

City of Albuquerque

P.O. BOX 1293 ALBUQUERQUE, NEW MEXICO

DRAFT

Interoffice Memorandum

March 26, 2021

TO: Crystal L. Ortega, Clerk of the Council and Legal Officer
FROM: Fred D. Pugh, Chairperson, Citizens' Independent Salary Commission
SUBJECT: Evaluations of the Salaries for the Mayor and City Councilors

Executive Summary

City of Albuquerque voters approved the Citizens' Independent Salary Commission (Commission) as an amendment to the City Charter (Article NIII) in the election of October 6, 2009. At least one year prior to each regular municipal election, the Commission is tasked with studying, evaluating, and if warranted, recommending specific changes to the compensation levels of the Mayor and City Councilors. Should the Commission determine that the salary should be increased or decreased, the Commission shall file a written salary schedule with the City Clerk indicated the proposed salary. However, changes to salaries shall not be effective for the incumbent Mayor or Councilors, but shall be effective at the beginning of the next term.

The Commission considered a variety of data, including comparative pay and forms of government among comparable cities, the managerial complexity of elected officials, as well as changes in cost of living and median household income. Information from all of the processes above contributed to the Commission's decision. This is the sixth review conducted by the Commission since its inception.¹

The decision of the Commission is the salary and the benefits of the Mayor and City Councilors will be increased/decreased/remained unchanged.

Mayor salary – from \$XXX,XXX.XX

¹ The Commission's first evaluation and related report was issued on February 26, 2013.

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City Councilors salary from \$XX,XXX.XX

Council President from \$XX,XXX.XX

The Commission thanks the Mayor and City Councilors for their dedicated service to the City of Albuquerque and its citizens and we appreciate that the Commission's independence was respected by neither seeking to influence nor directing our deliberations in anyway. The complete report is available at <https://www.cabq.gov/audit/citizens-independent-salary-commission>. If you have additional questions contact Fred D. Pugh, Chairman at (505) 768-3154.

Commission Charter Amendment

Through the charter amendment, the Commission was given the authority to evaluate the annual salaries of the Mayor and Councilors and determine whether they should be increased or decreased. The Commission has authority to consider all factors relevant to the salaries. Parameters given to the Commission are as follows:

- (a) The Commission shall consist of five members selected by the Accountability in Government Committee (AGO). All members shall be residents of the City of Albuquerque and shall not be an officer, official or employee of the city or an immediate family member of the same. The term of each member shall be for four years, unless a member is selected to fill a vacancy, and no member shall be appointed to more than two terms. The initial terms of members of the newly established Commission shall be staggered; the initial term for two members shall be two years and the initial term of three members shall be four years.
- (b) At least one year prior to each regular municipal election, the Commission shall review the salaries paid by the city to the Mayor and Councilors. If after such review the Commission determines that the salary should be increased or decreased, the Commission shall file a written salary schedule with the City Clerk indicating the proposed salary.
- (c) Changes to the salaries shall not be effective for the incumbent Mayor and Councilors, but shall be effective at the beginning of the next term.
- (d) Any change to salaries recommended by the Commission shall be subject to the referendum procedures as provided for in Article III, Section 2 of the Charter.
- (e) All meetings of the Commission shall be open to the public and subject to the Open Meetings Act, Sections 10-15-1 et seq. NMSA 1978.

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Commission Members

As specified in its Charter, the Commission was selected through a process administered by AGO. Commissioners have no ties or conflicts with the City of Albuquerque, the Mayor or City Council. AGO appointed the following people to serve on the Commission:

<u>Name</u>	<u>Term End Date</u>
Fred D. Pugh, Chairperson	2022
Dr. Kent A. Hickman	2024
Dr. Andrews J. Higgins	2024
Jose Antonio Ponce	2022
Duane Trythall	2022

Methodology

The Commission carefully approached its work with thoughtful consideration to research, and the utmost transparency. It is important to note the Commission remained steadfast in its mission to look at the positions and not the individuals who currently hold them.

The members of the Commission produced this report and recommendations with the assistance of the exceptional staff within the City's Office of Internal Audit. Methodologies used to conduct this analysis included, but are not limited to the following:

- Studied the roles and responsibilities of the City's Mayor and City Councilors.
- Sought input from City Councilors on the estimated hours committed to their duties.
- Analyzed historical salaries for the City's Mayor and City Councilors since 2013.
- Assessed changes in cost of living and affordability based on the Consumer Price Index (CPI), inflation and the median household income.
- Identified comparable cities based on factors such as city budget and population size, geographic location, and cost of living.
- Analyzed hours worked and salaries earned by each elected official, as well as their respective roles and responsibilities.
- Assessed the feasibility of changes to salaries based on the City of Albuquerque's current and forecasted budgets.
- Discussed frequently, as a group, the results of information received.
- Considered the facts presented in prior Commission reports and the recommendations included in them.
- Held meetings in compliance with Open Meetings Act which were open to public comment.

