



MEMORANDUM

TO: Mayor and Council Members

FROM: Joya Hayes, Human Resources and Civil Service Director *JAH*

THROUGH: Veronica Briseño, Assistant City Manager

DATE: August 1, 2022

SUBJECT: **Market Study of Council Member Compensation and Office Support (Fiscal Year 2022 Adler Budget Rider #1)**

The purpose of this memorandum is to respond to the direction to conduct a market study of City Council office compensation, staffing, and budgeting.

The Human Resources Department (HRD) contracted with Gallagher Benefit Services (Gallagher) to conduct a comprehensive compensation data collection/survey of the external labor market(s) for City Council positions and related office staff positions. Based on this information, COA analyzed potential titles and market information related to pay and benefits. Twenty-one comparable public sector peer organizations represented the local and regional areas. The peer list is consistent with the group of comparator organizations surveyed for various City compensation studies. Of the 21 organizations, 13 (or 62% of the total list) participated in the custom salary survey.

Findings

Council Staff Positions

There are currently three titles for Council staff positions: City Council Executive Secretary, City Council Executive Assistant, and City Council Senior Executive Assistant. Pay for the current titles is listed below, as well as the market pay from the market study.

Benchmark Job Title	City Pay Grade Zone IV	Market Alignment	Percent Differential
Council Executive Secretary	\$25.27	\$29.39	-14.0%
City Council Executive Assistant	\$29.26	\$32.94	-11.2%
City Council Senior Executive Assistant	\$36.59	\$44.44	-17.7%

Generally, there were three levels of duties within the benchmarked organizations for Council staff.

1. Entry-level role that assists with research, preparing for meetings, scheduling appearances and events, and other administrative duties.

2. Intermediate level role that assists with serving as a liaison for other organizations and agencies, interacting with Boards and Commissions, preparing or reviewing correspondence, and attending meetings providing staff assistance.
3. Expert level role that has oversight or planning and overall office management, represents the Council Member at City Hall and the district, researches topics and evaluates impact, oversees strategy and implementation.

Based on this, several titles were aligned to the three levels and recommended pay ranges.

Levels	Eligible Titles	Min	Mid	Max
Level 1	<ul style="list-style-type: none"> • Council Executive Secretary • Council Support Specialist • Council Assistant • Assistant to City Council Member • Constituent Liaison 	\$26	\$30	\$34
Level 2	<ul style="list-style-type: none"> • City Council Executive Assistant • Council Support Specialist Senior • Special Assistant to Council Member • Council Policy Aide • Council Communications Strategist 	\$32	\$37	\$42
Level 3	<ul style="list-style-type: none"> • Council District Administrator • Council Chief of Staff • Council Policy Strategist 	\$39	\$45	\$51

City Council Salaries

City Council Salaries are established by [Ordinance No. 20061116-081](#). The current annual salary for Council Members is \$83,158.40, and the Mayor’s is \$97,656. Based on the new pay structure for Council Staff, this would place Council Member salaries below some of their staff members. To account for compression, it should be considered to have a differential between supervisors and subordinates.

Elected Official Retirement Benefits

Six organizations responded to the request for information on retirement benefits. There were three types of plans indicated: Defined Benefit Plan, Defined Contribution Plan, and Deferred Compensation Plan. There were some entities in Texas that participate in Defined Benefit plans. Several provide the ability for elected officials to participate in Defined Contribution and Deferred Compensation plans, up to the IRS maximum allowed.

General Benefits

Survey responses indicated that other organizations provide various benefits to their elected officials and staff, which is standard across all organizations and in alignment with the benefits offered with the City of Austin.

Office Information

Collected data showed the overall average size of an elected official's office consisted of five employees with an annual average operating budget of \$774,000, serving a median area population of 938,055 people.

Recommendation

The Human Resources Department recommends implementing the new Council Staff levels and pay.

Attachment

cc: Spencer Cronk, City Manager
Anne Morgan, Interim City Manager

The logo for the Human Resources Department, featuring the letters 'HRD' in a bold, dark blue, sans-serif font.

