



City of Smithville

FY2026 Compensation and Benefits

July 15, 2025

FY2026 Compensation – Non-Represented Employees

- **Surrounding Communities Trends:**

- Most Northland cities have moved away from merit-based pay
- 2025 salary adjustments range from 3–5%
- Longevity pay used in some cities

- **Staff Recommendation:**

- 4% salary adjustment for non-represented employees
- Adjust pay ranges by 2.4% CPI (Midwest) as of May 2025 (continue to monitor)
- Estimated budget impact:
 - \$98,376.09 (General Fund)
 - \$40,029.36 (CWWS Fund)

- **Career Development Focus:**

- Individualized professional development plans
- Certification-based compensation (e.g., Missouri DNR, CDL, Playground Safety)
 - Supports compliance, best practices, and workforce expertise associated with job descriptions
 - Supports job growth of current staff

FY2026 Benefits Considerations

- **2025 Employee Benefits Survey**

- 47 responses received (76% response rate)
- Average satisfaction score: 3.72 out of 5
- Top priorities of current staff: retirement plans, insurance, paid leave
- Key improvement areas: LAGERS, 457b match, health insurance options

- **FY2026 Priorities of Benefits Committee**

- **Top priority:** LAGERS enhancement
- Continued exploration of wellness and retention benefits

FY2026 Benefits Considerations - LAGERS

- **Current:** Plan L-12 (1.75% multiplier, 2% employee contribution)
- **Proposed:** Plan L-6 (2.0% multiplier, 2% employee contribution)
- **Benefits:** would help Smithville be in line with other communities on LAGERS program level to aid in recruitment and retention. Provides a larger retirement benefit for current staff.
- **Estimated cost to move to L-6:**
 - \$71,359.68 (General Fund)
 - \$33,114.25 (CWWS Fund)
 - \$50,804.28 (PSST Fund)

FY2026 Benefits Considerations – Wellness Stipend or Wellness Reimbursement

Wellness Stipend Proposal

- \$25/month for full-time employees
- Flexible use for wellness-related expenses
- Alternative: \$300/year reimbursement with documentation provided to Human Resources
- Estimated annual cost: \$19,200 (taxable income, distributed by fund)

Benefits of Program

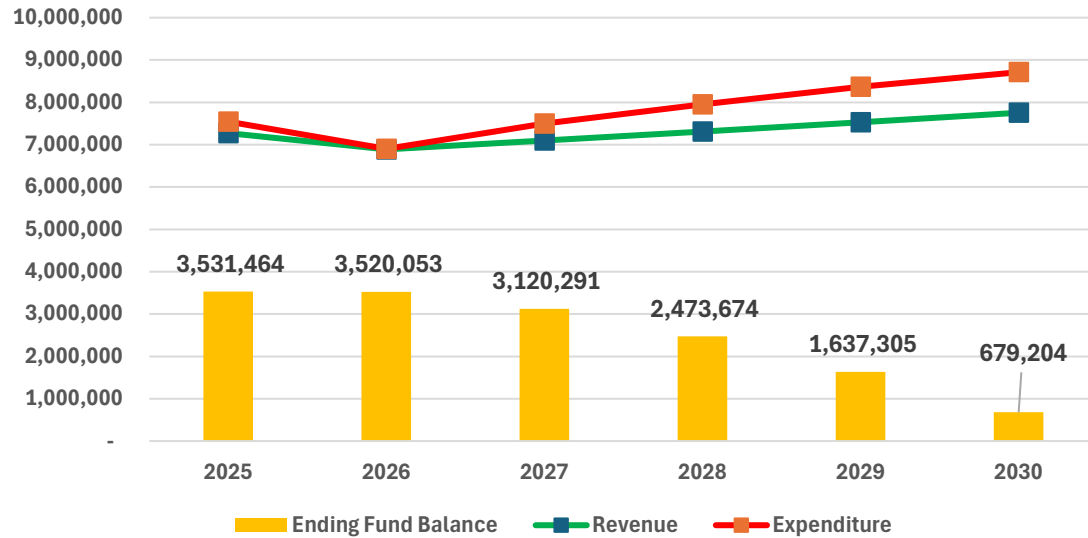
- Expands wellness program efforts by encouraging employees to use funds for gym membership, fitness classes, online subscription, fitness equipment, etc.
- Helps provide a benefit to compete with surrounding communities that have free fitness memberships for their employees or similar programs

