 **Q. WHAT IS THE PURPOSE OF BASE SALARIES?**

2 **A.** Base salary is a fixed portion of the employee's total compensation. It is earned  
3 by performing the functions of the job. The essential functions of the job are  
4 identified by job descriptions.

5  
6 **Q. HOW ARE EMPLOYEE BASE SALARIES DETERMINED?**

7 **A.** For non-union employees, an individual employee's base salary is determined  
8 using the applicable salary band, for the specified job classification within the  
9 PNM Resources salary structure, and is intended to reflect a variety of factors  
10 including the employee's knowledge, skills, experience, education and  
11 performance. Union employees' base salaries are negotiated as part of the  
12 collective bargaining process.

13  
14 **Q. DOES PNM TYPICALLY PROVIDE ANNUAL MERIT INCREASES TO**  
15 **EMPLOYEE BASE SALARIES?**

16 **A.** Yes. Over the most recent years, PNM's annual merit increases have averaged  
17 2.5 percent for non-union employees and 2.0 percent for union employees. For  
18 the 2015-2017 period, the general trend for merit budgets shows an annual  
19 increase of approximately 3.0 percent, based on the 2016 Willis Towers Watson  
20 Salary Budget Survey and the 2016-2017 AONHewitt US Salary Increase Survey.  
21 Although in recent years PNM has had an annual merit pool of 2.5 percent, based  
22 on this benchmark data, we are increasing the annual merit pool in 2018 to 3.0

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1           percent to align with market trends. For union employees, the annual wage rate  
2           increase is based on the CBA.

3  
4           As shown by PNM Witness Monroy, PNM applied annual escalation percentages  
5           to salaries in the Base Period to estimate employee base salaries in the Test  
6           Period. For non-union employees, a 2.5 percent annual escalation percentage was  
7           used for 2017, and 3.0 percent was used for 2018. For union employees, a 2.0  
8           percent annual escalation percentage was applied for 2017, and 2.5 percent was  
9           used for 2018, based on the CBA.

10  
11   **Q.    HOW DO NON-UNION EMPLOYEES EARN MERIT INCREASES?**

12   **A.**    Annual merit increases for non-union employees are based on an individual's  
13           performance during the previous year, the likelihood of sustaining the  
14           performance level, and their salary within the salary range for the job  
15           classification. PNM Resources has a common merit award date for all eligible  
16           non-union employees. Non-union merit awards are typically effective in late  
17           March each year.

18  
19   **Q.    ARE THESE ANNUAL MERIT INCREASES COMPETITIVE AND**  
20           **REASONABLE?**

21   **A.**    Yes. The 2.5 percent annual merit increase percentages are similar to those that  
22           employees have been granted in recent years. However, the annual merit pool  
23           available for employee merit increases is benchmarked against survey data

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1           annually and has been below market. In order to be competitive with other  
2           companies, in 2018 the annual merit pool will increase to 3.0 percent.

3  
4                                   **IV.    INCENTIVE COMPENSATION PLANS**

5   **Q.    WHAT IS THE TOTAL COST OF THE INCENTIVE PLANS INCLUDED**  
6   **IN THE TEST PERIOD REVENUE REQUIREMENT?**

7   **A.**    I prepared Table LSM-1 which identifies the forecasted cost included in the Test  
8           Period (calendar year 2018) for the incentive compensation plans that I discuss  
9           below.

10                                   **Table LSM-1 – Test Period Incentive Plan Costs**

<b>Incentive Compensation Program</b>	<b>Estimated Costs</b>
WPM Plan	\$755,889 (PNM)
Group Incentive Plan	\$5,310,484 (PNM Resources)

11   **Q.    WHAT IS THE PURPOSE OF INCENTIVE COMPENSATION PLANS?**

12   **A.**    These plans are intended to incentivize employees to meet or exceed specific  
13           performance metrics. Incentive compensation is an “at risk” component of an  
14           employee’s total compensation. That means that if the specific performance  
15           metrics are not met or exceeded, the incentive compensation is not paid. Unlike  
16           base salary, which is paid regardless of whether performance metrics are met,  
17           incentive compensation gives employees a direct stake in meeting established  
18           performance metrics.

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1 **Q. HOW DO INCENTIVE COMPENSATION PLANS BENEFIT**  
2 **CUSTOMERS?**

3 **A.** PNM's performance metrics established under its incentive compensation plans  
4 are designed to align with the overall Company objectives of providing safe,  
5 reliable and cost-effective service to customers. Customers benefit from the  
6 attainment of these performance metrics.

7  
8 **Q. HAS PNM INCLUDED THE COST OF ALL OF ITS INCENTIVE**  
9 **COMPENSATION PLANS AND PROGRAMS IN THE REVENUE**  
10 **REQUIREMENT?**

11 **A.** No. PNM Resources has incentive compensation plans and programs, other than  
12 the WPM Plan and the Group Incentive Plan, that are not included in the revenue  
13 requirement. These other plans include:

14 a. An Annual Incentive Plan that applies primarily to employees in  
15 management, specifically salary grades G01 to G04. This plan has an  
16 earnings per share performance threshold that must be met before awards  
17 can be earned and awarded to eligible employees.