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Duties of the Mayor and City Council

According to the City's Charter, the Mayor shall be the Chief Executive Officer with all executive and administrative powers of the City and shall devote full time and attention to the performance of the duties of the office and shall hold no other paid public or private employment. The Mayor also represents the City on state, national, and international levels. The duties of the Mayor include, among other things, organizing the executive branch of the City, exercising administrative control and supervision over and appointing directors of city departments, administration and protection of the merit system, formulate city budgets, and with the advice and consent of City Council, appointing the Chief Administrative Officer, any deputy administrative officers, the Chief of Police, the Fire Chief, and members of city committees, commissions and board.

According to the Charter's Historical Postscripts, as a result of a special election held on February 26, 1974, the five-member City Commission which had governed the city since 1917, was to be replaced with a full-time Mayor as the City's chief executive and a nine-member, part-time districted City Council as the legislative are of city government. The terms of the office of a Councilor, unless sooner recalled or removed, begins on January 1 following the candidate's election and is four years or until a successor is duly elected and qualified. Councilors may succeed themselves in office and the terms of office of Councilors shall be staggered with four or five districted Councilors elected every two years. Members are paid a salary and eligible for employee benefits including health, dental, vision, and life insurance.

According to Charter, City Council has the power to adopt all ordinances, resolutions or other legislation conducive to the welfare of the people to the City. The duties of City Council include, among other things, establishing and adopting five-year goals and one-year objectives for the City (these goals and objectives are to be reviewed and revised annually by Council), reviewing, approving or amending and approving all city budgets and adopting policies, plans, programs and legislation consistent with the goals and objectives established by City Council, and hiring personnel necessary to enable City Council to adequately perform its duties.

Furthermore, the City Council President is elected in a vote of all City Council members and has numerous unique responsibilities. The City Council President is responsible for preserving order, decorum and directing City Council meetings, assigning bills, preparing and disseminating meeting agendas with the public notice for the meeting, appointing all Committees whether standing, joint, or special, subject to the approval of the City Council except where otherwise indicated, and designating the Chairperson of each Committee subject to the approval of the City Council with the exception of Chair of the Committee-of-the-Whole.

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In addition to the duties outline by Charter, City Council members also participate in a variety of committees. The table below details the various committees and the number of City Council members appointed to each committee for 2021.

City Council Committees - 2021²

Committee Branch	Name of Committee	Number of Appointed Council Members
Standing Committees	Committee-of-the Whole Budget	9
	Finance and Government Operations	5
	Land Use, Planning & Zoning Committee	5
	Public Safety Committee	5
Governing Bodies with Council Participation	Albuquerque/Bernalillo County Government Commission (ABCGC)	4
	Albuquerque-Bernalillo Water Utility Authority	3
	Mid-Region Council of Governments	6
	Regional Transit District	5
Committees on which Councilors and the Administration Serve to Govern the City	Accountability in Government Oversight Committee (AGO)	1
	Alvarado Transportation Center Project Task Force	1
	Committee on Guidelines for Negotiations	3
	Intergovernmental Legislative Relations	3
	Economic Development Action Account	2
Committees for Internal Council Matters	Internal Operations Committee	9
Non-City Committees that Include Council Participation	Albuquerque Convention & Visitors Bureau	3
	Community Schools	2
	Explora	2
	Hispano Chamber of Commerce	2
	New Mexico Municipal League Representative	1

Councilor Survey Results

A 20-question survey was administered electronically to all City Councilors. The questions primarily surrounded whether their responsibilities have changed, how many hours are needed to fulfill their duties, and how the pay of Councilor affects those that would like to run for office.

Based on the results received from seven (78 percent) of the nine Councilors, nearly 90 percent of respondents believe their responsibilities have increased and that their work

² This table was created based off an internet search.

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week exceeds 30 hours a week. Reasons reported for the increased hours worked were primarily due to the growth of the City and thereby the growth within their districts, which has caused districts to require a higher need of oversight and governance.

The majority of the Councilors that responded also believe that the salary of a City Councilor is not a living wage and that supplemental income from either retirement, other employment, or a spouse is needed in order to run for office.

City Councilors also reported that on average, approximately 34 hours of their work week is put towards a combination of attending City Council and City Committee meetings, and non-city sponsored events. Below is a summarized exhibit of the Councilor's responses.

City Councilor Survey Responses 2021

Question	Number of Responses Received	Generalized Responses	
Question #1: Please explain what motivated you to run for City Councilor.	7	Wanted to share knowledge and expertise with Council, to ultimately strengthen the representation of the community.	
Question #2: In your opinion, how does the pay of a Councilor affect those who would like to run for office?	7	Current salary makes it difficult for others to serve. Current salary is decent.	
Question: #3: Please list the primary duties of a City Councilor.	7	Address district and citywide issues e.g., create legislation while upholding U.S. Constitution, New Mexico Constitution and City Charter; ensure the budget is managed properly and that city government is accountable. Respond to constituent concerns and serve as a liaison between individuals and city departments.	
Question	Number of Responses Received	Range	Average

