



## CITY COUNCIL MEMORANDUM

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**TO:** City Council

**FROM:** Matthew R. Schmitz, MPA – City Manager

**DATE OF MEETING:** May 11, 2026

**ITEM TITLE:** Resolution Approving a Salary Increase for the City Manager Effective July 1, 2026

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### **BACKGROUND:**

During the February 2, 2026, City Council Work Session, the proposed salary and wage increases for salaried and non-bargaining employees, including the City Manager, for the upcoming fiscal year were discussed. This resolution formally adopts the structure discussed during that session to ensure appropriate compensation.

### **DISCUSSION:**

The proposed resolution authorizes a base 2% increase to the current rate of pay for the City Manager, provided a satisfactory performance evaluation is received.

In addition to the base increase, it is intended to reward the City Manager with a merit increase determined by the performance review rating. The additional merit increases are authorized as follows:

- A rating between 1.00 and 2.00 will receive no merit increase.
- A rating between 2.01 and 2.50 will receive an additional 0.50% merit increase, totaling 2.50%.
- A rating between 2.51 and 3.00 will receive an additional 1.00% merit increase, totaling 3.00%.
- A rating between 3.01 and 3.50 will receive an additional 1.50% merit increase, totaling 3.50%.
- A rating between 3.51 and 4.00 will receive an additional 2.00% merit increase, totaling 4.00%.

### **RESULTS:**

The City has established priorities during strategic planning sessions. This item supports the Vision from that session of **supporting high-quality City services and encouraging a supportive environment for businesses, workforce, and economic development**. This item helps achieve that vision by ensuring the retention and reward of dedicated leadership.

### **FINANCIAL CONSIDERATION:**

These increases have been planned for and are incorporated into the FY27 budget.

### **RECOMMENDATION:**

Staff recommends a motion to approve and authorize the Mayor to sign the Resolution authorizing the salary increase for the City Manager to be effective at the beginning of the pay period, which includes July 1, 2026.