18 b. An Officer Annual Incentive Plan that applies only to PNM Resources  
19 officers and has an earnings per share performance threshold that must be  
20 met before awards can be earned and awarded to officers.

21 c. Long-Term Incentive Plans that provide an opportunity for PNM  
22 Resources officers to earn performance share awards that if earned vest  
23 immediately, and restricted stock rights awards that vest over three years.

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1           d. A discretionary non-PNM Resources officer restricted stock rights awards  
2           program that provides the opportunity for certain management employees,  
3           who are not PNM Resources officers, to be awarded restricted stock rights  
4           awards that vest over three years. Beginning in 2011, the Company issued  
5           restricted stock rights awards rather than stock options.

6  
7   **Q.   HAVE EMPLOYEE INCENTIVE PROGRAMS PREVIOUSLY BEEN**  
8   **INCLUDED IN PNM'S REVENUE REQUIREMENT?**

9   **A.**   Yes. The Final Order in NMPRC Case No. 07-00077-UT allowed recovery for a  
10   portion of employee incentive compensation that was not tied to PNM's  
11   earnings.<sup>1</sup> In Case No. 10-00086-UT, the Commission allowed full recovery for  
12   the cost of incentive compensation under the WPM Plan as well as for a prior  
13   non-management employee incentive compensation plan.<sup>2</sup> Most recently, in the  
14   2015 Rate Case, the Commission approved recovery for ninety percent of the cost  
15   of the WPM Plan. The Group Incentive Program was a new program presented  
16   for Commission consideration for the first time in the 2015 Rate Case and the  
17   amount sought was higher than the amount paid out under the first year of the  
18   program. The requested increase was needed to align PNM's compensation for  
19   the covered group of employees more closely with the market median. The

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<sup>1</sup> Case No. 07-00077-UT. Recommended Decision (3/6/2008) at 104-108, approved by Final Order Partially Adopting Recommended Decision at 31-32 (4/24/2008).

<sup>2</sup> Case No. 10-00086-UT, Final Order Partially Approving Certification of Stipulation (7/28/2011) at 84-86.

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1 Commission authorized recovery of \$2,567,000 for the costs of the Group  
2 Incentive Program.<sup>3</sup>

3  
4 **Q. WHY DIDN'T PNM INCLUDE ALL OF THE EMPLOYEE INCENTIVE  
5 PLANS IN THE REVENUE REQUIREMENT?**

6 **A.** Although the Commission has previously allowed recovery of certain incentive  
7 plans and programs that are not included in this case, the Company has chosen to  
8 cap the amounts to be recovered for employee incentive plans in this Test Period  
9 to mitigate and balance costs to our customers at this time. As previously noted,  
10 the costs included in this rate case are limited to the WPM Plan and the Group  
11 Incentive Plan.

12  
13 **Q. DOES THE LIMITED NATURE OF THIS REQUEST PRECLUDE PNM  
14 FROM REQUESTING THE RECOVERY OF THE COSTS OF ANY OF  
15 THE ABOVE NOTED INCENTIVE PLANS AND PROGRAMS IN THE  
16 FUTURE?**

17 **A.** No. As discussed above, the Commission has previously approved recovery of  
18 other incentive compensation costs. PNM may seek cost recovery for these  
19 programs as warranted and reasonable in the future.

20  

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<sup>3</sup> Corrected Recommended Decision (8/15/2016) at 180-184 as approved in Final Order (9/28/2016) at ¶¶  
210-211, 73-74.



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1 **Q. CAN YOU DETAIL THE INCENTIVE COMPENSATION PLANS THAT**  
2 **PNM SEEKS TO INCLUDE IN ITS REVENUE REQUIREMENT IN THIS**  
3 **CASE?**

4 **A.** Yes. I address each plan separately in the following testimony.

5

6 **A. *Wholesale Power Marketing Incentive Plan***

7 **Q. PLEASE DESCRIBE THE WHOLESALE POWER MARKETING**  
8 **DEPARTMENT (“WPM DEPARTMENT”).**

9 **A.** The WPM Department is responsible for off-system sales and the electric power  
10 real-time and short-term merchant function that trades in the wholesale market.  
11 This group is also responsible for PNM’s generation dispatch function and for  
12 maintaining compliance with applicable regulations under the jurisdiction of the  
13 Federal Energy Regulatory Commission, the North American Electric Reliability  
14 Corporation and other regulatory entities.

15

16 **Q. WHEN WAS THE WPM PLAN IMPLEMENTED?**

17 **A.** The WPM Department has had an incentive compensation plan since 1996.

18

19 **Q. WHICH EMPLOYEES ARE COVERED UNDER THE WPM PLAN?**

20 **A.** As of June 30, 2016, all twenty-seven employees in the WPM Department are  
21 eligible, including the director, managers, traders, preschedulers and  
22 administrators. Employees outside of the WPM Department are not eligible under

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1 the WPM Plan. Employees eligible for the WPM Plan are not eligible for any  
2 other incentive plan. PNM Resources adopted the WPM Plan specifically to  
3 motivate and reward employees in the WPM Department to meet performance  
4 metrics that benefit customers.