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Question #4: How many hours each work week do you spend attending City Council and City Committee meetings?	7	6.5 – 40 hours	19.14 hours	
Question #5: How many hours each work week do you spend attending related meetings and functions that are not official City sponsored activities?	7	4 – 40 hours	14.79 hours	
Question	Number of Responses Received	Generalized Responses		
Question #6: Please list all meetings outside of official Council meetings that you attend as a Councilor.	7	<p>To list a few: Albuquerque Bernalillo County Water Authority, Bernalillo County Criminal Justice Community Policing Council, Council of Government/Transit District/Metro Transportation, Individual Meetings with department managers, Meetings with City Council staff; Meetings with the Administration, Meetings with Other Agencies (Federal, State, County), Neighborhood Association Meetings; Visit ABQ Executive Board, Annual conferences, etc.</p> <p>Additionally, Councilors need a significant amount of time to read the applicable meeting material in order to make confident and educated decisions that are in the community's best interest.</p>		
Question	Number of Responses Received	Yes	Remain Unchanged	No
Question #7: Do you feel that the responsibilities of a City Councilor have changed over the years? (i.e. increased, decreased, or remain unchanged?).	7	6	1	0

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Question	Number of Responses Received	Range	Average
Question #8: In your opinion, what is the minimum number of hours a week a City Councilor should give to adequately cover the requirements of the position?	7	20 – 56 hours	36.57 hours
Question	Number of Responses Received	Yes	No
Question #9: Do you see the job of City Councilor as a part-time position?	7	1	6
Question #10: Do you receive compensation for full-time employment elsewhere?	7	0	7
Question #11: Do you receive compensation for part-time employment elsewhere?	7	2	5
Question #12: Do you receive any other compensation for employment elsewhere?	7	1	6
Question #13: Do you receive any other compensation from elsewhere (non-employment)?	7	4	3
Question #14: Are there issues you want to pursue as a Councilor, but cannot due to time constraints?	6	5	1
Question	Number of Responses Received	Generalized Responses	
Question #15: Please list any constraints you face doing your Councilor job.	6	Not enough time. The growth of the city has made responsibilities more demanding.	

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		Teleworking limits the ability to access offices and meet with support staff. Bureaucratic hurdles and inefficiency.	
Question	Number of Responses Received	Yes	No
Question #16: Do you feel that you have adequate administrative support to do your job?	7	5	2
Question	Number of Responses Received	Generalized Responses	
Question #17: Please list any additional tools/or aids that would help you more fully do your job as a Councilor.	5	Adding more council districts and staff should be put into serious consideration.	
Question	Number of Responses Received	Yes	No
Question #18: In your opinion, does being a Councilor involve too much time for someone who has other full-time commitments (family or job) outside of being a Councilor?	7	6	1
Question	Number of Responses Received	Generalized Responses	
Question #19: Is there some major component of the Councilor job that was not covered in this survey?	4	No	
Question #20: Please list any additional comments you may have.	4	Current demands make it difficult for Councilors to manage supplemental work (i.e. a part-time and/or full-time occupation). While it may be possible for some Councilors, it seems those that are able to dedicate more time to	

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		<p>the position would possibly be more effective than those balancing two occupations simultaneously.</p> <p>It is a great means to give back to the community.</p> <p>Hopefully more working families and the younger population can serve as a Councilor without having to rely on multiple occupations to afford shelter and food.</p>
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Changes within the City of Albuquerque