FY2026 Estimated Increases to General Fund Based on Change

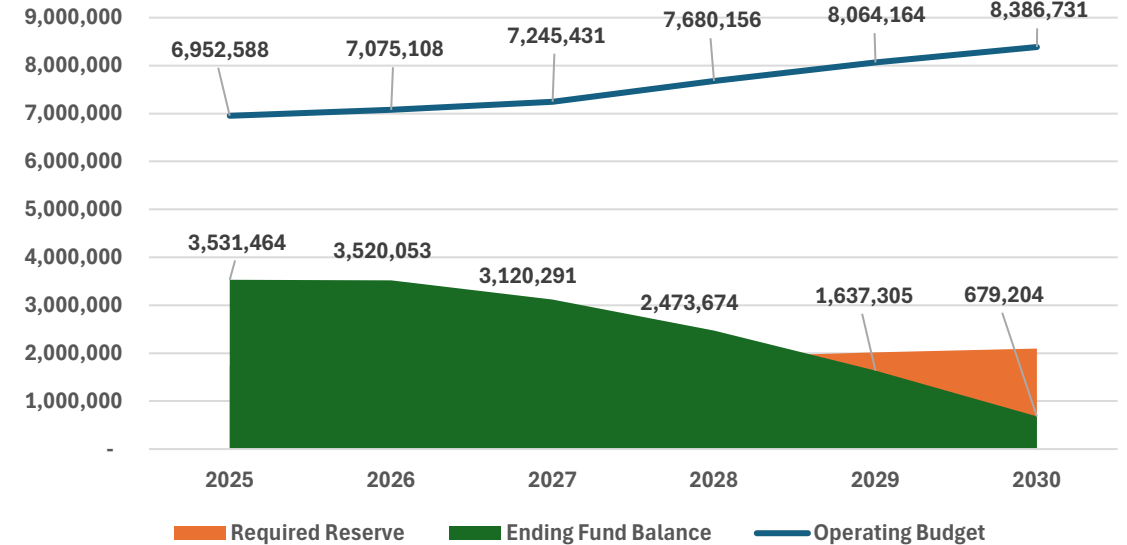
	Salary Only		Salary Only and LAGERS to 2.00%	
0%			\$	68,733.95
1%	\$	24,594.03	\$	93,984.41
2%	\$	49,188.05	\$	119,234.86
3%	\$	73,782.06	\$	144,485.31
4%	\$	98,376.09	\$	169,735.77

General Fund – 2026 Base Budget

General Fund - 5 Year Forecast



General Fund - Required Reserve (25% of Operating Budget)

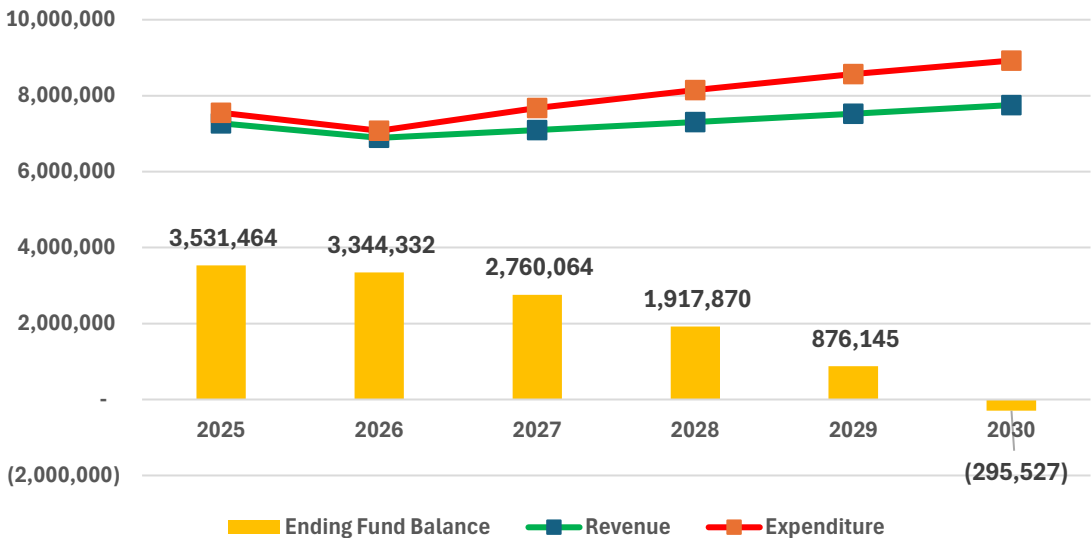


	2025	2026	2027	2028	2029	2030
Revenue	7,272,399	6,888,999	7,095,669	7,308,539	7,527,795	7,753,629
Expenditure	7,547,496	6,900,410	7,495,431	7,955,156	8,364,164	8,711,731
Ending Fund Balance	3,531,464	3,520,053	3,120,291	2,473,674	1,637,305	679,204

