CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS

AGENDA TOPIC: Consideration and possible action approving a resolution adopting the proposed benchmark organizations for the FY 2024-25 Compensation and Benefits Study

DATE: April 17, 2025

DEPARTMENT: Human Resources

PRESENTED BY: Jim Williams, MBA, ICMA-CM, Assistant City Manager

INTRODUCTION/BACKGROUND:

The Human Resources Department engaged Evergreen Solutions, LLC to conduct a comprehensive review and analysis of the City's compensation and benefits plan. Through this initiative, Evergreen has developed a set of proposed benchmark organizations to align the City's compensation strategy with both market standards and internal equity goals.

These benchmarks will aid in the analysis of pay practices that enhance the City's ability to recruit, retain, and engage high-quality employees while supporting the City's strategic priorities. Evergreen identified the proposed benchmarks through detailed analysis of key positions, using both external market data and internal role comparisons.

The department now seeks Council approval to adopt the 20 benchmark organizations as a framework for future compensation planning and potential pay structure adjustments.

Evergreen Solutions utilizes a multi-pronged methodology in recommending market peers. The aim is to survey a broad range of organizations that fall into multiple categories comparability to Fair Oaks Ranch to achieve the most representative aggregation of data.

Market peers were determined by classifying comparators and/or competitors. Comparators are analogous to Fair Oaks Ranch in one or more criteria: size, number of residents served, per capita income, total tax rate, safest city designation and/or operating budget. Evergreen sought organizations that align with the City's values and promote a similar level of responsiveness to resident needs.

Other market peers were determined by competition for quality employees in the labor market. Many of the City's employees commute from outside the City and could conceivably commute to other employers. Identifying organizations that are potential market competitors is based on proximity and internal/external offerings. These are not mutually exclusive criteria, as a market peer could be both a comparator and competitor. Evergreen also recommends applying a cost-of-living factor to peer responses to ensure equity in employee purchasing power rather than basing it solely on salary equality.

1. Alamo Heights	11. San Marcos
2. Bee Cave	12. Schertz
3. Boerne	13. Seguin
4. Bulverde	14. Selma
5. Flower Mound	15. Shavano Park
6. Heath	16. Southlake
7. Helotes	17. Terrell Hills
8. Kyle	18. Trophy Club
9. New Braunfels	19. University Park
10. San Antonio	20. Kendall County

*Data can be found in "**Exhibit A**"

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

- Supports the City's Strategic Action Plan 5.1.1 Evaluate and Update Compensation and Benefit Plans inclusive of Public Safety.
- Improves the City's ability to compete in the labor market, ensuring essential services are staffed with qualified professionals.
- Promotes transparency and fairness in compensation practices.
- Aligns with best practices in public sector human resources management.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

Adoption of the recommendations does not in itself trigger direct financial changes but will serve as a reference point for future budget planning.

LEGAL ANALYSIS:

N/A

RECOMMENDATION/PROPOSED MOTION:

I move to approve a resolution adopting the proposed benchmark target recommendations as presented for the FY 2024-25 Comprehensive Compensation and Benefits Study and future market comparisons.