



## Agenda Item Summary

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### **Submitted By**

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### **Reviewed By**

LKS

### **Agenda Item Title**

**A Resolution Approving Amendments to Appendix VII ("Appointee Pay Plan Schedule") of the Personnel Manual for the Village of Oak Park**

### **Overview**

The ranges in the appendix are modified to 1) reflect the 2018 budget for general wage and potential merit increases for non-union employees and; 2) the assumption of a 2.5% wage increase in the 2019 budget for non-union employees. This action will not increase actual salaries for an employee, but provides the ability for employees to receive performance-based increases to base pay.

### **Staff Recommendation**

The Human Resource Department recommends that the pay band be adjusted to reflect the FY18 adopted budget.

### **Fiscal Impact**

The proposed changes reflect the adopted FY18 budget which provided for wage adjustments up to 2.5% of base salary and as much as a 1% lump sum merit payment.

### **Background**

The salary ranges in the pay band were designed in October of 2013. Since then, some individual positions have been amended as appropriate to remain competitive in the market. However, the non-union compensation system as a whole has not been amended regularly to keep pace with annual wage increases within individual collective bargaining agreements, the cost of living or the more competitive hiring market. Without the recommended amendment, there will be instances where staff has progressed over time to the top of the pay band and therefore, if the bands are not adjusted to reflect the 2018 budgeted amounts for merit increases, some staff members, would not be eligible for the anticipated pay increase as they would 'top out' of their bands. Adjusting the bands in this manner is an accepted method in managing pay bands. A comprehensive pay band analysis will be recommended in 2019.

The approved 2018 budget includes the ability for a general wage increase of 2.5% for those meeting expectations and up to a 1% merit. The proposed increases to the pay bands also takes into consideration the possibility of a general wage increase of 2.5% for those meeting expectation and up to a 1% merit in 2019 as well.

The recommended changes in Appendix also reflect recommended title changes for a limited number of non-union positions which were approved as part of the FY18 budget.

**Alternatives**

Maintain status quo or seek additional information.

**Previous Board Action**

The Village Board approved similar amendments on April 17, 2017.

**Citizen Advisory Commission Action**

N/A.

**Anticipated Future Actions/Commitments**

Discussions regarding employee compensation are part of the annual budget process in the Finance Committee.

**Intergovernmental Cooperation Opportunities**

N/A.

**Performance Management (MAP) Alignment**

N/A.