

# **Charter Review Commission**



**City Manager Tenure & Compensation Subcommittee  
Proposed Recommendation  
April 25, 2024**

# Agenda

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- Charge
- Resource Investment
- Feedback
- Research and Conclusions
- Proposed Recommendation
- Next Steps

# City Manager Tenure and Compensation



## Charge

**City Manager Tenure** - Whether the City Council should have the authority and discretion to hire, manage, and determine the length of service of the City Manager

**City Manager Compensation** - Whether the City Council should determine the compensation of the City Manager so that market and competitive indicators are taken into account

## Chair:

- Pat Frost

## Members:

- Elva Pai Adams
- Martha Martinez-Flores
- Naomi Miller
- Dwayne Robinson

# Resource Investment



- Subcommittee met since preliminary recommendation
- Additional comparator information circulated that include
  - Updates to the City of Dallas and City of Austin
  - Updates to the comparator Chief Executive Survey of government entities in Bexar County
    - Response to question about whether other governmental entities afford discretion to their respective boards to determine CEO compensation and tenure

# Feedback

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- Received public comment
- Subcommittee discussed continued consensus decision to make City of San Antonio competitive among comparators
- Subcommittee did not change recommendation

# Research and Conclusions

- CPS HR, national Human Resources consulting firm:
  - Surveyed other Bexar County governmental entities for additional information and any updates
    - Conclusion: For those that responded, Boards maintain discretion to determine compensation and tenure for their CEO or equivalent
  - Surveyed comparator Texas cities and other metro area City Manager form of government for any updates
    - Conclusion: Austin hired a permanent City Manager and El Paso named an interim City Manager. Information updated in the comparator chart. City of San Antonio cannot compete with the cap in place.

# City of San Antonio 2024 Chief Executive Survey



Local Organizations											
	City of San Antonio	Brooks City Base*	CPS Energy*	Port San Antonio*	SAWS*	University Health System* President & CEO	VIA *	Alamo College District*	University of Texas - SA*	Bexar County* (Population 2 M)	
	City Manager	CEO	CEO	CEO	CEO		CEO	District Chancellor	President - Univ of TX	County Manager	
FY24 Budget	\$3.7 Billion	\$15M	\$1.9B (does not include \$1.1B fuel budget)	\$76.1M	\$1.02 B	\$3B	\$390.8M	\$503.9M	\$671M	\$2.96B	
Number of Employees	13,703	35	3,370	107	1,937	10,373	2,128	6,000	7,000	5,304	
Tenure in Job	5 yrs	10 yrs 8 mos	1 yr	5 yrs 10 mos	15 yrs	19 yrs	10 yrs	5 yrs	6 yrs	12 yrs	
Tenure in Organization	29 yrs 8 mos	10 yrs 8 mos	11 yrs	9 yrs 4 mos	15 yrs	35 yrs 11 mos	11 yrs	25 yrs	6 yrs	27 yrs	
Executive level experience	18 yrs 5 mos	10 yrs 8 mos	No Response	27 yrs	No Response	35 yrs 11 mos	25 yrs	12 yrs	18 yrs	20 yrs	
Board approves salary & tenure	Yes, Consistent with City Charter caps	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Base Salary	\$374,400	\$367,500	\$655,000	\$413,438	\$593,838	\$950,000	\$380,625	\$400,000	\$700,301	\$284,124	
Projected Salary Increase and Frequency	Increase consistent with City Charter, frequency subject to City Council annual budget process	Reviewed annually, typically COLA based on market	Reviewed annually	Reviewed annually, eligible for 5% increase based on performance	At Board's discretion	Difficult to speculate Increase; Awarded annually	No anticipated increase information; If increase occurs - Oct. 1	None- contract renews in 2024	Reviewed annually during Board of Regents Meeting	Reviewed at Contract Extension Contract expires in 2024	
Incentives/Allowances											
Communications	\$900	\$1,800	\$0	Cell phone provided	\$1,800	N/A	\$0	\$2,000	\$0	\$0	
Vehicle	\$6,000	\$12,000	\$0	\$12,000	\$7,200	\$6,000	\$0	\$12,000	\$0	\$0	
Insurance Benefits	Eligible for same benefits as staff (civilians)	Eligible for same benefits as staff Employer pays for all costs (\$23,233)	Eligible for same benefits as staff	Medical, dental & vision for CEO & dependents Employer paid all (\$20,397)	Eligible for same benefits as staff	Eligible for same benefits as staff	Eligible for same benefits as staff	No Response	Eligible for same benefits as staff	Eligible for same benefits as staff (civilians)	
Employer Provided Health Savings Account Deposit	\$9,300	\$4,300	\$750	\$0	No Response	Not Provided	No Response	No Response	\$0	\$0	
Bonus	None	Up to 15% of base salary Max Value = \$55,125	None	Incentive: Eligible for up to 30% of base, for 2024 = \$124,031 Max Retention: \$30,000 Max	Deferred Incentive (Pending Clarification)	Determined by Board (Last Award: \$200,000)	\$0	No Response	Determined by Board of Regents as applicable	\$0	
Bonus Frequency	None	Annually	None	Incentive annually reviewed, eligible for up to 30% of Base Salary based on performance	No bonus; eligible for deferred incentive	Annually	None	No Response	Annually	None	
Projected Annual Compensation**	\$390,600	\$463,958	\$655,750	\$599,866	\$602,838	\$1,156,000	\$380,625	\$414,000	\$700,301	\$284,124	
** assumes maximum incentives available											
Other Information											
Retirement	6% Mandatory Employee Contribution 12% Employer Contribution (TMRS) Value = \$44,928	2-to-1 match up to 6% of salary Max Value = \$25,358	5% employer contribution Value = \$21,373	Defined Benefit 401(a) FY23 Employer paid \$9,250	3% Mandatory Employee Contribution 3% Employer Contribution (TMRS) Value = \$17,815	Pension Plan (2% Employee Contribution) Eligible for Defined Benefit at age 65	6% Mandatory Employee Contribution, 6% Employer Match Value = \$22,837.50	No Response	May participate in TRS or ORP plan	7% Employee Contribution 14% Employer Contribution TCDRS Value = \$39,777	
Employer Contributions to Deferred Compensation	Employer contributes max allowed IRS Limit Under 50 = \$23,000 Over 50 = \$30,500 Value = \$30,500	Not Provided	\$0	Match of 50% to IRS Limit Under 50 = \$23,000 Over 50 = \$30,500 Max Value = \$15,250	IRS Limit Under 50 = \$23,000 Over 50 = \$30,500 Value = \$30,500	Employer contributes half of IRS limits to 457 Savings Plan Max Value = \$15,250	Employee can participate	No Response	Depends if TRS or ORP plan	\$0	