5  
6 **Q. PLEASE DESCRIBE THE KEY PROVISIONS OF THE WPM PLAN.**

7 **A.** The WPM Plan is designed to motivate and reward employees for achieving  
8 system reliability targets, controlling fuel costs for the customer and maximizing  
9 return from optimizing our power resources. The system reliability performance  
10 targets include 100 percent compliance with Reliability Based Control, 98 percent  
11 compliance with the Southwest Reserve Sharing Group and 100 percent  
12 compliance with the Disturbance Recovery Standard Recovery. Jurisdictional  
13 financial targets include controlling costs and maximizing off-system sales  
14 margins for the benefit of customers.

15  
16 The WPM Plan is capped at a specified maximum amount for the award pool.  
17 Individual employee payouts are based on individual employee performance  
18 during the WPM Plan year, the WPM Plan cap, and the level of overall award  
19 pool funding. Awards are only paid to employees if earned by achieving the  
20 performance targets identified in the WPM Plan.

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1 **Q. WHAT HAS BEEN THE HISTORY IN TERMS OF PAYMENT OF**  
2 **INCENTIVE COMPENSATION UNDER THE WPM PLAN?**

3 **A.** Since 2008, incentives under the WPM Plan have been awarded to WPM  
4 Department employees achieving the incentive performance targets. It is  
5 reasonable to anticipate that the WPM Plan will be earned and paid to employees  
6 in 2016 and thereafter, and therefore reasonable to include this incentive plan in  
7 the Test Period cost of service.

8

9 **Q. IS THE WPM PLAN INCENTIVE COMPENSATION CAPPED IN ANY**  
10 **MANNER?**

11 **A.** Yes. The current WPM Plan design provides a cap based on the market median.  
12 If there were any adjustments to the proposed plan funding, based on prior  
13 performance of the plan, this would result in funding this plan below market  
14 median. The plan is designed so that if current plan performance was to produce  
15 results similar to past performance, award payouts will align with the market  
16 median.

17

18 **Q. HOW DID THE TEN PERCENT DOWNWARD ADJUSTMENT IN THE**  
19 **2015 RATE CASE IMPACT THE WPM PLAN?**

20 **A.** The adjustment in the 2015 Rate Case resulted in the plan being below market  
21 median. As a result, if the current plan performance produces similar  
22 performance results as in the past, award payouts will fall below the market  
23 median. Because the incentive compensation for the WPM Plan is a reasonable

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1 cost of service that should be recovered in rates, PNM generally adjusts its budget  
2 for this component of compensation based on the amount of Commission-allowed  
3 recovery. Therefore, it is appropriate and important that the full amount of the  
4 WPM Plan costs be authorized for recovery in order for PNM to remain market  
5 competitive. If PNM is not allowed to recover these reasonable expenses, it  
6 cannot meet or sustain the needed market competitive compensation needed to  
7 retain employees who are necessary to provide service to customers.

8  
9 **Q. IS THE LEVEL OF THE INCENTIVE COMPENSATION FOR THE**  
10 **EMPLOYEES IN THE WPM DEPARTMENT BENCHMARKED?**

11 **A.** Yes. The incentive compensation opportunity awarded to employees under the  
12 WPM Plan is benchmarked against the market median for similar employee job  
13 classifications utilizing compensation survey data compiled by Willis Towers  
14 Watson and AONHewitt. The Willis Towers Watson survey utilized for the  
15 compensation benchmarking was the CDB Energy Marketing and Trading  
16 Compensation Survey Report – US Total Direct Compensation. The other survey  
17 utilized for benchmarking was the AONHewitt U.S. Energy Marketing and  
18 Trading Compensation Survey.

19  
20 **Q. SHOULD THE COST OF THE WPM PLAN CONTINUE TO BE**  
21 **INCLUDED AS PART OF THE REVENUE REQUIREMENT FOR**  
22 **PURPOSES OF SETTING CUSTOMER RATES?**

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1    **A.**    Yes. The cost of this plan is reasonable in relation to the experience necessary for  
2           the job classifications and the compensation provided for comparable work by  
3           other companies. This plan provides benefits to New Mexico customers by  
4           encouraging employees to meet operational goals that are primarily related to  
5           providing safe, reliable and cost effective services to customers.

6

7    **Q.**    **WHAT IS THE ANTICIPATED COST OF THE WPM PLAN FOR THE**  
8           **TEST PERIOD?**

9    **A.**    The cost of the WPM Plan for the Test Period is estimated to be \$755,889. The  
10           cost of the plan was determined by utilizing the actual employee headcount,  
11           specified job classification and base salary as of June 30, 2016, multiplied by the  
12           maximum award payable per the WPM Plan. PNM generally sets the WPM Plan  
13           budget based on Commission approved incentive compensation recovery. The  
14           cost of the WPM Plan for the Test Period includes twelve months of the  
15           forecasted 2018 WPM Plan. For calculating costs associated with the calendar  
16           year 2018, an anticipated award payable was utilized based on base salaries  
17           escalated as noted previously. Consistent with actual increases in recent years  
18           and national trends, each individual employee's base salary was annually  
19           escalated 2.5 percent in 2017 and by 3.0 percent in 2018, as shown by PNM  
20           Witness Monroy.

