

Charter Review Commission



**March 21, 2024
Central Library**

Agenda

- Approval of Minutes
- Public Comment
- Preliminary Recommendations:
 - City Manager tenure and compensation
 - Council districts and redistricting
- Process Check-In
- Adjournment

Public Comment

Subcommittee Preliminary Recommendations

- **City Manager tenure and compensation**
- **Council districts and redistricting**

Meeting Protocols



Commission members are encouraged to share their insight, knowledge and experience and in doing so should understand and appreciate that others may have an equally relevant, important but different point of view that deserves respect.

Commission members should:

- recognize that their colleagues are individuals with a wide variety of backgrounds, personalities, values, opinions, and goals who have chosen to volunteer their time to this important effort.
- be mindful of the content, tone and delivery of their words while asking a question or making a comment to others involved in this process.
- respect the public and other members' speaking time.
- practice civility, professionalism and decorum in discussions and debate.

Charter Review Commission



**City Manager Tenure & Compensation Subcommittee
Preliminary Findings and Recommendations
March 21, 2024**

Agenda

- Charge
- Action Plan
- Resource Investment
- Research and Analysis
- Conclusions
- Preliminary Recommendations
- 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

Action Plan



- **Request Comparator Information**

- San Antonio metro area governmental entities' executive leadership
- Key indicators considered:
 - City population size
 - Comparison of CoSA charter tenure cap of 8 years and compensation cap of 10x lowest paid full-time city employee for City Manager
 - Pay/benefits
 - Budget size
 - Number of employees

Action Plan



- **Request Charter Language Expert**
 - Charles E. Zech with Denton, Navarro, Rocha, Bernal, Santee & Zech, P.C.
 - Charter language for other Texas cities and other metro area City Manager form of government
 - Charter history
 - Charter context
 - Charter options

Resource Investment

- Subcommittee met 5 times
- Comparator charter language considered from 10 cities
 - 6 from Texas/4 from other states
- Comparator key indicators considered from 14 cities
 - 9 from Texas/5 from other states
- Comparator information from executive leadership of 9 governmental entities in the San Antonio metro area
- CPS HR, a national HR consulting firm, confirmed results
- Segal Waters 2018 Consulting Report and 2019 Governance Committee report considered in research

Research and Analysis



- **Preliminary Findings**

- San Antonio is the only city that caps tenure and compensation for its City Manager
- Large Texas Cities: Dallas and Fort Worth, which both have a smaller population than San Antonio, pay above San Antonio City Manager compensation (with current cap)
- Small Texas Cities: Corpus Christi pays just above, and Midland pays just below, San Antonio City Manager compensation (with current cap) applying geographical differential
- Cities outside of Texas: Phoenix and Charlotte both pay above San Antonio City Manager compensation (with current cap)
- City Managers of Corpus Christi and Dallas were prior City of San Antonio Executives
- San Antonio needs flexibility to stay competitive for its City Manager position

Research and Analysis (continued)



- Three Texas cities are currently recruiting for a permanent City Manager
- All other local large tax-supported entities give the authority to their boards for tenure & compensation
- Segal Waters 2018 Consulting Report recommended a salary range of \$381,022 – \$609,604 in 2019
 - Adjusted by CPIA growth since 2019 (and no other factors) that range would be \$462,561 – \$740,059 today
 - Current cap for San Antonio City Manager compensation is \$374,400

