ITEM NO. 014 VERSION 2 BUDGET AGENDA 08-17-2022

ORDINANCE NO.

AN ORDINANCE SETTING MAYOR AND COUNCIL MEMBER SALARIES AND COMPENSATION; AMENDING ORDINANCE NO. 20150212-017; AND REPEALING ORDINANCE NO. 20061116-081.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. Council salaries and compensation were last evaluated and set in 2006, subject to cost-of-living adjustments since that time as set out in Ordinance No. 20061116-081. Based on a 2022 market study of compensation for Council Members and Council office staff members, and taking into consideration issues of salary compression to ensure appropriate pay gaps between Council Members and their office staff members in accord with City compensation practices, the salary and compensation for the Mayor and Council Members are set as follows:

(A) the Mayor's base salary is set at \$134,191.00 annually; and

(B) the base salary of other Council Members is set at \$116,688.00 annually.

PART 2. In addition to the base salaries established in Part 1, the City shall make contributions to tax-qualified retirement plan accounts for the Mayor and each Council Member, as follows:

- (A) contributions may be made to either the City-sponsored deferred compensation plan or to a City-sponsored defined contribution retirement plan qualified under Section 401(a) of the Internal Revenue Code in which the Mayor and Council Members are eligible to participate, or if no such plan is in existence at the time of the contributions, then to the existing Citysponsored deferred compensation plan; as designated by the individual;
- (B) contributions shall be made annually in a lump sum and shall made at the time of payment for the first full City payroll period in December of each year; and
- (C) the amount of the total annual contribution shall be <u>equal to the same</u> percentage of the individual's annual base salary at the time of the contribution as the required employee contribution percentage to the City of <u>Austin Employee Retirement System</u>, eight percent of the individual's annual base salary at the time of the contribution, or a lesser amount if

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necessary to prevent the combined employer plus employee contributions to that plan from exceeding the maximum permissible annual contributions to that plan for that individual.

PART 3. A Cost-of-living adjustments will be made to the base salaries established in Part 1 in the same percentage and at the same time as any general. The adjustment will be equal to the annual base salary adjustment (if any) approved by Council for City staff not covered by a labor agreement for that fiscal year.

PART 4. In addition to the base salaries established in Part 1, the Mayor and Council Members will also receive:

- (A) a wireless telephone allowance of \$34.62 each pay period (equivalent to \$900.12 annually), and a vehicle allowance of \$207.70 each pay period (equivalent to \$5,400.20 annually), both subject to applicable taxes; and
- (B) payments under the City's service incentive pay program and any other salary enhancement program applicable to regular full time City employees who are not covered by a labor agreement, under the terms and conditions applicable to such programs.

PART 5. The City will conduct a relevant market survey of compensation for local elected officials and their office staff members in advance of the budget approval process in 2027, and each five years thereafter, to determine whether adjustments to this Ordinance are needed and appropriate.

PART 6. Ordinance No. 20150212-017, providing for the waiver and reallocation of salary by a Council Member, remains in effect, provided that the first sentence in Part 1 of that Ordinance is amended by deleting "Ordinance No. 20061116-081" and inserting in its place the ordinance number for this Ordinance.

PART 7. Ordinance No. 20061116-081 is repealed.

PART 8. This ordinance takes effect on <u>December 1, 2022</u>.

PASSED AND APPROVED:

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PPROVED:	ATT	TEST:
Anne L.	. Morgan ttorney	Myrna Rios City Clerk