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1        **B.**     *Business Unit Group Incentive Plan*

2        **Q.**     **WHEN WAS THE GROUP INCENTIVE PLAN ESTABLISHED?**

3        **A.**     The Group Incentive Plan was implemented January 1, 2015.

4

5        **Q.**     **PLEASE DESCRIBE THE GROUP INCENTIVE PLAN.**

6        **A.**     The Group Incentive Plan is designed to motivate and reward eligible non-union  
7        employees for achieving operational metrics that align with the corporate and  
8        business unit objectives and strategy. The plan was designed to improve  
9        company operational metrics and to promote collaboration and teamwork to  
10       achieve specified business area performance metrics. This plan provides benefits  
11       to New Mexico customers by encouraging employees to meet operational goals  
12       that are primarily related to the provision of safe, reliable and cost-effective  
13       service to customers. The Group Incentive Plan does not have an earnings per  
14       share performance metric. The Group Incentive Plan is a key component of the  
15       total compensation package that is offered to our eligible employees.

16

17       **Q.**     **WHICH EMPLOYEES ARE ELIGIBLE TO RECEIVE AWARDS UNDER  
18       THE GROUP INCENTIVE PLAN?**

19       **A.**     Eligible employees are those in the salary structure grades of G14 to G05.  
20       Employees eligible for the Group Incentive Plan are not eligible for incentive  
21       compensation under any other program or plan. The pay grade levels for eligible  
22       employees are generally categorized at a manager level and below.

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1           Approximately 887 employees are eligible to participate in the Group Incentive  
2           Plan.

3

4   **Q.   HOW MUCH IS PNM SEEKING TO RECOVER FOR THE COST OF**  
5   **THE GROUP INCENTIVE PLAN?**

6   **A.**   PNM is seeking to fund the Group Incentive Plan at \$5,310,484 on a total  
7           company basis. PNM Witness Monroy shows how this total amount is allocated  
8           for purposes of PNM's retail cost of service. PNM engaged Willis Towers  
9           Watson to benchmark incentive compensation levels within the Group Incentive  
10          Plan to determine if our awards were reasonable for the eligible job categories. It  
11          was determined through the benchmarking study that the existing incentive award  
12          levels were below market for the job categories covered by the Group Incentive  
13          Plan.

14

15   **Q.   HOW WAS THE 2018 GROUP INCENTIVE PLAN BUDGET**  
16   **DEVELOPED?**

17   **A.**   To establish the 2018 Group Incentive Plan budget, PNM used an internal  
18          analysis of existing incentive compensation plans and the Willis Towers Watson  
19          benchmarking data to determine reasonable incentive award levels for eligible  
20          employees. With the internal analysis, PNM considered the entire incentive  
21          compensation structure for the Company. Award levels were aligned by the grade  
22          and salary of these job categories as well as how the compensation structure fits  
23          with other incentive plan structures to avoid any compensation compression

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1 issues. Although the incentive compensation levels were still below market, we  
2 remained mindful of costs. Because of this, the budget was set between the 25th  
3 and 50th percentile of market for these job categories. Therefore, even with the  
4 increased budget, the total plan budget remains below market and is therefore far  
5 from being excessive.

6  
7 **Q. WHY DO THE PLAN COSTS FOR THE GROUP INCENTIVE PLAN**  
8 **INCREASE FROM \$2,567,000 TO \$5,310,484?**

9 **A.** The Group Incentive Plan is important to attract, retain and motivate employees.  
10 Based on the benchmarking assessment completed by Willis Towers Watson, the  
11 costs of Group Incentive Plan have been benchmarked to market. In the 2015  
12 Rate Case, PNM sought to recover \$3,943,469 on a total company basis for  
13 payment of incentive compensation to remain market competitive. In part  
14 because the Plan was new and therefore historical data on its potential payout did  
15 not exist, the Commission authorized rate recovery of \$2,567,000 and the amount  
16 of available incentive compensation was reduced accordingly. As a result, the  
17 Group Incentive Plan for calendar years 2015 and 2016 was below market and we  
18 anticipate 2017 to follow the same trend. The Company strives to control its cost  
19 increases; however, PNM has seen increased attrition from employees in these  
20 eligible job categories. In 2014, thirty-seven percent of voluntary terminations  
21 came from the employee job categories covered by the Group Incentive Plan. In  
22 2015, forty-one percent of voluntary terminations came from these eligible  
23 employee job categories.



