



City of San Antonio

Agenda Memorandum

File Number:21-2087

Agenda Item Number: 18.

Agenda Date: 3/18/2021

In Control: City Council A Session

DEPARTMENT: Human Resources

DEPARTMENT HEAD: Renee Frieda, Interim Director

COUNCIL DISTRICTS IMPACTED: All

SUBJECT:

Creation of the City of San Antonio Texas Municipal Council Aides Corporation

SUMMARY:

This Resolution creates the City of San Antonio Texas Municipal Council Aides Corporation to aid, assist, and act on behalf of the City in the performance of the City's governmental functions to assist with the employment of City Council Aides in a professional manner, including the provision of benefits, and approves the associated Articles of Incorporation and Bylaws.

BACKGROUND INFORMATION:

On August 9, 2019, a Council Consideration Request was submitted by Councilman Trevino regarding City Council staff compensation. As part of the FY 2020 budget process, City Council appropriated \$870,284 for a City Council staff policy discussion with any recommendations to be effective February 1, 2020. During a Governance Committee meeting on October 16, 2019, Mayor Nirenberg appointed an Ad Hoc Committee on City Council Staff Compensation, including Councilmember Adrianna Rocha Garcia as Chair and consisting of Council members John Courage, Ana Sandoval and Roberto Treviño.

The Department of Human Resources facilitated a classification and compensation review, and drafted job descriptions. The Ad Hoc Committee approved the use of a third-party consultant to view the draft job descriptions and information gathered to make pay range recommendations. After review and discussion by the Ad Hoc Committee and the full Council during a B session, pay ranges and job descriptions were adopted by Council on January 30, 2020.

After completing the compensation work, the Ad Hoc Committee began work to review benefits provided to Council Aides. The Council Aide medical plan format was modified in June 2020 to provide improved dependent coverage; and the cost picked up by the City was designed to closely

match the City cost sharing that is provided to civilian employees.

As the Committee studied options for retirement benefits, the suggestion of creating a Local Government Corporation (LGC) to help facilitate the provision of pension benefits was raised. This changes the dynamic from 11 separate employer plans to only one, thus reducing the administrative and compliance challenges created by administering multiple plans. Further evaluation resulted in an interpretation by the Texas Municipal Retirement System (TMRS) that employment by the LGC could be treated as department of the City and would qualify the Council Aides for TMRS participation. Staff reevaluated the medical plan participation from the perspective of the LGC and found that employment through the LGC would also qualify the Council Aides for participation in the City's self-funded medical plan.

The City of San Antonio Texas Municipal Council Aides Corporation Local Government Corporation would be organized solely for the purpose of aiding and acting on behalf of the City to accomplish certain governmental purposes of the City, specifically to provide for the employment of city council aides with regular employment benefits.

The proposed Local Government Corporation (LGC) will be governed by a board made up of the members of the City Council of the City of San Antonio. The City's Assistant to City Council shall serve as Executive Director of the Corporation, who shall be the Chief Administrative Officer of the Corporation and shall exercise such powers and perform such duties as shall be determined from time to time by the Board. Funding for the LGC will come from the general fund budgeted amounts currently paying for Council Aides.

An agreement between the LGC and the City is being drafted that outlines the administrative functions to be performed by the City. This agreement is anticipated to be brought forward for City Council consideration in May. Staff is working on a transition plan to the LGC which takes into consideration the commencement of the term for City Councilmembers elected with the May 2021 election.

ISSUE:

Mayor and Council requested a review to ensure Council staff pay and benefits were equitable between districts and across the City organization while continuing to retain staffing flexibility to best serve the needs of constituents. City Council Aides have worked as direct employees of each individual Councilmember which has made it difficult to efficiently provide employment benefits to them. Establishing the City of San Antonio Texas Municipal Council Aides Corporation to employ Council Aide staff will facilitate an equitable benefit structure and promote staff retention. Council Aides will be able to enjoy the same medical and retirement benefits as the City's civilian employees.

ALTERNATIVES:

If the City of San Antonio Texas Municipal Council Aides Corporation is not established, Council Aide staff will not participate in the Texas Municipal Retirement System or the City's self-funded medical plan. Medical benefits would be bid each year with frequent plan and provider changes due to the small group size. Retirement benefits would continue to be provided through matches to individual IRAs with low contribution limits.

FISCAL IMPACT:

The City budget provides for the employment of city council aides. Creation of the City of San Antonio Texas Municipal Council Aides Corporation will result in enhanced benefits for some City Council Aides. Any extra

costs will be addressed in the adoption of the annual budget.

RECOMMENDATION:

Staff recommends creation of the City of San Antonio Texas Municipal Council Aides Corporation and the approval of the associated Articles of Incorporation and Bylaws.