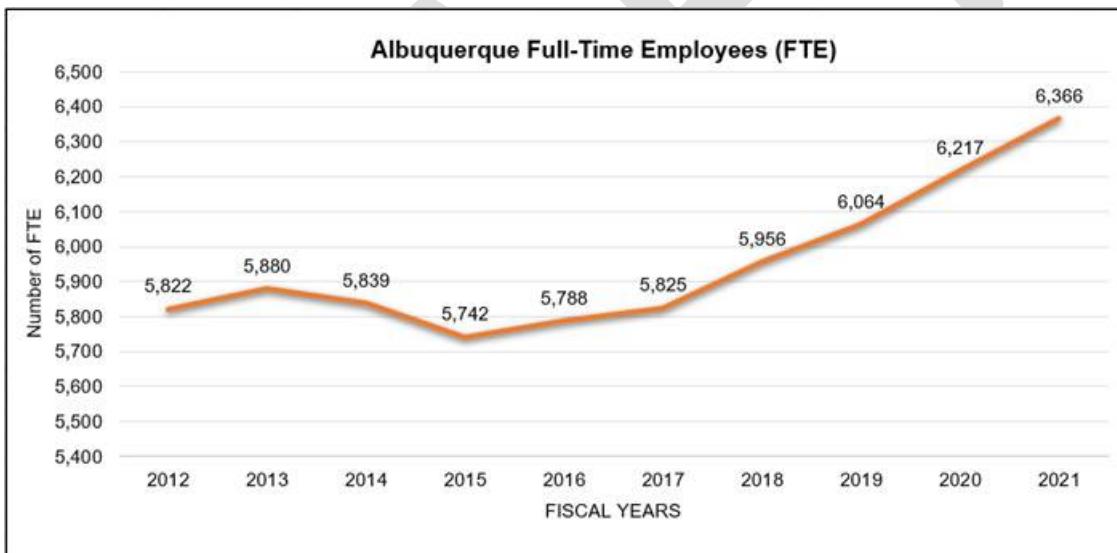
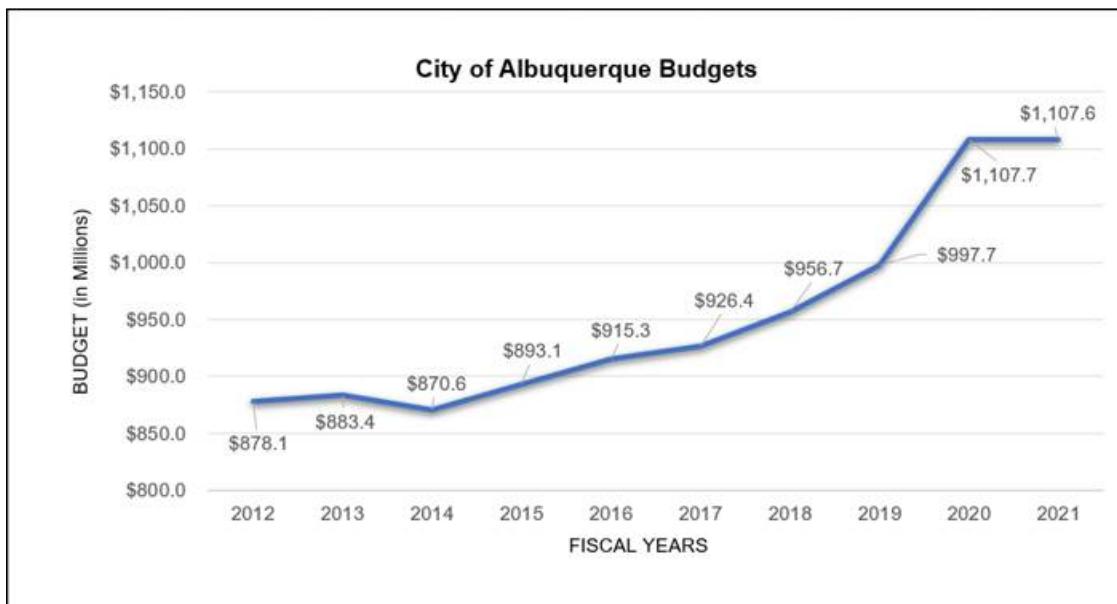
Assessing the managerial complexities of the Mayor and City Councilors is difficult, as many factors suggesting increase complexity are intrinsically linked with factors such as the city budget and the number of people the City employs, as well as population size. To this point, since 2015³ the City's budget increased from \$893.1 million to \$1.1 billion (or 24 percent), the number of full-time employees increased from 5,742 to 6,366 (or 11 percent), and the overall population of Albuquerque increased from 557,900 to 562,300 (or 1 percent). The below graphs⁴ detail this information⁵.

³ The Commission referenced 2015 since that was the last merit increase for both the Mayor and Councilors.

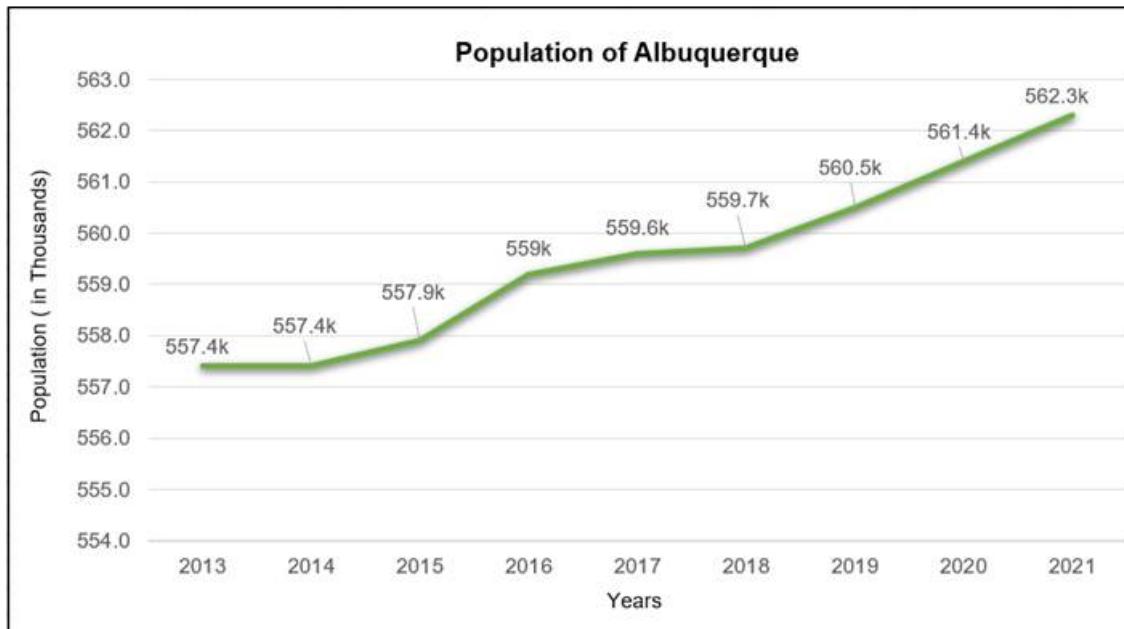
⁴ These graphs were created based on the U.S Census Bureau and the City of Albuquerque's approved budgets for fiscal years 2012 through 2021.