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1 Based on the information from the Willis Towers Watson benchmarking study, an  
2 employee rewards survey, and the increased employee attrition, PNM identified a  
3 need to increase the Group Incentive Plan to better attract, motivate, and retain  
4 this group of employees. The Commission's authorization in the 2015 Rate Case  
5 of recovery of \$2,567,000 for the costs of the Group Incentive Plan still leaves  
6 PNM's compensation levels below market. Increasing the costs to more closely  
7 align with market will assist to retain employees in these job categories and  
8 establishes a competitive incentive plan.

9  
10 **Q. IS THE \$2,567,000 THE COMMISSION AUTHORIZED FOR RATE**  
11 **RECOVERY IN THE 2015 RATE CASE ADEQUATE FOR PNM TO**  
12 **ATTRACT AND RETAIN EMPLOYEES COVERED UNDER THE**  
13 **GROUP INCENTIVE PROGRAM?**

14 **A.** No. As discussed above with respect to the WPM Plan incentive compensation,  
15 PNM generally adjusts its budget for this component of compensation based on  
16 the amount of Commission-allowed recovery. In 2016, if performance targets are  
17 achieved, the Company anticipates awarding approximately \$1,541,750, which  
18 represents the pro-rata portion of the Group Incentive Program increase,  
19 authorized by the Commission, to eligible employees. In 2017, if performance  
20 targets are achieved, the Company anticipates awarding approximately  
21 \$2,567,000, as authorized by the Commission, to eligible employees. Based on  
22 the benchmarking assessment, the authorized amounts for 2016 and 2017 place  
23 PNM's compensation levels at below market. However, it is not reasonable for

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1 below-market compensation levels to remain unchanged. Increasing the costs to  
2 the requested amount more closely aligns with market median which will assist in  
3 retaining employees in these job categories and establishes a competitive  
4 incentive plan.

5  
6 **Q. IS THERE A COST TO CUSTOMERS AS THE RESULT OF HIGHER**  
7 **EMPLOYEE ATTRITION RATES?**

8 **A.** Yes. When a new employee is hired, it takes, on average, four to five months for  
9 the new employee in professional positions to reach full productivity, according to  
10 the Bersin by Deloitte Strategic Onboarding Study. That four to five month  
11 period costs, on average, \$18,557 per employee, based on an average annual  
12 salary of \$74,226. With seventy-eight voluntary terminations in 2015, the cost of  
13 attrition was \$1.4 million. Although the Group Incentive Plan budget is  
14 increasing, it promotes increased operational efficiency and reduced operational  
15 costs that will directly benefit customers. Further maintaining a stable workforce  
16 will ensure increased efficiency. A competitive incentive budget for the Group  
17 Incentive Plan will assist PNM with retaining an engaged workforce and reduce  
18 costs related to attrition.

19

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1 **Q. WHAT IS THE ANTICIPATED COST OF THE GROUP INCENTIVE**  
2 **PLAN IN THE TEST PERIOD?**

3 **A.** The cost of the Group Incentive Plan is anticipated to be \$5,310,484 on a total  
4 company basis for the Test Period. The costs of the Group Incentive Plan in the  
5 Test Period include twelve-months of the forecasted 2018 level.

6  
7 **Q. HOW WAS THE TEST PERIOD EXPENSE DEVELOPED?**

8 **A.** The 2018 Group Incentive Plan will be for the performance period January 1,  
9 2018 to December 31, 2018. The anticipated cost of the 2018 Group Incentive  
10 Plan is calculated by utilizing the actual employee headcount and base salary as of  
11 June 30, 2016. Each individual employee's base salary was annually escalated  
12 2.5 percent in 2017 and 3.0 percent in 2018, as shown by PNM Witness Monroy,  
13 and then multiplied by the eligible employee award, at the target award level,  
14 based on their job grade, as reflected in the following Table LSM-2. Eligible  
15 employees will only receive an award at the end of the performance period,  
16 January 1 to December 31, if the specified performance targets are achieved.

17  
18

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1

**Table LSM-2 – Group Incentive Award Costs**

<b>Grade</b>	<b>Employee Count</b>	<b>Target Award Level</b>	<b>Cost</b>
G14	35	4.00%	\$ 35,370
G13	20	4.00%	\$ 26,963
G12	42	4.00%	\$ 72,737
G11	22	5.00%	\$ 49,438
G10	60	5.00%	\$ 156,269
G09	42	6.00%	\$ 146,280
G08	128	6.00%	\$ 518,557
G07	120	8.00%	\$ 746,628
G06	207	8.00%	\$ 1,489,539
G05	211	9.00%	\$ 2,068,703
<b>Total</b>	<b>887</b>	<b>Total</b>	<b>\$ 5,310,484</b>

2

The available pool of awards for the 2018 Group Incentive Plan will be \$5,310,484. The available pool for each business area will be based on eligible employees and the eligible earnings of those employees during the performance period.

6

7 **Q.**

**ARE THE REQUESTED COSTS OF THE GROUP INCENTIVE PLAN REASONABLE?**

8

9 **A.**

Yes. The Company's proposal for the Group Incentive Plan recognizes the need to move the plan funding towards market levels, but also balances the cost impacts to customers. The proposal moves the funding towards the 50<sup>th</sup> percentile of market median and is in alignment with the funding projected in our budget.