HUMAN
RESOURCES
DEPARTMENT



COUNCIL AND SUPPORT STAFF COMPENSATION STUDY

July 2022

BUDGET RIDER – ADLER 1

- FY22 Budget Process included direction for a Market Study of Council Member Compensation and Office Support
 - The City Manager was directed to conduct a market study of City Council office compensation, staffing, and budgeting that should include, but not be limited to: a review of pay and benefits, including options for retirement benefits in compliance with the City Charter; and a review of support services staffing and office budgeting levels for elected officials in peer cities. This market study should be conducted in advance of the FY2022-2023 budget cycle to allow for timely consideration and possible action in that budget.

BACKGROUND

- City of Austin (City) contracted with Gallagher Benefit Services (Gallagher) to conduct a comprehensive compensation data collection/survey of external labor market(s) for City Council positions and related office staff positions.
- Based on this information, COA did an analysis on potential titles
- Market information was gathered for the following areas:
 - Actual salaries and salary range (structure minimum and maximum), where applicable
 - General Questions including size and budget of related office staff, number of job titles in related office and type of local government system.
 - Pay Practices covering stipends, additional reimbursements.
 - Health, Dental, Vision, Retirement, and Other Benefits
 - Paid Leave

DATA COLLECTION METHODOLOGY



- Gallagher conducted a custom salary survey representing the local, regional, and national labor markets where applicable.
- Gallagher partnered with the City project team to identify peer organizations for administering a custom salary survey.
- 21 comparable public sector peer organizations were identified representing local and regional area.
 - Peer list is consistent with the group of comparator organizations surveyed for various City compensation studies.
- 13 comparator organizations (or 62% of total list) participated in the custom salary survey.
 - Not all responded to every question

CUSTOM SURVEY PARTICIPANT ORGANIZATIONS



Comparator Organizations

- 13 comparator organizations (or 62% of total list) participated in the custom salary survey. These are highlighted in GREEN (green) text.
- The 8 organizations in BLACK (black) text did not respond to our survey request.

List of Participant Organizations (21 Organizations)	
City of San Antonio, TX	City & County of Denver, CO
City of Dallas, TX	City of Seattle, WA
City of Houston, TX	City of San Jose, CA
City of Fort Worth, TX	City of Plano, TX
City of El Paso, TX	Dallas County, TX
City of Phoenix, AZ	Tarrant County, TX
City of Portland, OR	City of Round Rock, TX
City of Charlotte, NC	City of Georgetown, TX
City of Las Vegas, NV	City of Cedar Park, TX
Travis County, TX	City of Buda, TX
City of Oklahoma, OK	

DATA COLLECTION METHODOLOGY



Data Collection and Job Match Validation

- In accordance with WorldatWork guidelines, Gallagher reviewed participant job matches to ensure they reflect at least **80% of the benchmark job duties** outlined
- Gallagher follows the U.S Department of Justice and Federal Trade Commission guidelines, which states **five job matches should exist per benchmark job** in order to conduct statistical analyses or for drawing conclusions
- Market data was available for all benchmark jobs
- Data represents current effective salaries at participant organizations effective as of January 2022
- All the market salary data were geographically adjusted for the Austin, TX labor market using the Economic Research Institute's (ERI) Geographic Assessor for cost of labor to establish geographic differentials

DATA COLLECTION METHODOLOGY



Market Comparison Analysis

- The percentage difference between the City's Pay Grade Zone IV and market salary was calculated to determine whether the City's pay was above, below or competitive with prevailing market
- The following guidelines were used when determining the competitive nature of current compensation:
 - +/-5% = Highly Competitive
 - +/-10% = Competitive
 - +/-10-15% = Possible misalignment with market
 - >+/-15% = Misalignment with market
- Individual benchmark jobs trailing the market greater than -10.0% variance may not necessarily mean misalignment. Factors such as performance, turnover and longevity will impact actual salaries and may explain some of the differences between City and the market actual salaries for individual jobs

RESPONSIBILITIES

- Gallagher was responsible for:
 - Data Collection Methodology
 - Market Comparison Analysis
 - Market Comparison Findings & Results
- HRD/Compensation then:
 - Used the data to establish new pay ranges
 - Provide analysis of common titles and where they fall in the new pay ranges
 - Create pay levels for new titles