⁵ While the City's budget reflects the population, complexity and scope of services provided by the City, there are some other factors that account for the size of the budget. Specifically, the budget was strategically balanced to account for any economic uncertainty and to protect against predicted drops in revenue primarily due to the COVID-19 pandemic.

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Mayor and Councilors Salary Information

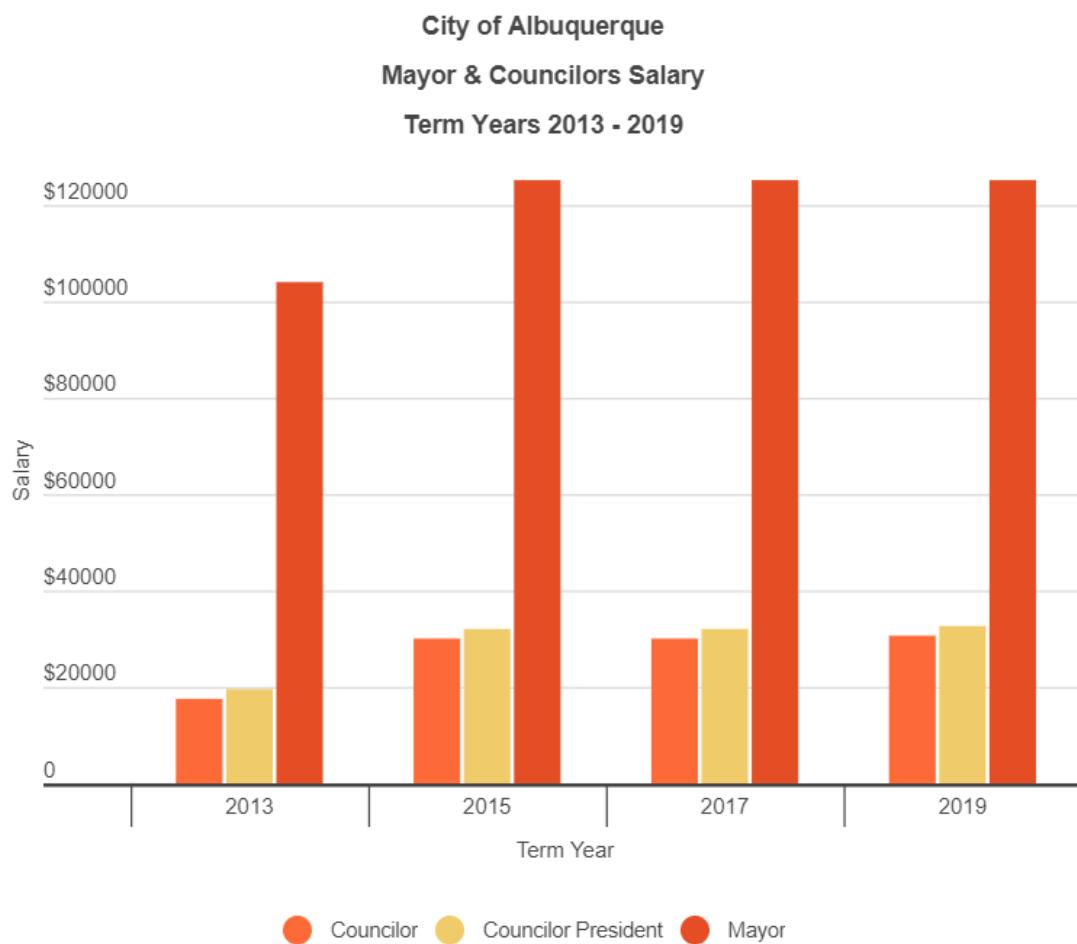
City Council members are considered part-time City employees and while their salaries, first set in 1974 reflect that, many of them work more than 30 hours a week. Currently, Councilors are paid \$30,600, the Council President is paid \$32,600, and the Mayor is paid \$125,000 a year. According to the Commission's previous reports, the Mayor has received one salary increase and City Councilors have received two salary increases in 2015 and 2019, the second based on a cost of living adjustment (COLA)⁶.