10

11

12

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1 The cost is reasonable in amount and will assist PNM in attracting, motivating  
2 and retaining qualified employees and should be included in the determination of  
3 the Test Period revenue requirement.

**V. EMPLOYEE BENEFITS**

6 **Q. WHAT ARE THE BENEFITS THAT ARE GENERALLY OFFERED TO**  
7 **FULL-TIME EMPLOYEES?**

8 **A.** We offer the following benefits to full-time employees:

- 9 • Retirement Savings Plan (401k)
- 10 • Medical plan with a preferred provider or high deductible plan choice
- 11 • Dental
- 12 • Vision
- 13 • Life insurance and Accidental Death & Dismemberment
- 14 • Short-term disability
- 15 • Long-term disability
- 16 • Flexible spending accounts
- 17 • Health savings accounts
- 18 • Educational assistance program
- 19 • Employee assistance program
- 20 • Paid time off
- 21 • Holiday pay
- 22 • Wellness program

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- 1           • PNM Retirement plan – for those employees who were hired before  
2           12/31/1997

3  
4   **Q.    ARE THE BENEFITS PROVIDED TO EMPLOYEES REASONABLE?**

5   **A.**   Yes. The PNM Resources Benefits Department benchmarks the benefits to  
6           ensure they are market competitive. As of the last benefits benchmark survey, in  
7           2015, the employee benefit portfolio was determined to be slightly below the  
8           market median, largely because PNM Resources closed the defined benefit plan  
9           for employees in 1997 while other utilities continued to provide a defined benefit.  
10          The benefits benchmarking survey, completed by Willis Towers Watson,  
11          determines the relative value by dividing PNM Resources' benefit value by the  
12          average benefit value for fourteen utilities participating in the comparison. The  
13          index for PNM Resources shows that our relative index is 97 percent of the  
14          average benefit value of the fourteen utilities. This is slightly higher than our  
15          ranking in the 2013 study because more utilities are closing their defined benefit  
16          plans. Overall, the PNM Resources employee benefit portfolio is slightly below  
17          market; however, it is still competitive.

18  
19   **Q.    WHAT ARE THE SIGNIFICANT CHANGES OCCURRING, OR**  
20   **EXPECTED TO OCCUR, FOR EMPLOYEE BENEFITS OFFERED**  
21   **DURING THE BASE PERIOD AND THE TEST PERIOD?**

22   **A.**   National trends show that medical costs continue to increase year-over-year. In  
23           2016, increases in medical costs, on average, were five percent nationally for mid-

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1 sized to large employers. For 2017, medical costs are expected to increase again,  
2 on average six percent to eight percent nationally for mid-sized to large  
3 employers. Based on those trends, and as shown by PNM Witness Monroy, PNM  
4 is using an escalation factor of five percent for its medical costs from the Base  
5 Period to the Test Period. In addition, PNM experienced a significant increase in  
6 medical claims costs in 2015 and 2016 associated with some unusually large  
7 claims. Therefore, Base Period medical costs have been adjusted to normalize  
8 these costs, as shown by PNM Witness Monroy. For other benefits, no other  
9 significant changes are expected from the end of the Base Period to the end of the  
10 Test Period.

11  
12 **Q. HAS PNM TAKEN ANY STEPS TO TRY TO CONTROL MEDICAL**  
13 **COVERAGE COSTS?**

14 **A.** In an effort to reach long-term objectives, effective January 1, 2015, the Company  
15 changed medical network providers and claims administrators to help minimize  
16 future health increases. The design is a three-tier network that is intended to  
17 stabilize and reduce claims costs, balance costs with quality and medical  
18 outcomes, reduce administrative overhead and improve efficiencies in  
19 administering healthcare.

20

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1 **Q. IDENTIFY THE AMOUNT THAT EMPLOYEES CONTRIBUTE TO**  
2 **THEIR ACTIVE MEDICAL AND DENTAL PREMIUMS AND EXPLAIN**  
3 **HOW THAT AMOUNT IS DETERMINED.**

4 **A.** Currently, participants pay thirty percent on average toward their overall medical  
5 premium. The utility industry trend is to have employees pay, on average, twenty  
6 percent toward their overall medical premium. Participants, on average, pay fifty  
7 percent toward their overall dental premium. As with the medical premium, the  
8 dental premium contributed by employees is benchmarked. The employee dental  
9 contribution, as per the utility trend, is considered to be market practice.

10

11 **Q. DOES PNM PROVIDE MEDICAL BENEFITS TO RETIRED**  
12 **EMPLOYEES?**

13 **A.** Yes. These benefits are commonly referred to a Post-retirement Benefits Other  
14 than Pensions or “PBOP” for short. The PBOP medical benefits were offered to  
15 employees during their tenure as active employees, and in conformity with those  
16 commitments, PNM has continued to pay for and recover the cost of the PBOP  
17 benefits from customers. These PBOP benefits are a reasonable and necessary  
18 cost of doing business in that they helped attract and retain qualified employees  
19 necessary to serve PNM’s customers.

