



Date: January 10, 2025

To: Rebecca Franzen, Human Resources Director

From: Malayna Halvorson Maes, Senior HR Consultant

Re: 2025 City Administrator

Salary

In 2024, the City requested recommendations on the City Administrator salary range. The firm collected salary ranges and incumbent rates for city manager/city administrator positions from the comparable organizations used in the 2022 study. The following comparable organizations were surveyed:

Eau Claire	City Manager
Fond du Lac	City Manager
Janesville	City Manager
Oshkosh	City Manager
Sheboygan	City Administrator
Wauwatosa	City Administrator
West Allis	City Administrator
Onalaska, WI	City Administrator
Rochester, MN	City Administrator
Winona, MN	City Manager
Beloit	City Manager
Kenosha	City Administrator
La Crosse County	County Administrator

At that time, we offered the City two very similar salary range options to tie the range to the existing compensation structure. We recommend approximately a 20%- 25% separation.

The range recommendations have now been trended by 2.75%, which would result in the range of \$153,921-\$201,879. Now, the City does not need to have a salary range. It can simply use this range to give the City Council salary range parameters for an employment agreement.

With that said, I understand the highest paid department director is just under \$160,000 per year effective with the 2025 salary increases. The City should be conscious of that and anticipate an annual base salary of between \$190,000-\$200,000 per year, which retains that 20%-25% separation from the highest compensated director.

In 2024, monthly car allowance, phone allowance, and deferred compensation contributions were also noted. Car allowance ranged from \$250-\$500 for 46% of the comparables. Cell Phone allowance ranged from \$78-\$120 per month for 30% of the comparables, and two (2) communities reported deferred compensation as a flat amount or percentage of base, although this is becoming more popular. It should be noted that the IRS limit for Deferred Compensation for 2025 is \$23,500. These are added items that may be discussed and included in the total compensation offer for the position.

Responsibility Change

The City also inquired if the City should expect any change in salary at the department director level, due to the creation of a City Administrator. The Market does not distinguish a difference in these forms of government. The position of a director will continue to work on the strategic direction of a department, have oversight of operations, budget management, personnel management, policy management etc. They will all continue to have their industry market we will align their positions to. A City Administrator will have broad authority to lead the organization, ensuring the policy decisions of the council are carried out, strategic planning, preparing the annual budget, serving as a key advisor to the elected officials, lead and supervise the department directors, and ensuring operational and administrative functions are complete. The City Administrator does not carry out day to day department operations; rather this is a function of the department directors, who are hired to be the subject matter experts in their field of expertise. Given the size and level of complexity of municipal government for organizations of the city's size, I would not envision this to change.

Should you wish to discuss further as the City continues its planning, please let me know.