- In 2015, the following salary increases were given:
 - Mayor's salary increased 14 percent from \$109,325 to \$125,000
 - Council President's salary increased 64 percent from \$19,500 to \$32,000
 - Councilors' salaries increased 71 percent from \$17,500 to \$30,000
- In 2019, the following COLA increases were given:
 - Council President's salary increased 1 percent from \$32,000 to \$32,600
 - Councilors' salaries increased 2 percent from \$30,000 to \$30,600

⁶ Since the salary increase in 2015, the Mayor has not subsequently received a cost of living adjustment.

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The graph below details the Mayor and City Councilor's salaries since the inception of the Commission⁷.



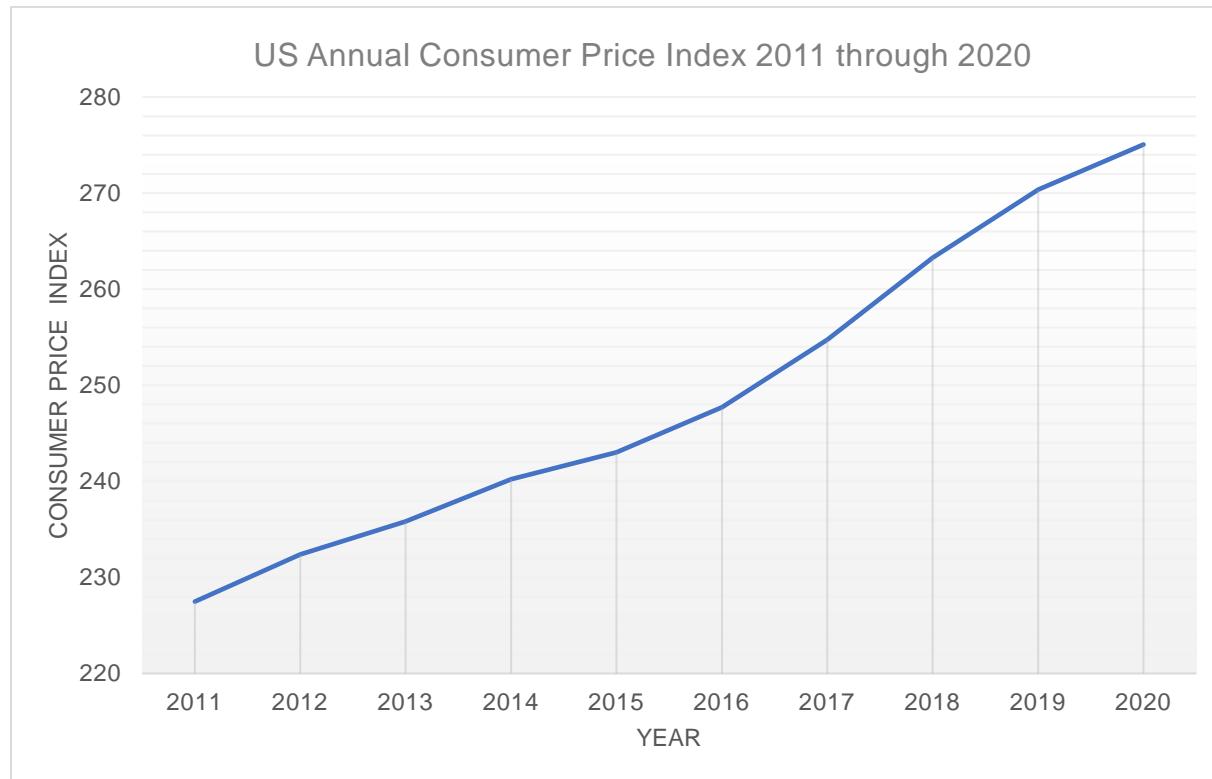
Changes in Cost of Living

The Commission analyzed the changes in the cost of living index for the City of Albuquerque, as defined by the U.S. Bureau of Labor Statistics (BLS) and the U.S Census Bureau. The Commission utilized the BLS Consumer Price Index (CPI), which measures of the average change overtime in the prices paid by urban consumers for a market basket of consumer goods and services. Per examination of the cost analysis index, the cost of living in the Western Region has increased by 47.572 basis points (20.9 percent) over the course of the ten year period including 2011 through 2020. Additionally, the cost

⁷ These graphs were created based on the Commission's issued reports from 2013 to 2015.

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of living in the Western Region has increased by 32.042 basis points (13.2 percent) since the last significant mayoral salary increase in 2015 and 4.706 (1.7 percent) since the last Council salary increase 2019. The table below detail this information.