20



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1

**VI. COST SAVING MEASURES**

2 **Q. IS PNM UNDER ANY REQUIREMENT TO ADDRESS EFFORTS**  
3 **RELATING TO COST SAVING EFFORTS WITH RESPECT TO THE**  
4 **PBOP?**

5 **A.** Yes. Under the final order in Case No. 2529, PNM is required to report on its  
6 cost-saving efforts relating to its PBOP plan.

7

8 **Q. HAS PNM TAKEN ANY STEPS TO CONTROL PBOP COSTS?**

9 **A.** Yes. The following actions have been implemented to reduce PBOP expenses:  
10 (1) eligibility for plan participation has been discontinued (*i.e.*, retiree medical  
11 benefits do not apply to employees hired after December 31, 1997); (2) for  
12 retirees over age 65, the retiree medical programs were modified to utilize  
13 medical benefits provided under Medicare Part A & B for retirees not covered  
14 under the Hartford Medicare Supplemental Plan (“The Hartford”) which reduces  
15 Company costs; (3) Wellness and Disease Management Programs, which focus on  
16 prevention and reduce the high dollar claims and long-term plan expense, have  
17 been expanded to cover retirees participating in the retiree medical plan; (4) since  
18 2014, all eligible retirees are enrolled in a Medicare supplement insured plan  
19 through The Hartford, which has limited the premium increase exposure over the  
20 long-term; (5) for eligible retirees over age 65, who retired on, or after, January 1,  
21 1988, the Company contributions toward the premiums under the plan have been  
22 capped at \$100 per month for medical and \$35 per month for prescription drugs;

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1 (6) since 2014 all eligible retirees are enrolled in a Part D Employer Group  
2 Waiver Plan (EGWP) through Express Scripts; (7) PNM contracted with Benistar  
3 Administrative Services, Inc. for the administration of these services, to further  
4 reduce administration costs; (8) in 2017, the Premium and Value medical plan  
5 options provided to retirees will collapse into the Standard plan, and (9) PNM will  
6 implement a five percent future cost escalation cap for pre-65 retiree medical  
7 expenses in 2018.

8  
9 **Q. HAS PNM IMPLEMENTED ANY OTHER EMPLOYEE COST SAVINGS  
10 ACTIONS, IN ADDITION TO THOSE DISCUSSED ABOVE?**

11 **A.** Yes. As a result of financial constraints, PNM implemented a hiring freeze  
12 effective in the second quarter of 2016. PNM has since evaluated many of the  
13 naturally occurring vacancies that have resulted over the past several months and  
14 has eliminated those vacant positions where possible. Finally, PNM has  
15 implemented reductions in force, which impacted an additional thirty-one PNM  
16 positions. The reductions from these cost saving actions are shown in the cost of  
17 service sponsored by PNM Witness Monroy.

18  
19 **VII. CONCLUSIONS**

20 **Q. DO YOU HAVE ANY CONCLUDING OBSERVATIONS?**

21 **A.** Yes, I want to reiterate that the compensation and benefits costs for PNM's  
22 employees are reasonable and competitive based on relevant benchmarks. The

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1 costs associated with the incentive compensation programs benefit customers  
2 through the improvement of operational metrics and are a necessary cost of  
3 attracting and retaining qualified employees.

4

5 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

6 **A.** Yes.

GCG#522595

Résumé of Laurie S. Monfiletto

# PNM Exhibit LSM-1

Is contained in the following 3 pages

## LAURIE S. MONFILETTO, SPHR

### EDUCATION

#### MASTER OF PUBLIC ADMINISTRATION

Concentration: State and Local Finance and Management  
Maxwell School, Syracuse University

December, 1989  
Magna Cum Laude

#### BACHELOR OF ARTS

Concentration: Political Science/Economics  
Illinois State University

May, 1988  
Magna Cum Laude

### EXPERIENCE

#### Business Experience

#### PNM RESOURCES 02/07 to present

*Vice President, Human Resources 7/2012-present*

Oversees human resource strategy for the organization through employee and labor relations, compensation, benefits, and workforce development.

#### *Director, Human Resource - Utility; 11/07-6/2012*

Responsible for originating and leading human resources strategy for the utility. Responsible for providing the employee/labor relations strategy, including union negotiations, employee relations, and development initiatives. Leads human resources operational activities for the Utility. Special projects performed in this position include leading the human resources function for the gas company divestiture, performing executive compensation function, and leading the human resource function during the aggressive business improvement project.

#### *Director, Strategic Workforce Planning and Staffing 2/07-2/08*

Responsible for formulating policy and providing strategic advice and solutions on workforce planning and development initiatives and issues. Identified, developed, coordinated, and evaluated company-wide workforce planning and development programs. Developed and implemented complex recruiting strategies while managing the company-wide staffing function. Managed operational activities and reporting functions for Staffing.