CITY MANAGER TERM & COMPENSATION



CITY	TERM	COMPENSATION	CHARTER LANGUAGE
San Antonio	8 years maximum	Capped. Shall not exceed more than 10 times the annual salary of the lowest paid full-time city employee	<p>“The city manager shall be appointed for an indefinite term, but may not serve any more than eight years.”</p> <p>“He or she shall receive annual compensation as fixed by the council which, in no event, shall exceed, in total, an amount greater than 10 times the annual salary furnished to the lowest paid full-time city employee, and shall, during his or her tenure of office, reside within the city.”</p>
Dallas	No term limit	No salary cap	<p>“The city manager shall not be appointed for a definite fixed time.”</p> <p>“The city manager shall receive such compensation as may be fixed by the council.”</p>
Houston	Strong Mayor form of government	N/A	N/A
Fort Worth	No term limit	No salary cap	<p>“The city manager shall not be appointed for a definite fixed time.”</p> <p>“The city manager shall receive such compensation as may be fixed by the council prior to the appointment.”</p>
El Paso	No term limit	No salary cap	<p>“The City Council by a majority vote of its total membership shall appoint a City Manager and fix the Manager's compensation.”</p>
Austin	No term limit	No salary cap	<p>“The city manager shall not be appointed for a definite term.”</p> <p>“The city manager shall receive such compensation as may be fixed by the council.”</p>
Phoenix	No term limit	No salary cap	<p>“The Council shall appoint the City Manager for an indefinite term.”</p> <p>“The Manager shall receive a salary to be fixed by ordinance.”</p>
San Jose	No term limit	No Salary cap	<p>“There shall be a City Manager. The Mayor shall nominate one or more candidates for Council consideration for appointment to the position of City Manager. The City Manager shall be appointed by the Council for an indefinite term. The Council shall fix the compensation of the City Manager.”</p>
Philadelphia	Strong Mayor Form of Government	N/A	N/A
San Diego	Strong Mayor Form of Government	N/A	N/A
Corpus Christi	No term limit	No salary cap	<p>“The council shall appoint a city manager who shall be the chief administrative and executive officer of the city.”</p> <p>“The city manager shall receive such compensation as may be fixed by the council.”</p>

2024 Chief Executive Survey



	Local Organizations									
	City of San Antonio City Manager	Brooks City Base* CEO	CPS Energy* CEO	Port San Antonio* CEO	SAWS* CEO	University Health System President & CEO	VIA * CEO	Alamo College District* District Chancellor	University of Texas - SA* President - Univ of TX	Bexar County* (Population 2 M) 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
Base Salary	\$374,400	\$367,500	\$655,000	\$413,438	\$593,838	\$826,000	\$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	\$1,032,000	\$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

Research and Analysis



Peer City Organizations																
	City of San Antonio (Population 1.5 M)	City of Austin* (Population .9 M) Interim	City of Dallas* (Population 1.3 M)	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	1 yr	7 yrs	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 6 mos	7 yrs	8 mos
Tenure in Organization	29 yrs 8 mos	1 yr	7 yrs	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	30 yrs	26 yrs 2 mos	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	\$350,000	\$423,247	\$398,127	\$415,542	\$328,000	\$372,000	\$393,744	\$451,933	\$378,668	\$333,583	\$270,000	\$285,896	\$384,388	\$354,605	\$350,000
What does this salary equal in San Antonio dollars? (based on cost of wages)	\$374,400	\$326,299	\$397,907	\$392,272	\$421,412	\$329,311	\$397,723	\$367,080	\$428,484	\$381,706	\$336,259	\$272,166	\$302,130	\$304,181	\$358,529	\$333,412
		Prior CM = \$350,000				Prior CM = \$441,807.06										
Incentives /Allowances																
Communications	\$900	\$1,620	No Response	No Response	\$1,440	Cell phone provided	\$840	\$612	\$3,100	\$600	No Response	\$1,200	No Response	No Response	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	No Response	\$6,540	\$9,000
Insurance Benefits	Eligible for civilian benefits	(Not eligible as Interim) Permanent CM 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	\$20,749	Not Available	\$0
Raise Occurrence	Increase consistent with City Charter, frequency subject to City Council annual budget process	Council Vote Required	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	Contract does not include salary increases over the 4 yr contract
Projected Annual Compensation**	\$390,600	\$351,620	\$431,647	\$405,327	\$422,982	\$334,000	\$381,340	\$422,456	\$460,733	\$385,268	\$334,783	\$277,200	\$292,896	\$405,137	\$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 13.32% Employee Contribution 8.68% Employer Contribution Value = \$30,380	13.32% Employee Contribution 22.68% Employer Contribution Value = \$95,992	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	FY23 City paid \$23,000	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

Conclusions

The City of San Antonio cannot be competitive with a cap on City Manager tenure and compensation.

