

From: [Higgins, Sara](#) on behalf of [City Administrator's Office](#)
To: [City Administrator's Office](#)
Subject: Non-Union Employee FY26 Compensation
Date: Tuesday, May 20, 2025 1:28:45 PM

Dear Non-Union Employees,

Let me begin by saying thank you for all that you are doing to serve Ann Arbor. Due to your efforts, we are making progress on many fronts that are important to both policy makers and the public, as well as positioning ourselves for long-term impact. Our proposed FY26 budget included a recommended 3% cost-of-living adjustment for non-union employees. Last night City Council took action and approved our request. The details are below.

3.00% COST OF LIVING ADJUSTMENTS (COLA)

Non-union staff will receive a 3.00% cost of living adjustment (COLA) increase effective July 1, 2025.

The City's compensation study is underway. This increase is separate from the study and results will be forthcoming.

Therefore, for this year only, this 3% COLA increase in base salary will be provided in full to all eligible non-union employees, with no red-circling of those at or above the maximum of their respective salary grade range.

We strive to continue an equitable approach in compensation focused on retaining and reengaging City employees, and as City leadership, we look forward to the compensation study providing us with a road map for going forward. I look forward to continuing to be part of this group of servant leaders and thank you for your service. Please contact your manager or HRSP should you have any questions.

Thank you,
Milton Dohoney Jr.
City Administrator

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