

# PROFESSIONAL PUBLIC MANAGEMENT: A COMPETITIVE AND CRITICAL FACTOR IN ARIZONA'S ECONOMY

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Progressive government—in policy, vision, management, and administration—is essential to creating and nurturing a thriving business community. One of the key factors in good governance at the local level, advocated so successfully one hundred years ago in the Progressive Movement, is the professional public manager.(1) Professional public management, embodied in the council-manager form of government for municipalities and in the board-manager form of government for counties, requires an elected governing body to hire a professionally-trained public manager with broad authority to hire and fire department heads and to establish merit systems, competitive bidding procedures, and standardized accounting and auditing practices. An admirable feature of Arizona's local governments—its 15 counties and 89 cities and towns—is that they overwhelmingly utilize the professional manager position. In fact, Arizona is the only state in the country where all counties operate under the “board-manager” form of government, despite the fact that Arizona counties have not adopted home rule charters.(2) Professional public management, then, is a strong political tradition in Arizona local government.

The departure of the Tucson city manager in December 2004 after four and one-half years in office caused a civic uproar over the “lack of continuity” in city management and speculation that returning the city to a “strong mayor” form of government would improve long range governing. More recently, an *Arizona Republic* article reported that Phoenix Assistant City Manager Sheryl Sculley had made the short list for the San Antonio post.(3) Cities and counties with reputations for being well managed can expect their managers to be courted by executive recruiting firms (Sculley didn't even apply for the job), and Arizona's local governments provide excellent proving grounds.

Sculley's possible departure started the gears turning. Under the heading of “Managing assets,” a subsequent *Arizona Republic* editorial claimed that “Phoenix can't afford to lose staffers with Sheryl Sculley's abilities.” (4) She is credited with managing projects that are “keys to the renaissance of downtown.” (A new city hall and landing the

Translational Genomics Research Institute, a medical center, and a convention center are a few of her accomplishments.)

Salary level is certainly pivotal in attracting and retaining professional managers. Glendale’s city manager commented that “You’ve got to be competitive in all markets. Not only assessing what local competitors are doing, but what they’re doing on a national level.” (5)

Just how competitive is the public manager market in Arizona? This article presents salary statistics for city and county managers in Arizona and then compares them to those across the country and more specifically in the West. Salaries for municipal and county managers are considered separately.

## Arizona Manager Salaries

### The Arizona Salary Survey: Cities and Towns

The League of Arizona Cities and Towns surveyed all municipalities on salaries and benefits for certain administrative and supervisory positions in 2004.(6) This section presents the current salary for city and town managers for categories of municipalities based on population. Fifteen of Arizona’s 89 cities and towns did not report salary data for managers. (Five manager positions were vacant, two did not submit information, and eight very small towns do not have the position of manager; the clerk, a state-mandated position, suffices for manager, a non-mandated position.)

Average salaries are presented for each population category of municipality. Both Phoenix and Tucson managers receive nearly \$200,000. The average salary for the third largest city is \$169,440, and for the six managers in cities with populations between 100,000 and 249,999 it is \$161,000. In cities and towns between 50,000 and 999,999 in population, the average is \$132,000. It drops slightly to \$129,000 for the eight city managers in the 25,000-50,000 population range, and settles at \$85,000 for the 55 smallest jurisdictions. The average salary for all Arizona city and town managers is \$126,300.

Table 1: Average Salaries for Arizona City and Town Managers-2004

Population (Number)	Arizona Average
All cities and towns (74)	\$126,300
Over 1 million (1)	\$193,300
500,000-999,999 (1)	\$182,000
250,000-499,999 (1)	\$169,440
100,000-249,999 (6)	\$161,000
50,000-99,999 (2)	\$132,000
25,000-49,999 (8)	\$129,000
Under 25,000 (55)	\$ 85,000

Source: "Local Government Salary and Benefit Survey," League of Arizona Cities and Towns, Arizona Association of Counties, County Supervisors Association

## The Arizona Salary Survey: Counties

All 15 Arizona counties employ a professional manager (sometimes called administrator). Their salaries range from a high of \$202,000 to a low of \$78,000. The average county manager salary is \$124,300. Table 2 presents average salary data categorized by population. The state's two largest counties pay their managers about \$200,000. The six counties ranging in population from 100,000 to 499,999 pay an average of \$133,000. Managers in the seven smallest counties average just under \$100,000.

