



COFA Analysis:

# Additional Personnel for Alderpersons' Staff

**October 26, 2022**

Dear Aldermen & Alderwomen,

The City Council Office of Financial Analysis (COFA) has prepared a short proposal in regard to adding one (1) additional staffer to each of the alderperson's staff. Currently, the City Council is appropriated an allowance to hire up to three (3) full-time salaried employees. The *2023 Budget Recommendation* appropriates \$10,326,827 for the fiscal year 2023 under the line-item "Wage Allowance for Aldermanic Ward Staff (up to Three Full-Time Salaried Employees Per Alderman)."<sup>i</sup>

These positions show up in the Budget Recommendation under the titles "Assistant to the Alderman" and "Staff Assistant to the Alderman." Typically, each Alderperson will have one (1) Assistant to the Alderman and two (2) Staff Assistants to the Alderman.

This is not the first time an analysis was conducted to estimate the cost of increasing aldermanic staffs. In 2019, COFA was asked to estimate the cost of increasing the number of employees to four (4) employees per alderperson, and by increasing the appropriation by \$40,000, \$50,000 or \$60,000 per ward.<sup>ii</sup>

Below is COFA's estimate to provide an additional salaried employee to each alderperson at a salary of \$45,000, \$50,000, or \$55,000:

Additional salary per ward	Total additional salary in City Council appropriation	Total fringe benefits in Finance General appropriation*	Total additional costs in City appropriation
\$45,000	\$2,250,000	\$1,467,900	\$3,717,900
\$50,000	\$2,500,000	\$1,631,000	\$4,131,000
\$55,000	\$2,750,000	\$1,794,100	\$4,544,100

*\*The calculated fringe rate used is 65.24%*

Along with estimating the total additional salaries that would be appropriated to the City Council in the City's budget, COFA provides an estimate for fringe costs. Fringe includes employee healthcare, pension, unemployment insurance, workers compensation and general liability



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insurance, social security (employer’s share), and Medicare. COFA used a fringe rate of 65.24%, which is what the City used in the *2023 Budget Overview* to estimate fringe.<sup>iii</sup>

If each ward were to receive an additional staffer, only the total additional salary of the employee would be added on to the City Council’s budget appropriation. The total cost related to fringe benefits would be appropriated to Finance General in the City’s budget.

### **Other Considerations**

COFA’s estimate to add an additional staffer to each ward does not include any extra allowance for additional office equipment or supplies, which could potentially be needed depending on each ward’s current resources.

### **Source of Funds**

COFA recommends sourcing the funds for expenditures related to additional ward staffing from “0931 - For the Payment of Tort and Non-Tort Judgments, Outside Counsel Expenses and Expert Costs, as Approved by the Corporation Counsel.” These funds are currently budgeted in Finance General of the Corporate Fund. The *2023 Budget Recommendation* appropriates \$47,360,000 to this line-item in the fiscal year 2023.<sup>iv</sup>

Below is a breakdown of the budget appropriations and actual expenditures dating back to 2015 for this line-item:

<b>Fiscal Year</b>	<b>Budgeted</b>	<b>Actual</b>	<b>Variance</b>
2023	\$47,360,000	<i>Pending</i>	n/a
2022	\$47,359,000	<i>Pending</i>	n/a
2021	\$39,535,000	\$36,697,896	\$2,837,104
2020	\$39,535,000	\$30,289,678	\$9,245,322
2019	\$15,423,400	\$15,520,759	(\$97,359)
2018	\$15,423,400	\$22,184,856	(\$6,761,456)
2017	\$15,423,400	\$11,981,620	\$3,441,780
2016	\$11,326,800	\$17,734,949	(\$6,408,149)
2015	\$6,377,742	\$10,748,638	(\$4,370,896)

SOURCE: *Budget Recommendations 2023-2016*

In the 2023 Budget Recommendation, many departments are seeing increases in budget positions. For example, in 2023, the Office of the Mayor is seeing an increase of 23 positions, the Department of Human Resources is seeing an increase of 48 positions, and the Office of the Inspector General is seeing an increase of 10 positions, just to name a few. Expanding the ward staffs by one additional person could result in better services and response times to constituents, as well as lightening the load for the staffers currently working in the ward offices.

**Proposed Amendment to the 2023 Budget Ordinance**

Below is a proposed amendment to the 2023 budget, which appropriates additional funds to the City Council and to other line-items within Finance General for one (1) additional position in each of the fifty (50) wards at a base salary of \$50,000.

Amendment to the 2023 Budget

**0100 - Corporate Fund**

<u>CODE</u>	<u>DEPARTMENT AND ITEM</u>	<u>STRIKE AMOUNT</u>	<u>ADD AMOUNT</u>
	<b>99-Finance General</b>		
0931	For the Payment of Tort and Non-Tort Judgments, Outside Counsel Expenses and Expert Costs, as Approved by the Corporation Counsel	\$47,360,000.00	\$43,229,000.00

**0100 - Corporate Fund**

<u>CODE</u>	<u>DEPARTMENT AND ITEM</u>	<u>STRIKE AMOUNT</u>	<u>ADD AMOUNT</u>
	<b>15-City Council</b>		
0017	Wage Allowance for Aldermanic Ward Staff (up to <b>Four</b> Full-Time Salaried Employees Per Alderman)		\$2,500,000.00
	<b>99-Finance General</b>		
0029	HMO premiums		\$346,533.69
0042	Hospital & medical care		\$1,060,963.32
0043	Life insurance		\$4,553.32
0049	Workers' compensation		\$155,810.04
0051	Unemployment claims		\$14,973.52
0056	Dental plan		\$48,166.11

**Endnotes:**

- <sup>i</sup> Page 57. City of Chicago. (2022, October). *2023 Budget Recommendation*. [www.chicago.gov](http://www.chicago.gov)
- <sup>ii</sup> Council Office of Financial Analysis. (2019, November 6). Fiscal Impact of Increasing Aldermanic Staff. [www.chicago.gov/cofa](http://www.chicago.gov/cofa)
- <sup>iii</sup> City of Chicago. (2022, October). *2023 Budget Overview*. [www.chicago.gov](http://www.chicago.gov)
- <sup>iv</sup> Page 280. City of Chicago. (2022, October). *2023 Budget Recommendation*. [www.chicago.gov](http://www.chicago.gov)