

**SECOND AMENDMENT TO THE CITY OF ROLLING MEADOWS
CITY MANAGER EMPLOYMENT AGREEMENT**

This Second Amendment made and entered this 10th day of February, 2026 (the “Second Amendment”) to the City of Rolling Meadows City Manager Employment Agreement, effective March 1, 2023 (“Employment Agreement”), by and between the City of Rolling Meadows, Illinois, a municipal corporation (“City”) and Rob Sabo (“City Manager” or “Manager Sabo”) (collectively from time to time referred to as the “Parties”), amends and modifies the terms and conditions of the Employment Agreement, as previously amended by a First Amendment to the City of Rolling Meadows City Manager Employment Agreement effective February 27, 2024 (“First Amendment”). The terms and conditions of this Second Amendment are hereby incorporated into the Employment Agreement, as previously amended by the First Amendment. To the extent that the terms and conditions of this Second Amendment are inconsistent with the terms and conditions of the Employment Agreement or the First Amendment, the terms and conditions of this Second Amendment shall control.

WITNESSETH:

WHEREAS, the City employs the services of Manager Sabo as Manager of the City under the terms and conditions provided for in the Employment Agreement; and

WHEREAS, the Mayor and the City Council have reviewed Manager Sabo’s performance of his duties as Manager of the City and have determined that Manager Sabo excels in his job performance and provides the City with a valued service; and

WHEREAS, the Mayor and the City Council have also analyzed the compensation paid to municipal managers throughout the State of Illinois and have determined that it is appropriate to compensate Manager Sabo in line with the compensation afforded to municipal managers of comparable Illinois municipalities; and

WHEREAS, it is the desire of the Parties to amend the Employment Agreement, as previously amended, in order to change the compensation and certain benefits afforded to Manager Sabo under the Employment Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth, the Parties agree as follows:

Section 1. Section 3 of the First Amendment is hereby deleted and Section 4 of the Employment Agreement is hereby stricken in its entirety and in lieu thereof the following is inserted:

SECTION 4. SALARY & DEFERRED COMPENSATION

The City agrees to pay the City Manager for services rendered pursuant to this Agreement at an annual salary to be distributed through the normal payroll system. Retroactive to January 1, 2026,

the City Manager's annual salary shall be \$225,879.00. Through December 31, 2027, the City Manager's annual salary shall increase in accordance with any increase approved by ordinance of the City Council related to salary increases for City employees who are not subject to collective bargaining. The Parties agree to reevaluate and undertake a comprehensive review of the City Manager's annual salary and other compensation in January of 2028, and no sooner, and further agree to establish any amendments to the City Manager's annual salary and increases by March 1, 2028.

The City agrees to make employer-paid contributions to the City Manager's IRS 457(b) account on the following schedule and based upon a percentage of the City Manager's base salary: 3% in 2026, 3% in 2027, 6% in 2028, 8% in 2029, and 10% in 2030, subject to any limitations imposed by the IRS.

Section 2. Section 12 of the Employment Agreement is hereby stricken in its entirety and in lieu thereof the following is inserted:

SECTION 12. PROFESSIONAL DEVELOPMENT

A. The City hereby agrees to budget, on an annual basis, an amount not to exceed \$6,000.00, per fiscal year, to pay the membership/registration fees or expenses of the Manager for his attendance (including registration, travel, lodging and subsistence expenses) at national or in-state conferences, plus metro area professional development meetings and for other courses, institutes and seminars, that are necessary for his professional development and for the good of the City. Following the completion of each conference, course or seminar, the Manager shall issue the City Council a written report summarizing the conference, course or seminar and identifying its benefits to the Manager and the City.

B. The City also agrees to reimburse the Manager for his attainment of the designation of ICMA Credentialed Manager (ICMA-CM) granted by the ICMA Executive Board, including costs associated with the 40-hour professional development requirement necessary for such designation, so long as the Manager is employed with the City prior to the designation.

C. At no time shall the cumulative costs enumerated in paragraphs A through C of this Section 12 exceed \$6,000.00 per fiscal year without the express written consent of the Mayor.

D. In addition to the professional development expenditure authorized above, the City agrees to reimburse the City Manager for his successful completion of the final two courses required for the City Manager to earn a Public Leadership Certificate from Harvard Kennedy's School of Government (including registration, travel and per diem expenses). The City Manager is required to complete one course in fiscal year 2026 and the last and final course in fiscal year 2027. The City's reimbursement is contingent upon the City Manager entering into a written agreement with the City, in a form approved by the Mayor and City Attorney, which agreement shall include the terms of the City's reimbursement to the City Manager and the requirement that the City Manager repay the City,

on a prorated schedule, for any costs paid by the City, in the event of the City Manager's voluntary resignation prior to 5 years from the completion of the last course in 2027.

IN WITNESS WHEREOF, the City of Rolling Meadows has caused this Second Amendment to the Employment Agreement, as previously amended, to be signed and executed on its behalf by its City Mayor and duly attested by its Deputy City Clerk, and the City Manager has signed and executed this Second Amendment, both in duplicate, on the day and year written below.

CITY OF ROLLING MEADOWS, an Illinois municipal corporation



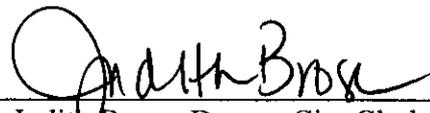
Rob Sabo, City Manager

Date: 2/11/26

By: 

Lara Sanoica, Mayor

Date: 2/10/2026

Attest: 

Judith Brose, Deputy City Clerk