Table 2: Average Salaries for Arizona County Managers/Administrators-2004

Population (Number)	Arizona Average
All Counties (15)	\$124,300
Over 1 million (1)	\$185,000
500,000-999,999 (1)	\$201,000
100,000-499,999 (6)	\$133,000
50,000-99,999 (3)	\$ 99,700
Under 50,000 (4)	\$ 96,000

Source: "Local Government Salary and Benefit Survey," Arizona Association of Counties and County Supervisors Association

## U.S. and Western Manager Salaries

### The National Salary Survey: Municipalities

The International City/County Management Association (ICMA) surveyed a total of 8,050 municipalities in 2003. (7) Fifty-two percent responded. The survey asked for salary information for 23 different positions. This article includes only those for manager (the top chief administrative officer appointed by mayor and council in council-manager cities). Salary data is broken out by municipal population, geographic region, sub region, and metro status (i.e., central, suburban or central.) Metro status is not considered in this article. The average salary for city managers across all categories in 2003 was \$92, 472. That represents an increase in salary of nearly 4 percent from a year earlier. The ICMA report indicates that level of salary is determined by region, population, breadth of service delivery, as well as professional expertise and experience of the manager. Municipalities in the West region are paid the highest across all categories. For example, regional averages are highest in the West—\$114,000, and lowest in the Northeast—\$81,000, a gap of nearly 41 percent.

In cities of over 1 million in population, the average manager salary is \$218,000 a year. That average drops to \$174,000 in cities with a population between 500,000 and 999,999 and 250,000 and 499,999. Regional differentials are not given. In cities from 100,000 to 249,999, the national average is \$161,000. The average salary in this population category increases to \$171,000 in the West and decreases to \$148,000 in the South. Cities with populations between 50,000 and 99,999 pay their managers an average of \$133,000. In the West, the average is \$149,999 and \$117,000 in the Northeast. In the smallest population categories—25,000 to 49,999; 10,000 to 24,999; 5,000 to 9,999; 2,500 to 4,999; and under 2,500—average Western salaries are always higher than the national average, and from 20 percent to 56 percent higher than the lowest regional averages as well. Northeastern cities pay their managers considerably less than Western cities. (The South region ranks second and the North Central region ranks third.) Table 3 below arrays municipal salary figures for the U.S., and the West region, and compares them to those of Arizona.

Table 3: Comparing Average Salaries for City Managers in the U.S., West, and Arizona: 2003/2004

Population	National Average	West Average	Arizona Average
All Cities	\$ 92,472	\$114,000	\$126,300
Over 1 million	\$218,000	NA	\$193,300
500,000 – 999,999	\$174,000	NA	\$182,000
250,000 – 499,999	\$174,000	NA	\$169,440
100,000 – 249,999	\$161,000	\$171,000	\$161,000
50,000 – 99,999	\$133,000	\$149,999	\$132,000
25,000-49,999	\$116,000	\$131,000	\$129,000
10,000-24,499	\$ 96,500	\$110,000	\$106,364
5,000-9,999	\$ 77,700	\$ 89,000	\$ 90,324
2,500-4,999	\$ 65,130	\$ 84,400	\$ 77,268
Under 2,500	\$ 56,400	\$ 69,000	\$ 50,218

Source: *The Municipal Yearbook*, International City/County Management Association and “Local Government Salary and Benefits Survey,” League of Arizona Cities and Towns

### The National ICMA Survey: Counties

Thirty-seven percent of counties (1,116) responded to the salary survey. (8) County managers—like city managers—are appointed by a majority of the governing body, usually called a board of commissioners or supervisors. While the percentage of counties utilizing a professional manager is far lower than that of cities, the trend toward professional managers is growing rapidly. (9) The average salary nationally for county managers is \$106,511, a 7.3 percent increase over that of 2002 (and 15 percent higher than the municipal national average). As with municipalities, the West pays the highest

average salaries and the Northeast pays the lowest, \$120,000 to \$79,000 respectively, a differential of 52 percent.

