

2026 PAY PLAN UPDATES – **COUNCIL APPROVAL REQUIRED**

Effective 1-1-26

Consumer Price Index – Workers (CPI-W) 2025 First Half = 2.3% (*“The CPI measures inflation as experienced by consumers in their day-to-day living expenses”* U.S. Bureau of Labor Statistics)

November 18 – HR Director report to council on the 2026 pay plan updates

December 2 – Seeking Council Consent to approve all the 2026 pay plan updates with the exception of the “N,” “N-S,” “G-S,” and “E” pay plans

December 9 – HR Director report to Council on the 2026 pay plans

January 6 – Seek Council Consent on the “N,” “N-S,” “G-S,” and “E” pay plans

EO = Elected Officials (Council Members and Mayor)

2026 COLA	Based on...	Comments	HR Director Recommendation
2.3%	CPI-W 2025 First half	<u>Council</u>: Salary Commission authorized Council to receive COLA based on CPI-W First Half 2025 (Ordinance 3166). <u>Mayor</u>: The City Council authorized the Mayor’s salary to receive COLA based on CPI-W First Half 2025 (Ordinance 3173)	Approve both COLA adjustments to the EO Pay Plan.

E = Executive Employees (Directors and Deputy Directors)

2026 COLA	Based on...	Comments	HR Director Recommendation
3.8%	N (Non-Reps) pay plan COLA	COLA Explanation. The COLA for non-represented employees has traditionally followed RCHEA COLA with the understanding the non-represented employees primarily manage RCHEA employees. This extends out to deputy directors and directors who manage those classifications and by following the same COLA retain appropriate pay differential between the different levels of classifications. <u>Please Note:</u> HR is seeking your approval to update the Personnel Manual to have non-represented pay plans follow the CPI-W First Half, with the intent to conduct an annual market analysis and adjust pay ranges that are under market. The annual market	Approve the COLA adjustment to the E Pay Plan. Approve the movement of the classifications within the pay bands. Approve the new classification and other title changes

		analysis will ensure appropriate differential between management and union staff exists. 2025 Market Analysis. An external consultant, CabotDow Associates, was retained to review the pay ranges for each classification within E pay plan. 12 cities were surveyed within Washington, Oregon, California, and Arizona. All 12 cities had similar population, total annual budget, and number of FTEs as Redmond. Regional Price Parity was assigned to each jurisdiction which adjusts for cost-of-living differences in different geographical areas. Each classification was then assessed based upon the 60th percentile of the market data and ranges were adjusted accordingly. In the 2026 “E” pay plan, the movement of the classifications based on the market adjustments are identified in redline. Assistant Chief Operating Officer. This is a new classification that is being added to the pay plan. Over the past several years, new divisions have been added to the Executive Department, including Environment Sustainability, REDI, Grant Management, and City Attorney along with Federal Lobbyist duties. The Department has grown by 14 FTEs since 2020 to accommodate the new programs. With oversight of all Departments and the growth outlined above, the span of control for the two senior executives (COO and Deputy Director) is unwieldy. Before 2020, the Executive Office had two Chief Executives which was reduced due to budget constraints. Creating the Assistant Chief Operating Officer will restore an executive position in the Mayor’s Office, reduce the span of control, allow for succession planning for the COO position and will, along with the Mayor and COO, provide strategic oversight and direction within the Executive Department.	as indicated within the pay bands.
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N = Non-Represented Employees (Managers, Supervisors, and confidential classifications)

N-S = Non-Represented Supplemental Employees

2026 COLA	Based on...	Comments	HR Director Recommendation
3.8%	RCHEA negotiated flat rate COLA	COLA Explanation. As explained above within the E Pay Plan comments, the COLA for non-represented employees has traditionally followed RCHEA COLA with the understanding the non-represented employees primarily manage RCHEA employees. Again, HR is seeking your approval to update the Personnel Manual to have non-represented pay plans follow the CPI-W First Half, with the intent to conduct an annual market analysis and adjust pay ranges that are under market. The annual market analysis will ensure appropriate differential between management and union staff. 2025 Market Analysis. HR compensation staff conducted an external market analysis of all N pay plan classifications. The previous market analysis was conducted in 2022. Each classification was assessed based upon the 60th percentile of the market data and where similar classifications were placed internally, and then the pay ranges were adjusted up and down accordingly. In the 2026 “N” pay plan, the movement of the classifications based on these adjustments are identified in redline. New Pay Bands Established. Based on the market data, several new pay bands were created. This is an appropriate and expected outcome to ensure classifications are appropriately placed in a pay band instead of being placed in too high or too low of a pay band. New Classifications. Principal Financial Analyst, Human Resources (HR) Generalist, and Paralegal classifications are being added to the pay plans. The Principal Financial Analyst provides for higher-level financial analyst work to address a specialty focus. The HR Generalist is the same classification level as the HR Analyst, with the Generalist having an entry-level knowledge of HR that requires a broader focus verses the Analyst being more specialized in an HR function. The Paralegal in the	Approve the COLA adjustment to the N and N-S Pay Plans. Approve the movement of the classifications within the pay bands. Approve the new and deleted classifications within the pay bands. <u>Note:</u> The N-S pay plan follows the changes of the N pay plan.

		N pay plan is a confidential legal position versus the Paralegal in RCHEA handles a broad variety of non-confidential paralegal support. Classifications Eliminated. The Purchasing/ Contracting Manager and Payroll Analyst are being removed from the pay plans. Both classifications are no longer necessary and should be eliminated.	
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G-S = General Supplemental Employees (Council Members and Mayor)

2026 COLA	Based on...	Comments	HR Director Recommendation
3.8%	Non-Reps COLA	Only COLA increase to each classification. No other changes.	Approve COLA adjustment to the G-S Pay Plan.

A = AFSCME (Maintenance Operations Center (MOC) Public Works and Parks Operations Employees)
AF-S = AFSCME Supplemental Employees

2026 COLA	Based on...	Comments	HR Director Recommendation
2.3%	CPI-W 2025 First half	In accordance with AFSCME's CBA, the negotiated COLA for 2026 is to be based upon CPI-W 2025 first half, which is 2.3%. There are no other changes to either pay plan.	Approve the COLA adjustment to the A and AF-S Pay Plans.

P = Police Uniformed (Police Officer, Corporal, Sergeant)

2026 COLA	Based on...	Comments	HR Director Recommendation
2.3%	CPI-W 2025 First half	In accordance with Police Uniformed CBA, the negotiated COLA for 2026 is to be based upon CPI-W 2025 first half, which is 2.3%. There are no other changes to the pay plan.	Approve the COLA adjustment to the P Pay Plan.