	2025	2026	2027	2028	2029	2030
Operating Budget	6,952,588	7,075,108	7,245,431	7,680,156	8,064,164	8,386,731
Required Reserve	1,738,147	1,768,777	1,811,358	1,920,039	2,016,041	2,096,683
Ending Fund Balance	3,531,464	3,520,053	3,120,291	2,473,674	1,637,305	679,204

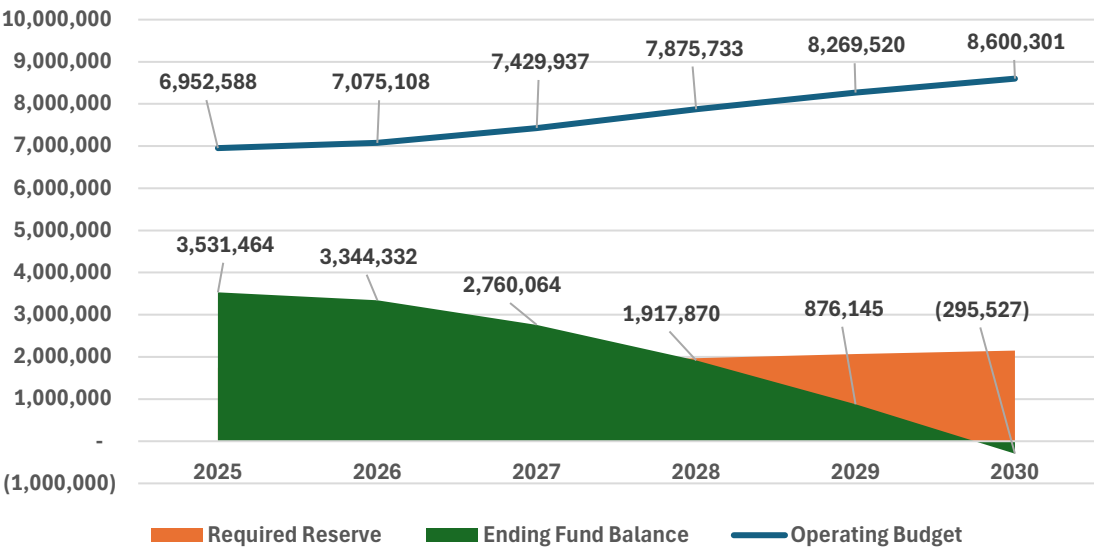
General Fund – 4% Increase, LAGERS at 2.00%

General Fund - 5 Year Forecast



	2025	2026	2027	2028	2029	2030
Revenue	7,272,399	6,888,999	7,095,669	7,308,539	7,527,795	7,753,629
Expenditure	7,547,496	7,076,131	7,679,937	8,150,733	8,569,520	8,925,301
Ending Fund Balance	3,531,464	3,344,332	2,760,064	1,917,870	876,145	(295,527)