Nationally, counties with over one million in population pay an average of \$192,000 for the manager. Counties in the West pay an average of \$209,000, 9 percent more. As counties decrease in population, the higher-than-average salaries are found in Southern states, with Western salaries close behind. In counties with populations of 500,000 to 999,999, the average salary is \$167,000, but only slightly higher for Western counties (\$169,000) and highest for Southern counties (\$182,000). In the last population category for which professional managers are utilized---250,000 to 499,999, the national average salary is \$145,000, with \$152,000 in the West, \$153,000 in the South, and \$122,000 in the Northeast. Presumably, too few counties with smaller populations utilize the position of manager (clerk of the board can suffice). Table 4 below arrays county salary figures in the U.S., the West region, and Arizona.

Table 4: Comparing Average Salaries for County Managers in the U.S., West and Arizona-2003/2004

Population	National Average	West Average	Arizona Average
All Counties	\$106, 511	\$120,000	\$124,300
Over 1 million	\$192,000	\$209,000	\$185,000
500,000 – 999,999	\$167,000	\$169,000	\$201,000
250,000 – 499,999	\$145,000	\$152,000	NA

Source: *The Municipal Yearbook*, International City/County Management Association and “Salary and Benefit Survey,” Association of Arizona Counties and County Supervisors Association

## Conclusion

Average city and county manager salaries are higher in Arizona than those in the U.S. and the West region. Average salaries in each population category are not always the highest in Arizona, however; manager salaries in the smaller jurisdictions are far higher in Arizona than elsewhere, on average. The high average salary for both levels of government in Arizona also reflects the preponderance for the council- (or board-) manager form of government in Arizona’s smaller jurisdictions. Even most of the smallest are professionally managed. Interestingly, manager salaries in the over 1 million and 500,000-999,999 population categories do not seem to be as competitive with those of other states. Indeed, Sheryl Sculley, assistant city manager in Phoenix, was offered the position of manager for the city of San Antonio for \$265,000, thereby making her the highest paid city manager in the country. (10) (After weeks of speculation, however, she decided to remain with the city of Phoenix.) (11)

## Endnotes

1. The Progressive Movement took hold in California a century ago and spread eastward. Progressives espoused professional, neutral administration, nonpartisan

- elections, initiative, recall and referendum, and home rule charters for local governments.
2. A home rule charter serves as the constitution for the local government. It is drafted by local citizens and submitted to a public vote. Charters give citizens more authority in the design and operation of their government than would general law.
  3. “Managing assets,” *The Arizona Republic*, Friday, March 18, 2005, B10.
  4. “Managing assets.”
  5. Alonzo-Dunsmoor, Monica. “Turnover rates said high for city jobs,” *The Arizona Republic*, March 19, 2005, B1.
  6. “Local Government Salary and Benefit Survey.” Phoenix: The League of Arizona Cities and Towns, Arizona Association of Counties, and County Supervisors Association, January 2005.
  7. Moulder, Evelina R. “Salaries of Municipal Officials, 2003.” *The Municipal Yearbook 2004*. International City/County Management Association: Washington, D.C., 2004.
  8. Moulder, Evelina R. “Salaries of County Officials, 2003.” *The Municipal Yearbook 2004*. International City/County Management Association: Washington, D.C., 2004.
  9. Salant, Tanis J. “Trends in County Government Structure.” *The Municipal Yearbook 2004*. International City/County Management Association: Washington, D.C., 2004.
  10. Berry, Jahna and Ginger D. Richardson, “Competition, pay scale for city managers on rise,” *The Arizona Republic*, March 19, 2005, B2.
  11. Richardson, Ginger D. “Sculley shuns job in Texas to stay put,” *The Arizona Republic*, April 14, 2005, B1.