#### HONEYWELL FEDERAL MANUFACTURING AND TECHNOLOGIES 07/02--02/07

*Human Resources Manager*

Responsible for maintaining multi-site, multi-state business human resources, security, and communications operation.. Responsible for ensuring FM&T human resource initiatives and strategy align with overall business strategy evaluated and implemented changes to HR processes to effect continual improvement; improved HR metrics through several process improvement projects; responsible for development and planning of union avoidance for nonunion portion of business; supported union negotiations; planned, organized, and managed staffing function; managed compensation function, including executive pay; evaluated and implemented workforce development and learning function; developed department budget; responsible for FM&T/NM security and communications strategies. Responsible for 38 employees. Responsible for 5 sites in three different states.

Supported business development by co-leading team to change financial and accounting strategy. Responsible for writing sections in RFPs. Team successfully won two bids for Honeywell in SC and TX.

LOS ALAMOS TECHNICAL ASSOCIATES, INC. 1993 to 2002  
*Assistant Vice President, Human Resources* 1/01 to 07/02

Responsible for maintaining multi-state, multi-site company full-service human resources operations. Developed and executed plans to ensure human resources initiatives aligned with overall business strategy; formulated and recommended HR policies and practices to ensure work culture facilitates positive employee relations; managed development and implementation of total compensation strategy to ensure pay and benefit practices are competitive, including executive pay; developed and planned recruiting function; evaluated and planned workforce development needs and oversaw training function; developed policies and procedures in compliance with federal, state and local laws. Responsible for security and facilities. Responsible for 15 sites in 10 different states. Supervised a staff of 22 employees.

Part of business development team, responsible for writing sections in RFPs. In conjunction with CFO, updated financial system.

*Human Resources Manager* 5/97 to 12/00

Responsible for maintaining multi-state, multi-site company full-service HR operations in policy, implementing and administering compensation and benefits, and Affirmative Action plans; employee relations; recruiting; budget development; and policy development. Excellent employee relations skills. Developed and implemented company learning function. Developed and implemented talent and staffing program. Streamlined HR functions. Supervised a staff of 13 employees.

*Human Resources Administrator* 3/93 to 5/97

Administered human resources activities including the administration of benefits, data entry, technical recruiting, including medical, dental, and life insurance, short and long-term disability programs. Monitored compliance with company policy. Administered 401(k) and Money Purchase Pension Plan and prepared financials.

## **Non Profit Experience**

THE MIND INSTITUTE 11/04-02/05  
*Human Resources Director*

Responsible for establishing human resources function for independent medical research institute. Developed and implemented staffing process, compensation system, benefits system, and general business and HR policies and procedures. Responsible for establishment of payroll policies and procedures.

THE CIVIC FEDERATION 1/91 - 8/92  
*Research Associate*

Responsible for conducting fiscal and public policy research and analysis of Cook County government, Chicago Park District, and the Chicago Public Schools. Presented analysis to the Boards at public hearings. Responsible for lobbying effort at Illinois State Legislature. Successful, along with other organizations, with the passage of a fiscally responsible tax code changes.

## Governmental Experience

### THE CITY OF RIO RANCHO, NM

*Special Projects Coordinator*

10/92 - 3/93

In this temporary position, responsible for grant writing, coordinating Governing Body goal setting retreat, assisting with the annual budget, assisting the development of the city's legislative package, creating and writing ordinances and resolutions, and conducting statistical research for union negotiations.

Worked closely with Rio Rancho Economic Development to establish economic development goals for the City through the Governing Body goal setting retreat. Assisted city administrator with lobbying NM State Legislature for city initiatives and programs.

### THE CITY OF GALESBURG, IL

*Assistant City Manager*

9/89 - 12/90

Assisted City Manager in administering city personnel program and special city projects. Developed, implemented and managed staffing program; designed and implemented performance evaluation system. Assisted with collective bargaining.; responsible for negotiations analysis and table preparation. Created ordinances and resolutions. Assisted in budget preparation. Researched, analyzed, and implemented several finance and planning projects.

## PROCESS IMPROVEMENT CERTIFICATIONS

Green Belt certification

Green Belt for Growth (economic and business development) certification

## OTHER EXPERIENCE

1999 Leadership Albuquerque Graduate

Past Chairman, Ronald McDonald House Charities of New Mexico

Member, Human Resource Management Association of New Mexico

Member, Society of Human Resource Management

Past Chairman, Citizens Schools Advisory Board

Board Member, Golden Apple Foundation

Board Member, Lovelace Women's Hospital

## PUBLICATIONS

Shirck, Laurie. "Finances of Elementary and Secondary Education." *A Fiscal Review of Metropolitan Chicago 1984-1989: Trends Affecting Local Governments.* Chicago: The Civic Federation, 1992.





SIGNED this 8<sup>th</sup> day of November, 2016.

Laurie S. Monfiletto  
LAURIE S. MONFILETTO

**SUBSCRIBED AND SWORN** to before me this 8 day of November, 2016.

Susan J. Gordon  
NOTARY PUBLIC IN AND FOR  
THE STATE OF NEW MEXICO

My Commission Expires:

September 15, 2020