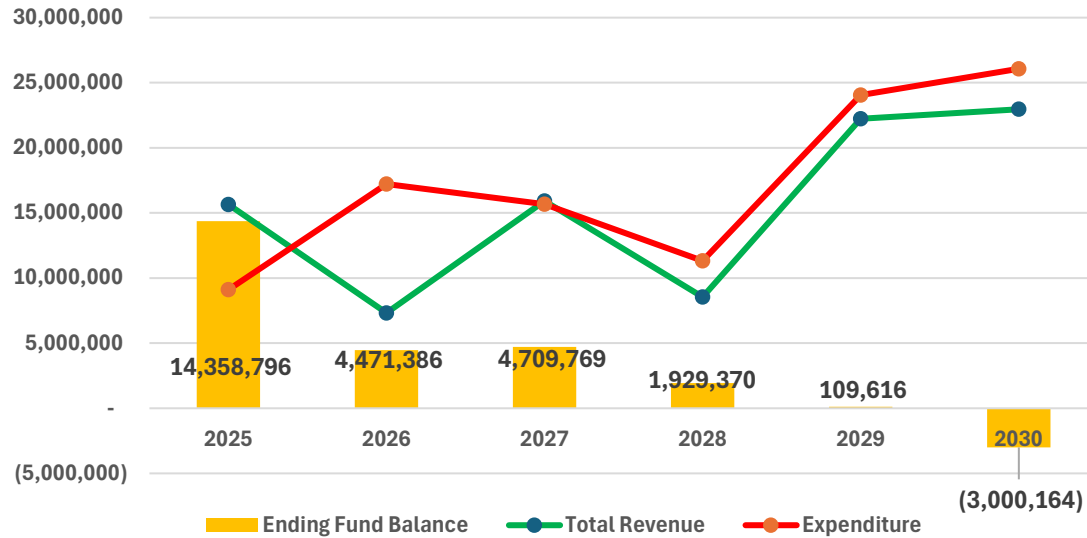
General Fund - Required Reserve (25% of Operating Budget)



	2025	2026	2027	2028	2029	2030
Operating Budget	6,952,588	7,075,108	7,429,937	7,875,733	8,269,520	8,600,301
Required Reserve	1,738,147	1,768,777	1,857,484	1,968,933	2,067,380	2,150,075
Ending Fund Balance	3,531,464	3,344,332	2,760,064	1,917,870	876,145	(295,527)

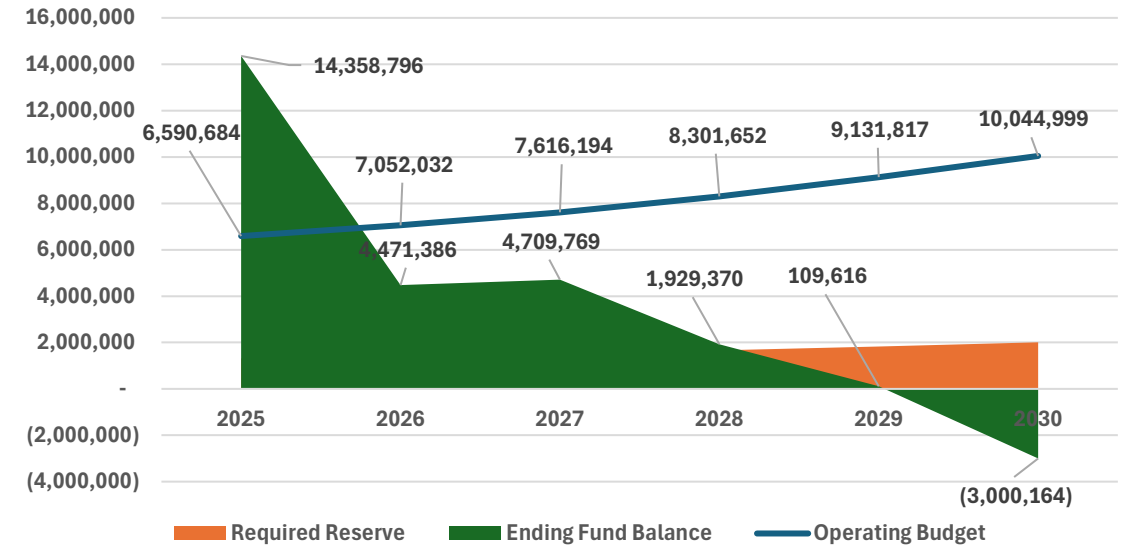
CWWS – 4% Increase, LAGERS at 2.00%

CWWS - 5 Year Forecast



	2025	2026	2027	2028	2029	2030
Total Revenue	15,643,660	7,322,252	15,908,032	8,540,674	22,223,928	22,961,842
Expenditure	9,105,684	17,209,662	15,669,648	11,321,073	24,043,682	26,071,623
Ending Fund Balance	14,358,796	4,471,386	4,709,769	1,929,370	109,616	(3,000,164)

CWWS - Required Reserve (20% of Operating Budget)