SALARY FINDINGS AND ANALYSIS



COUNCIL STAFF TITLES



- Three titles are available to Council Offices:
 - City Council Executive Secretary
 - City Council Executive Assistant
 - City Council Senior Executive Assistant
- Pay Grade adjustments were made in 2020 with the City-Wide Market Study
 - City Council Executive Secretary increased by one pay grade to PG11
 - City Council Executive Assistant remained the same at PG14
 - City Council Senior Executive Assistant increased by one pay grade to PG18
- These titles have not been holistically evaluated since the 10-1 Council began in 2015
- Council has not had an official mechanism to provide input

MUNICIPAL CIVIL SERVICE (MCS)



- Members of the City Council and their Direct Staff are exempted from the classified civil service (ARTICLE IX. § 1.B.1)
- City Council may hire assistants and other office staff as may be necessary to carry out the duties and responsibilities of the City Council and each of the salaried city employees that this Charter provides be appointed by the city council shall hire and manage the appointee's own staff (ARTICLE IX. § 6.A.1 & 2)
- No Municipality indicated elected office staff were covered by civil service protections
 - One County noted that elected official office staff positions were under civil service protections
- Not restricted by MCS, we can implement the following:
 - Separate from the city-wide pay scale
 - Create specific pay ranges for Council Staff levels
 - Ordinance 20150212-017 states that Council members may use the funds in their office for the municipal purpose of operating the council office, including staff costs associated with positions approved in the City's operating budget.

FINDINGS AND ANALYSIS



Base Salary Comparison:

- The following chart shows statistical aggregates for the custom labor market group base compensation data (actual salary) for the benchmark positions
 - Market data summarized using hourly rates

Benchmark Job Title	Market Comparison Summary (Hourly Rate)						
	City Pay Grade Zone IV	Custom Market 25 th Actual Salary	% Diff from City Pay Grade Zone IV	Custom Market 50 th Actual Salary	% Diff from City Pay Grade Zone IV	Custom Market 75 th Actual Salary	% Diff from City Pay Grade Zone IV
Council Executive Secretary	\$25.27	\$26.48	-4.6%	\$29.39	-14.0%	\$32.07	-21.2%
City Council Executive Assistant	\$29.26	\$28.92	1.2%	\$32.94	-11.2%	\$35.37	-17.3%
City Council Senior Executive Assistant	\$36.59	\$37.54	-2.5%	\$44.44	-17.7%	\$48.49	-24.5%
Overall Percentage Difference from Market:			-2.0%		-14.7%		-21.4%

RECOMMENDATIONS

- **Proposed Council Staff Titles**

Levels	Eligible Titles
Level 1	<ul style="list-style-type: none">• Council Executive Secretary• Council Support Specialist• Council Assistant• Assistant to City Council Member• Constituent Liaison
Level 2	<ul style="list-style-type: none">• City Council Executive Assistant• Council Support Specialist Senior• Special Assistant to Council Member• Council Policy Aide• Council Communications Strategist
Level 3	<ul style="list-style-type: none">• Council District Administrator• Council Chief of Staff• Council Policy Strategist

RECOMMENDATIONS



Proposed Council Staff pay ranges

Levels	Min (No Exp)	Market Comparison	Mid (5 years)	Market Comparison	Max (10+ Years)	Market Comparison
Level 1	\$26.00	\$26.48	\$30.00	\$29.39	\$34.00	\$32.07
Level 2	\$32.00	\$28.92	\$37.00	\$32.94	\$42.00	\$35.37
Level 3	\$39.00	\$37.54	\$45.00	\$44.44	\$51.00	\$48.49

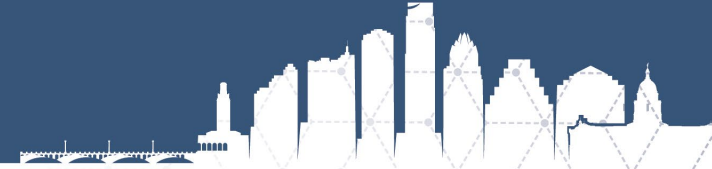
RECOMMENDATIONS



The following chart shows statistical aggregates for the custom labor market group base compensation data (actual salary) for the recommended levels.

