Top staffers under governor draw big pay increases. See whose pay increased and by how much

BY <u>DAN MCKAY</u> / JOURNAL STAFF WRITER WEDNESDAY, APRIL 19TH, 2023



Gov. Michelle Lujan Grisham leaves a Governor's Office cabinet room after a news conference in February. (Eddie Moore/Journal)

SANTA FE — Five of the top appointees under Gov. Michelle Lujan Grisham enjoyed pay raises averaging 22% in a recent six-month period — changes set to add about \$162,000 a year to the state payroll.

Each raise exceeded 17%, and one reached 31%, according to a Journal analysis of state salary data.

One raise added \$37,850 to an individual's salary while another added \$41,100.

They came at an unusual time — in the middle of a fiscal year — and outpace what was more broadly available to state employees.

But they coincide with Lujan Grisham's reelection victory last fall and the revenue boom helping push state spending to a record high.

The five high-level staffers who received hefty raises work as political appointees in the Governor's Office, including the chief operating officer and deputy chief of staff. Each now makes at least \$170,000 a year.

Five top staffers in Lujan Grisham's office see big raises		MAR. 2023 ANNUAL SALARY	OCT. 2022 ANNUAL SALARY	SALARY INCREASE DOLLARS	SALARY INCREASE PERCENTAGE
Teresa Casados	Chief operating officer	\$185,000	\$158,759	\$26,241	17%
Diego Arencon	Deputy chief of staff	\$175,000	\$146,782	\$28,218	19%
Caroline Buerkle	Director of cabinet affairs	\$175,000	\$146,782	\$28,218	19%
Courtney Kerster	Senior adviser	\$175,000	\$133,900	\$41,100	31%
Mariana Padilla	Cabinet director	\$171,750	\$133,900	\$37,850	28%

Source: New Mexico Sunshine Portal, monthly salary data files

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They include:

- **Courtney Kerster**, a senior adviser, whose salary jumped 31% to \$175,000 between October and March an increase of \$41,100 in annual pay. It was the largest increase by dollars and percentage among the top five. Kerster served temporarily as a chief of staff before returning to her job in January as a senior adviser to the governor and director of federal affairs.
- Mariana Padilla, Cabinet director, whose salary climbed 28% to \$171,750.
- Deputy Chief of Staff **Diego Arencón** and **Caroline Buerkle**, director of Cabinet affairs, whose annual salaries each rose 19% to \$175,000.
- Chief Operating Officer **Teresa Casados**, whose salary increased 17% to \$185,000.

Lujan Grisham spokeswoman Maddy Hayden said the raises are justified and reflect the long hours and holidays worked by the governor's staff.

"These increases came at the end of the governor's first four years in office," she said in a written statement. "Merit-based raises are standard practice across virtually every workplace, and the governor recognizes the extremely hard work employees in her office do every day, which routinely includes work on holidays, late into the evening and over weekends, to serve the people of New Mexico."

House Minority Leader Ryan Lane, R-Aztec, said the size and timing of the compensation changes raise some questions. Just this month, he noted, the governor vetoed legislation, Senate Bill 2, that would have sharply boosted judicial pay.

Some of the Governor's Office salary increases alone, Lane said, "are as much as hardworking New Mexicans make in a single year, and that should cause some concern.

"It's also puzzling to me that the governor would veto salary increases for our judicial branch but also give large pay increases to select members of her staff."

The governor's staff pay increases didn't kick in at the same time for every employee, and it's difficult to say precisely when they took effect. The state publishes salary data on its Sunshine Portal once a month.

Hefty increases in winter

For some employees, the raises show up in payroll data released in December, the month after Lujan Grisham, a Democrat, <u>won reelection by 6 percentage points</u> over Republican Mark Ronchetti.

The governor's longtime chief operating officer, Casados, and deputy chief of staff, Arencón, each received raises that showed up in the December payroll data.

Their last raises before that came in the summer — when state employees more broadly received an average 4% raise. Casados and Arencón saw their pay climb 4% in the August payroll data.

None of the five political appointees - all whom serve at the pleasure of the governor - saw their job title change in the state payroll data for October and March.

A sixth appointee — Daniel Schlegel, the chief of staff and only other employee in the Governor's Office whose pay exceeds \$170,000 — was promoted during the six-month period.

His pay jumped from \$112,000 a year to \$185,000, reflecting his increased duties as chief of staff, following an earlier stint as director of strategic initiatives.

Other employees in the Governor's Office also saw raises, many for smaller amounts. General Counsel Holly Agajanian, for example, saw her pay climb 10%, to \$150,000.

And some didn't see a change at all, such as Martin Chávez, a special director, whose salary remained at \$153,000.

The Governor's Office raises were <u>first reported by The Candle</u>, an online publication covering New Mexico news.

Raises outpace rank-and-file employees

State employees more generally haven't seen double-digit percentage changes over the last six months.

The budget package authorized by lawmakers last year had enough funding for raises averaging about 7%. It included a 3% across-the-board increase in April last year and an average of 4% starting three months later, in July, according to budget documents.

Another increase — an average of 6% — is set for the fiscal year that starts in July this summer under the budget bill signed into law this month.

It isn't the first time the governor has doled out eye-opening raises for staff. Republican legislative leaders slammed her in 2021 after some staffers received raises of 8% to 21%.