	2025	2026	2027	2028	2029	2030
Operating Budget	6,590,684	7,052,032	7,616,194	8,301,652	9,131,817	10,044,999
Required Reserve	1,318,137	1,410,406	1,523,239	1,660,330	1,826,363	2,009,000
Ending Fund Balance	14,358,796	4,471,386	4,709,769	1,929,370	109,616	(3,000,164)

Public Safety Sales Tax

City communications regarding Proposition P highlighted the following priorities:

- Increased compensation and benefits for officers to support recruitment and retention
- Additional staffing and related equipment
- Implementation of a full-time animal control program

At the board retreat, direction was given to prioritize:

- Recruitment and retention of public safety personnel
- Development of animal control program

Anticipated Revenue Collection:

- Collection of the Public Safety Sales Tax will begin October 1, 2025
- An estimated \$700,000 is anticipated to be collected for FY2026

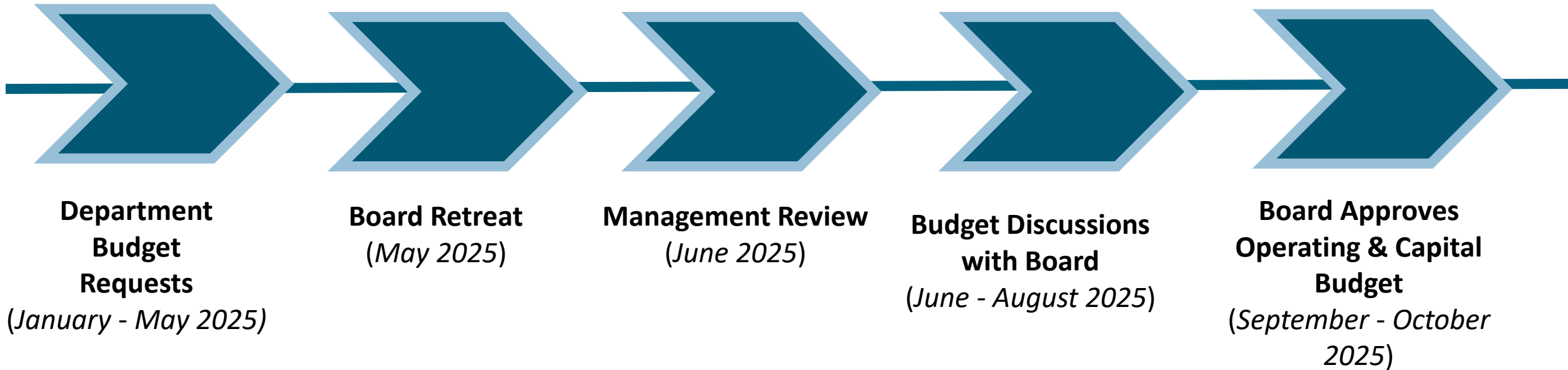
**Costs to Public Safety Sales Tax
for upgrade to LAGERS 2.0%**

\$50,804.28

Summary and Board Direction

- Focus on employee retention and recruitment
 - Competitive compensation
 - Competitive benefits and retirement, especially to LAGERS
- Employee Benefits Committee
 - Retirement
 - Wellness stipend

Budget Development Process



FY2026 Requested Items and Costs

Additional Staff:

Department	Additional Staffing	Cost
Streets	GIS / IT Tech (GF portion)	\$ 41,729
Parks and Rec	Building & Facilities Manager	\$ 91,038
CWWS	GIS / IT Tech	\$ 41,729
		\$ 174,497

Requested Items:

Department	New Budget Items	Cost
Administration	World Cup	\$ 40,000
Streets	Mini Excavator	\$ 105,000
Streets	Walk behind saw	\$ 15,000
Streets	GPS / Snowplow Tracking	\$ 25,000
Streets	PCI Software	\$ 25,000
Streets	Zero turn mower	\$ 23,000
Police	Rapid Warning	\$ 50,000
Finance	Financial Transparency Platform	\$ 25,000
Parks and Rec	Golf cart	\$ 15,000
Parks and Rec	Toolcat bucket	\$ 6,000
Parks and Rec	Senior Center Updates	\$ 10,000
Parks and Rec	Billy Goat Leaf Vac	\$ 3,500
Parks and Rec	Park Maintenance Updates	\$ 10,000
Elected Officials	Strategic Planning Process	\$ 50,000
Elected Officials	Outside Funding Requests	\$ 25,000
		\$ 427,500

Total

\$ 601,997