Benchmark Job Title	Actual Salary Market Comparison Summary (Hourly Rate)						
	City Mid Point	Custom Market 25 th Actual Salary	% Diff from City Pay Grade Zone IV	Custom Market 50 th Actual Salary	% Diff from City Pay Grade Zone IV	Custom Market 75 th Actual Salary	% Diff from City Pay Grade Zone IV
Level 1	\$30.00	\$26.48	13.3%	\$29.39	2.1%	\$32.07	-6.5%
Level 2	\$37.00	\$28.92	7.4%	\$32.94	12.3%	\$35.37	4.6%
Level 3	\$45.00	\$37.54	6.1%	\$44.44	1.3%	\$48.49	-7.2%
Current Overall Percentage Difference from Market:			-2.0%		-14.7%		-21.4%
Proposed Overall Percentage Difference from Market:			20.5%		5.2%		-3.4%

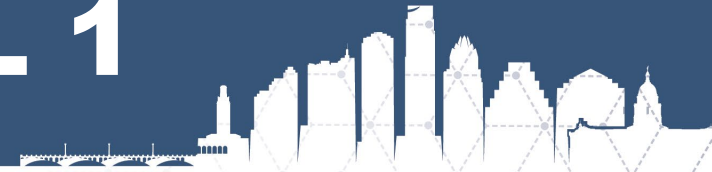
RECOMMENDATIONS



The following chart shows the proposed increases to the new levels

Benchmark Job Title / Proposed Level	Market Comparison Summary (Hourly Rate)		
	City Pay Grade Zone IV	Recommended Mid Point New Pay Ranges	% Diff from City Pay Grade Zone IV
Council Executive Secretary / Level 1	\$25.27	\$30.00	18.7%
City Council Executive Assistant / Level 2	\$29.26	\$37.00	26.5%
City Council Senior Executive Assistant / Level 3	\$36.59	\$45.00	23%

RECOMMENDATIONS: LEVEL 1



Level 1	Min	Mid	Max
	\$26.00	\$30.00	\$34.00

Titles:

Council Executive Secretary, Council Support Specialist, Council Assistant, Assistant to City Council Member, Constituent Liaison.

Summary:

An entry level role that assists a Council Member in conducting research, preparing for meetings, appearances, and events, and follow-up for the resolution of issues. Assists in facilitating meetings and events for the district. This role also manages multiple social media platforms. Schedules travel accommodations and maintains a calendar of events. Prepares committee agendas in collaboration with elected official and City Manager's Office and works with peer departments on agenda process and posting. Prepares memos, letters, and other documents such as notices or agenda for meetings. Facilitates the handling of time sensitive requests, such as CAFs (Citizen Action Forms) and other confidential documents.

Min Quals:

- Bachelor's degree from an accredited college or university with coursework in Business Administration or Public Administration and experience in an administrative or executive secretary capacity.
- Experience to substitute for education.

RECOMMENDATIONS: LEVEL 2



Level 2	Min	Mid	Max
	\$32.00	\$37.00	\$42.00

Titles:

City Council Executive Assistant, Council Support Specialist Senior, Special Assistant to Council Member, Council Policy Aide, Council Communications Strategist.

Summary:

An intermediate level role that assists a City Council Member and serves as an assigned liaison with other city organizations and agencies, chairs or facilitates citywide Boards or committees; and negotiates and resolves sensitive issues. Prepares and reviews written correspondence, speeches, and other informational material. Handles public relations and develops communications and marketing strategies. Manages community outreach, newsletters, emails, updates, public meetings, or public forums. Attends meetings and provides staff assistance during meetings and attends to needs and requests of Council.

Min Quals:

- Bachelor's degree from an accredited college or university with coursework in Business Administration or Public Administration and experience in communications or public information.

RECOMMENDATIONS: LEVEL 3



Level 3	Min	Mid	Max
	\$39.00	\$45.00	\$51.00

Titles:

Council District Administrator, Council Chief of Staff, or Council Policy Strategist

Summary:

An expert level role that has oversight of planning and overall office management for a Council Member. Represents the Council Member at City Hall and the district. Serves as liaison between Council Member's office, departments, constituents, and constituent groups. Represents Council Member at meetings and briefings and informs Council Member of significant issues. Research Council agenda topics and evaluates impact of pending Council action. Manages office functions for Council Member. Oversees strategy and implementation of office matters in terms of communications, community involvement, and policy initiatives. Manages applicable communications and implementation of directives from Council Member to staff.