\*Data Verified by CPS HR  
Revised 4/18/24



# City of San Antonio 2024 Chief Executive Survey



Peer City Organizations																
	City of San Antonio (Population 1.5 M)	City of Austin* (Population .9 M)	City of Dallas* (Population 1.3 M) Interim	City of Fort Worth* (Population .9 M)	City of Phoenix* (Population 1.7 M)	City of El Paso* (Population .7 M) Interim	City of Corpus Christi * (Population .3 M)	City of San Diego* (Population 1.4 M) Chief Operating Officer	City of Charlotte, NC* (Population .9 M)	City of Arlington* (Population .4 M)	City of Plano* (Population .3 M)	City of Laredo* (Population .3 M)	City of Oklahoma City (Population .7 M)	City of San Jose* (Population 1 M)	City of Lubbock* (Population .3 M)	City of Midland* (Population .15 M)
FY24 Budget	\$3.7B	\$5.5B	\$4.6B	\$2.5B	\$6.75B	\$1.1B	\$1.5B	\$5.2B	\$3.3 B	\$672M	\$811M	\$905M	\$1.9B	\$4.5B	\$960M	\$400M
Number of Employees	13,703	16,000	13,469	7,219	17,690	7,111	4,091	12,949	8,195	3,000	3,700	3,500	5,108	7,040	2,500	1,200
Tenure in Job	5 yrs	Effective 5/6/24	Pending	9 yrs 6 mos	2.25 yrs	8 mos	4 yrs 10 mos	14 mos	7 yrs 2 mos	12 yrs	5 yrs	1 yr	5 yrs	2 yrs 7 mos	7 yrs	8 mos
Tenure in Organization	29 yrs 8 mos	0 yrs	Pending	9 yrs 6 mos	24 yrs	10 yrs 1 mo	4 yrs 10 mos	14 mos	7 yrs 2 mos	31 yrs 10 mos	24 yrs	1 yr	31 yrs	32 years	7 yrs	8 mos
Executive level experience	18 yrs 5 mos	26 yrs 2 mos	Pending	29 yrs 6 mos	18 yrs	6 yrs 1 mo	19 yrs 4 mos	16 yrs	23 yrs	27 yrs 1 mos	17 yrs	26 yrs 6 mos	19 yrs	25 years	18 yrs	18 yrs
Base Salary	\$374,400	\$470,018	\$367,683	\$398,127	\$415,542	\$328,000	\$372,000	\$393,744	\$451,933	\$378,668	\$333,583	\$270,000	\$285,896	\$416,417	\$354,605	\$350,000
What does this salary equal in San Antonio dollars? (based on cost of wages)	\$374,400	\$438,189	\$345,670	\$392,272	\$421,412	\$329,311	\$397,723	\$367,080	\$428,484	\$381,706	\$336,259	\$272,166	\$302,130	\$329,527	\$358,529	\$333,412
Prior CM = \$423,247 Prior CM = \$441,807.06																
Incentives /Allowances																
Communications	\$900	\$1,845	No Response	No Response	\$1,440	Cell phone provided	\$840	\$612	\$3,100	\$600	No Response	\$1,200	No Response	\$1,080	N/A	None
Vehicle	\$6,000	No Allowance	\$8,400	\$7,200	\$6,000	\$6,000	\$7,200	\$9,600	\$5,700	\$6,000	\$1,200	\$6,000	\$7,000	\$4,200	\$6,540	\$9,000
Insurance Benefits	Eligible for civilian benefits	Eligible for civilian benefits	Eligible for civilian benefits	Eligible for civilian benefits	Medical (includes vision), Dental, Pharmacy	Eligible for city health and life insurance	Eligible for civilian benefits	\$18,500	Eligible for civilian benefits	No Response	Eligible for civilian benefits	Eligible for civilian benefits	Eligible for civilian benefits	No Response	Eligible for civilian benefits	Insurance benefits provided by City
Health Savings Account Deposit	\$9,300	No allowance unless the CDHP plan selected for health benefits	No Response	No Response	No Response	No Response	\$1,300	\$0	No Response	No Response	No Response	No Response	No Response	No Response	N/A	\$0
Lump Sum	No	No	No	No	No	No	No	No	No Response	No Response	No Response	No Response	No Response	Base salary includes an ongoing 5% non-pensionable pay	Not Available	\$0