- City Council should have the authority and discretion to hire and determine the length of service of the City Manager.
- San Antonio is the only city in Texas to cap City Manager tenure and compensation.
- City Council should have the authority and discretion to determine the compensation of the City Manager so that market and competitive indicators are considered.

Preliminary Recommendation



- In order to be competitive now and in the future, City Council should 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.

Q & A

Next Steps



- Subcommittee will meet and receive feedback from CPS HR
- Subcommittee will consider Public Comment
- Subcommittee will consider Commission comment



Thank You
End of Presentation

Charter Review Commission



**Council Districts & Redistricting Subcommittee
Preliminary Findings and Recommendations
March 21, 2024**

Agenda

- Charge
- Action Plan
- Research Investment
- Research and Analysis
- Conclusions
- Preliminary Recommendations
- Next Steps

Council Districts and Redistricting



Charge

Council Districts - Whether an increase in single-member Council districts would appropriately enhance representation for San Antonio residents

Redistricting - Whether the decennial Council redistricting process should be conducted by an independent, autonomous citizens committee and how such a committee's membership shall be appointed

Chair:

- Frank Garza

Members:

- Naomi Miller
- Bobby Perez
- Dr. Rogelio Saenz
- Maria Salazar

Action Plan

- Access the landscape of major Texas cities and U.S. cities in the following areas:
 - Population
 - Size and form of local government
 - Process for redistricting
 - Charter language
- Consider experiences from San Antonio's 2021 redistricting process including feedback and implications from the number of districts
- Pull from best practices and lessons learned to develop a preliminary recommendation



Research Investment

- Subcommittee expertise includes former councilmember, former City Attorney, and members of the 2021 COSA Redistricting Advisory Committee
- Subcommittee met 4 times between January 17 and March 21
- Subcommittee members and COSA staff investment of approximately 30 hours researching, discussing and drafting preliminary recommendation



Research and Analysis – Council Districts

CITY	POPULATION (2020 Census)	# OF COUNCIL DISTRICTS	FORM OF GOVERNMENT	POPULATION / SMD
San Antonio	1,434,625	10	Council-Manager	143,462
Dallas	1,304,379	14	Council-Manager	93,170
Houston	2,304,580	16 total – 11 SMD, 5 at-large Charter required increase to 16 if population surpassed 2.1M, which occurred with 2020 Census.	Mayor-Council	209,507
Fort Worth	918,915	10	Council-Manager	91,891
El Paso	678,815	8 Charter says if the population surpasses 1M, then council may increase the number of districts to 10.	Council-Manager	84,852
Austin	961,855	10	Council-Manager	96,185
Phoenix	1,608,139	8	Council-Manager	201,017
San Jose	1,013,240	10	Council-Manager	101,324
San Diego	1,386,932	9 Districts	Mayor-Council	154,104

- Reviewed cities with comparable population and forms of local government (i.e., focus on council-manager forms of government)

Research and Analysis - Redistricting



Year	Population	Percent Change
2010	1,327,407	2000-2010: 25.33%
2020	1,434,625	2010-2020: 8.08%
2022 (estimated)	1,472,909	6/1/2020-6/1/2022: 2.34%
2030 (estimated)		
Scenario A	1,555,514	2010-2020 pct. change: 8.08%
Scenario B	1,607,614	2020-2022 pct. change: 11.70%
Scenario C	1,581,564	average of scenarios A and B: 9.89%