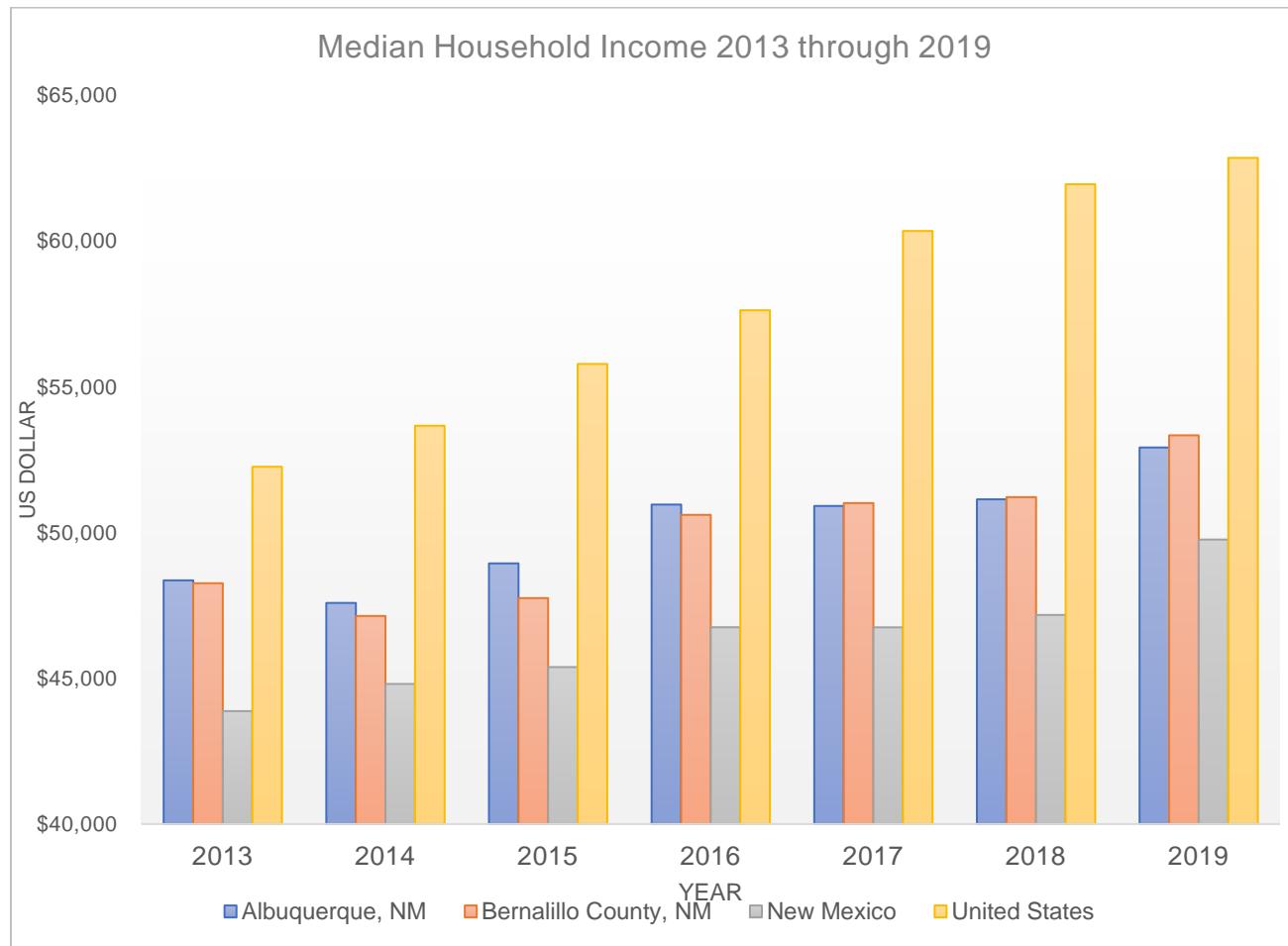


Albuquerque Median Income

The Commission also analyzed changes in the median household income for Albuquerque, as defined by the U.S. Bureau of Labor Statistics (BLS) and the U.S. Census Bureau. The median household income is a measurement the income level earned by a given household where half of the homes in the area earn more and half earn less. The CPI for Albuquerque includes all of New Mexico and the rest of the Western Region states including Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, Oregon, Utah, Washington, and Wyoming. Median household income, on the other hand, is based on the U.S. Census Bureau's Annual Community Survey and provides a basis for measuring changes in the median Albuquerque's regularly received income and includes all regularly received income. Taken together, the cost of living index, inflation and median household income allowed the Commission to better evaluate the salaries of the Mayor and Councilors against these factors. Specifically, the median income for Albuquerque has increased by \$3,974, or 8.1 percent since the last Mayoral and Council

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significant salary increase in 2015⁸. The table below details this information. Further, while the current Mayor's salary of \$125,000 is 236.25 percent of the median house income in Albuquerque, the current Councilors and Council President's salaries of \$30,600 and \$32,600, respectfully, are only 57.83 and 61.61 percent of the median household income of Albuquerque.



Benchmarking

The Commission looked beyond the City of Albuquerque to understand how other comparable cities compensate their elected officials and examined not only salaries in those cities but also structural differences that may affect municipal officials' compensation levels. Although no single benchmark for comparison was determinative,

⁸ Information is not available beyond 2019 to allow for calculations to the Median Income changes since the last Council merit raise in 2019.

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benchmarking proved a useful tool for analyzing the appropriate range within which to recommend Albuquerque's Mayor and City Councilors should be compensated.

The Mayor and City Councilors salaries are comparatively lower than salaries of their counterparts. In addition to our broad consideration of factors affordability, economic well-being, and managerial complexity, the Commission looked at six⁹ other comparable cities' mayoral and legislative salaries, budgets, number of full-time city employees and average number of people represented.