Raise Occurrence	Increase consistent with City Charter, frequency subject to City Council annual budget process	Annually as approved by City Council	Annually (October 1)	No Response	Council approved percentage and disbursement	No Response	Salary is increased by performance review annually in May. Council approved percentage.	Approval needed by city council. If applicable, Disbursed 7/1 & 1/1	Performance based effective July (July '23 received a 4% increase to base pay & a \$15K contribution to 401 (a))	Raise TBD Receives longevity pay like all staff (2023 - \$6,898)	4.5% increase and \$15K contribution to 401	4% Annually	No Response	No Response	Annually	Contract does not include salary increases over the 4 yr contract
Projected Annual Compensation**	\$390,600	\$471,863	\$376,083	\$405,327	\$422,982	\$334,000	\$381,340	\$422,456	\$460,733	\$385,268	\$334,783	\$277,200	\$292,896	\$421,697	\$361,145	\$359,000
** assumes maximum incentives available																
Other Information																
Retirement	6% Mandatory Employee Contribution 12% Employer Contribution (TMRS) Value = \$44,928	9% Employee Contribution 8.68% Employer Contribution Value = \$40,797	13.32% Employee Contribution 22.68% Employer Contribution Value = \$78,398	10.65% Employee Contribution 26.64% Employer Contribution Value = \$106,061	5% Employee Contribution 30.24% Employer Contribution Value = \$119,678	8.95% Employee Contribution; 14.05% Employer Contribution Value = \$46,084	7% Employee Contribution; 14% Employer Contribution (TMRS) Value = \$52,080	Participation in SDCERS Tier II defined benefit pension plan 1% Employee Contribution and 1% Employer Contribution to 401(a) plan Value = \$3,937	6% Employee Contribution 12.85% Employer Contribution Value = \$58,073	7% Employee Contribution 14% Employer Contribution Value = \$53,014	7% Employee Contribution 14% Employer Contribution Value = \$46,702	No Response	4.3% Employee Contribution 6% Employer Contribution Value = \$17,153	Employer Contribution to Pension Plan Value = \$72,237	7% Employee Contribution 14% Employer Contribution (TMRS) Value = \$49,645	None Stated
Employer Contributions to Deferred Compensation	Employer contributes max allowed IRS Limit Under 50 = \$23,000 Over 50 = \$30,500 Value = \$30,500	Employer contributes max allowed IRS Limit Under 50 = \$23,000 Over 50 = \$30,500	FY23 City paid \$18,000	No Response	9% employer contribution to 401(a) Value = \$35,619	FY23 City paid \$25,000	FY23 City paid \$19,000	No Response	3% to 401(a) Value = \$13,558	8% of employee contribution off base salary	FY23 City Paid \$15,000	No Response	No Response	No Response	Built into salary FY23 = \$26,000	None Stated



# Proposed Recommendation



- In order to be competitive now and in the future, City Council should have the authority to determine the compensation of the City Manager considering market and competitive indicators.
- Charter language recommendation in Section 45:
  - Remove language cap on compensation and insert: “in setting the City Manager’s compensation the City Council shall take into consideration market and competitive indicators.”
  - Remove language cap on tenure.

**The proposed recommendation(s) directly address each part of the charge.**

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# Q & A

City Manager Tenure & Compensation - 2024 Charter Review Commission

# Next Steps



- Subcommittee will consider Commission Feedback
- Subcommittee will consider Public Comment
- Subcommittee will ask CPS HR to continue monitoring comparator entities and cities



**Thank You**  
**End of Presentation**