Research and Analysis - Redistricting

- Reviewed San Antonio's history with single member districts (SMDs) and redistricting
- Reviewed Mayor's memo creating a 2021 Redistricting Advisory Committee and discussed its process, experiences, public feedback and lessons learned
- Reviewed major Texas cities and comparable U.S. cities' charter language with respect to redistricting
 - Independent redistricting commissions – Austin, New York City, Minneapolis, Portland, San Diego and Syracuse, NY
 - Advisory redistricting commissions – Dallas, El Paso, and San Jose
- Began pulling and adapting language to codify 2021 advisory process with improvements learned through experience and public feedback

Conclusions



Council Districts

- Based on San Antonio's current population, anticipated future growth, and an increase in council office resources to provide constituent services, the subcommittee concluded an increase in SMDs is not needed at this time.
 - Should be reviewed every 10 years after release of US Census. Council districts should be controlled by Charter and the will of the voters and not State law.

Redistricting

- Based on experiences from the 2021 Redistricting Advisory Committee, community feedback and research into best practices, the subcommittee concluded a hybrid redistricting commission, versus an independent commission, would best serve San Antonio's redistricting process.

Preliminary Recommendation



Charter, Section 4A creating a hybrid redistricting commission

- **Commission composition:**
 - 11 total commission members – 1 appointed by the mayor and 10 appointed by the councilmember representing the SMD
 - 10 SMD appointees must be registered to vote in their respective SMD
 - Members cannot be:
 - An elected official to any local, state or federal office or their immediate family member
 - Employee of the City of San Antonio, a Local Government Corporation governed by the City Council, or employed/supervised by a Councilmember

Preliminary Recommendation



- **Communication**

- If intended to lobby or influence the commission member with respect to redistricting, then the councilmember's communication with the commission member must be by testimony in an open meeting of the full City Council or commission or by memo to the full commission or Council.

Preliminary Recommendation



- **Adopting a redistricting plan**
 - City Council responsible for adopting a redistricting plan
 - Commission creates and presents a recommended plan that can be adopted by a majority vote of Council
 - Council can propose amending the recommended plan in an open meeting with a written explanation for the amendment
 - The proposed amendment would go back to the commission for consideration.
 - If the amendment is adopted by the commission, then the amended plan can be adopted by Council with a majority vote.

Preliminary Recommendation



- **Adopting a redistricting plan (cont)**
 - If the Council's amendment of the original recommended plan is rejected by the commission, then either:
 - the original recommended plan can be adopted by a majority vote of City Council, or
 - The Council's amended plan can be approved by three-fourths (9 votes) of the members of the City Council.
 - If final action is not taken by the City Council within 45 days after the recommended plan was presented to the City Council for adoption, then the City Council must adopt the recommended redistricting plan and, the recommended plan of the redistricting commission will become the final districting plan for the city.

Q & A

Next Steps



- The subcommittee will continue to meet and consider the general CRC and public's feedback.
- Any revisions to the current recommendation will be presented in April.



Thank You
End of Presentation

Process Check-In

Roadmap



Meeting Date		
March 21*	Presentation of <u>preliminary</u> recommendations by: <ul style="list-style-type: none"> • Council districts and redistricting • City Manager tenure and compensation 	
April 11	Continue to refine recommendation based on research, discussion, and feedback from CRC and the public.	Presentations by: <ul style="list-style-type: none"> • Ethics • City Council compensation and term length • Language modernization
April 25		Presentations by: <ul style="list-style-type: none"> • Council districts and redistricting • City Manager tenure and compensation

*March 21 CRC meeting to serve as checkpoint

Roadmap



Meeting Date	
May 6 and 9*	Presentation by all subcommittees of final proposals
May 20 and 23*	Final discussion and actions

*All May dates should be held for general CRC meetings

Next Meeting



Thursday, April 11, 2024 – public comment and refined recommendations from:



- Ethics
- City Council compensation and term length
- Language modernization
- 5:30 p.m. – 7:30 p.m.
- Central Library



Thank You
End of Presentation