The Commission found that while the cities are similar in population size, Albuquerque's number of full-time employees and city budget are on the lower end of the spectrum. While the Mayor of Albuquerque's salary is in range of the comparable cities; the Councilors' salaries are not. Respectively, the salaries of Councilor President range from \$32,600 through \$110,725 with Albuquerque being the lowest, and the salaries of Councilors range from \$24,000 through \$98,878 with Albuquerque being second lowest. See Appendix A for further details.

Summary of Results

The salaries of the Mayor and City Councilors have not significantly changed since 2015, when they were increased by the Committee. However, in the six years since the most recent salary adjustment, many things have changed in Albuquerque. City population, budget and the number of full-time employees has increased, the cost of living has increased, and median household income has also increased. The Commission studied the requirements of both the Mayor and City Councilors' positions during its initial deliberations dating back to 2013. That work included surveys from the City Councilors to seek information regarding typical daily and weekly functions, the amount of time devoted, and motivation for seeking office. The amount of time devoted varies among City Councilors; however, on average Councilors reported working on average at least 34 hours per week and the majority reported working more than part-time in their positions. The Mayor's position is more than a regular 40-hour week. Since the original charter of 1974, the Commission is convinced that the duties of these offices have evolved and significantly increased over time.

The major factors contributing to this recommendation are as follows:

- XXXXXX
- XXXXXX

⁹ The Commission benchmarked the following six cities: Denver, Colorado; El Paso, Texas; Fresno, California; Kansas City, Missouri; Milwaukee, Wisconsin; and Tucson, Arizona.

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- XXXXXX
- XXXXXX
- XXXXXX
- XXXXXX
- XXXXXX

The Commission carefully reviewed the salaries of the Mayor and Council every two years, so it has the ability to react to changing economic conditions and realities, and elects:

- (Enter decision for Mayor)
- (Enter decision for Council and Council President)

Salary Information

Mayor salary - \$XXX,XXX.XX

City Councilors salary - \$XX,XXX.XX

Council President salary - \$XX,XXX.XX

Conclusion

The citizens of Albuquerque elected to establish the Citizens' Independent Salary Commission. In compliance with meeting the objectives of the Commission, the decision-making process included the research, analysis, discussion, and application of a wide range of facts concerning the salary structure of the Mayor and City Councilors of Albuquerque. This is an exhaustive process in which rigorous standards and documentation are maintained. Review of data and documents can be obtained by contacting Chairperson Fred D. Pugh, care of the Office of Internal Audit (505) 768-3154. In conclusion, the Commission thanks the Mayor and the City Council for their dedicated service to the City of Albuquerque and its residents.

APPENDIX A

Comparable Cities – CISC 2021

Mayor and Councilor Salary Methodology

Benchmarking Table		Type of Government-Approved Budgets-FTE Count						Salary Information					
		Government		Approved Budget		Number of FT Employees							
City	Population (2019 Census Bureau)	Type	Does Council have a President?	2019	2020	2019	2020	Governing System	Responsible Party to analyze/determine elected officials salaries	Frequency elected officials salaries are analyzed	Mayor Salary as of 03/2021	Council President Salary as of 03/2021	City Councilor Salary as of 03/2021
Albuquerque, NM	560,513	Mayor-Council	Yes	\$ 997,710,000	\$ 1,107,743,000	6,064	6,217	Set by City Ordinance	CISC	Every 2 Years	\$ 125,000	\$ 32,600	\$ 30,600
Denver, CO	727,211	Mayor-Council	Yes	\$ 2,400,000,000	\$ 2,400,000,000	12,095	12,324	Set by City Charter	Council	Every 4 Years	\$ 184,165	\$ 110,725	\$ 98,878
El Paso, TX	681,728	Council-Manager	No	\$ 989,381,830	\$ 1,046,842,912	6,364	6,663	Set by Ordinance	Council	Annually	\$ 67,950	N/A	\$ 45,300
Fresno, CA	531,576	Mayor-Council	Yes	\$ 1,447,982,500	\$ 1,581,086,400	3,651	3,693	Set by City Charter	Council	Every 4 Years	\$ 130,000	\$ 68,718	\$ 79,250
Kansas City, MO	495,327	Council-Manager	No	\$ 1,646,700,000	\$ 1,730,252,151	6,899	7,095	Set by Ordinance	Council	Every 4 Years	\$ 141,455	N/A	\$ 70,718
Milwaukee, WI	590,157	Mayor-Common Council	Yes	\$ 1,540,000,000	\$ 1,610,000,000	7,304	7,183	Set by City Charter	Council	Every 4 Years	\$ 147,336	\$ 82,750	\$ 73,223
Tucson, AZ	548,073	Council-Manager	No	\$ 1,556,773,740	\$ 1,613,039,850	4,491	4,588	Set by City Code	Salary Commission	Every 2 Years	\$ 42,000	N/A	\$ 24,000