Min Quals:

- Bachelor's degree from an accredited college or university with coursework in Business Administration or Public Administration and experience at a leadership level in communications, policy development, or complex research and experience working in an elected official office setting.

OFFICE INFORMATION



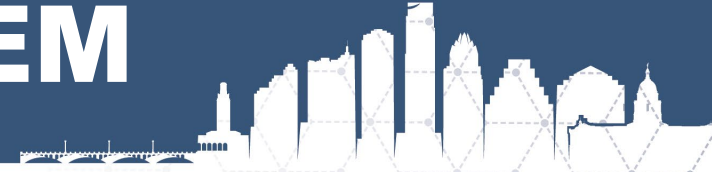
GENERAL INFORMATION- ELECTED OFFICE DEMOGRAPHICS



- Overall median size of elected official office in FY 2022 consists of 4 employees across 15 job classifications
- The market median annual operating budget for the elected official office in FY 2022 is \$736,000 serving a median area population of 938,055 people

General Questions	Average	Median
1. Annual operating budget for elected official office:	\$774K	\$736K
2. Population size served by your organization:	1.00M	938K
3. Number of employees (full-time and part-time) at elected official office FY 2022:	5	4

GENERAL INFORMATION- TYPE OF LOCAL GOV'T SYSTEM



- Majority of comparator organizations (60%) follow the Council-Manager form of local government system
- Few comparator organizations indicated Strong-Mayor and Weak Mayor-Council form of local government

Type of Local Government System (N= 10)	
Type of Local Government System	Prevalence (% of Organizations)
Council-Manager government	60%
Commissioner-Judge government	20%
Strong-Mayor government	10%
Weak Mayor-Council government	10%

STIPEND PAY AND ADDITIONAL REIMBURSEMENTS – ELECTED OFFICIALS



- Majority of organizations (71%) pay stipends on a bi-weekly basis. Common stipends:
 - Car allowance
 - Technology Service Support (cell phone and internet usage)
- The Councilmember and Mayor positions receive the following market median stipend amounts:
 - Councilmember positions receive a market median stipend pay of \$25.93
 - Mayor positions receive a market median stipend pay of \$31.64
- 6 out of the 14 organizations provide stipends per ordinance, chosen by voters, or set by the Commissioners Court

BENEFITS



- Survey responses indicated other organizations provide various benefits to their elected officials and elected official staff, and this is common across all organizations
 - Medical Benefits
 - Dental Benefits
 - Vision Benefits
 - Life Insurance
 - Short-Term Disability
 - Long Term Care
 - Paid Leave
- Other benefits provided by organizations:
 - EAP, Tuition Reimbursement, Long Term Disability, Optional Employee Term Life, Optional Spouse/Dependent Term Life, Flexible Spending Account, Dependent Care Flex, Health Savings Account, Health & Wellness Reimbursement, 457 Retirement Plan, Student Loans Repayment Program

RETIREMENT BENEFITS- ELECTED OFFICIALS



Type of retirement Plan Offered and employer, employee contributions:

		ELECTED OFFICIALS (Councilmember, Alderperson, or Commissioner)	
Defined Benefit Retirement Plan Information	# of Participant Responses	Average	Median
Employer Contributions (% of Pay or \$)	6	13%	13%
Employee Contributions (% of Pay or \$)	6	8%	7%
Defined Contribution 401(a) Retirement Plan Information	# of Participant Responses	Average	Median
No Employer Contributions	2	0%	0%
Employee Contributions - (Indicate %, \$ or Up to IRS Max)	2	Up to IRS Max	Up to IRS Max
Deferred Compensation 457(b) Retirement Plan Information	# of Participant Responses	Average	Median
No Employer Contributions	4	0%	0%
Employee Contributions - (Indicate %, \$ or Up to IRS Max)	4	Up to IRS Max	Up to IRS Max

CONCLUSION



Compensation:

- Review pay grade adjustments for elected official office staff based on new pay ranges
- Conduct regular review of the compensation system and relevant market data every 3 to 5 years to ensure competitive salary ranges are maintained
 - Council staff receive the Across-the-Board pay increases unless specifically asked to be removed by Council Member

Benefits:

- Benefits provided across organizations are like those provided by the City