

CITY OF WARRENVILLE

MEMO

To: Mayor and City Council
From: Cristina White, Assistant City Administrator *CW*
Subject: PROPOSED FY 2023 NON-UNION EMPLOYEE INCREASES
Date: March 22, 2022

Staff annually presents specific personnel and compensation changes for the coming fiscal year for City Council consideration. The following are recommended for Council consideration. The applicable dollars are included in the proposed FY 2023 Budget:

1) Non-union market-based (cost-of-living) adjustment

The FY 2023 proposed budget includes a 4.00% increase for all non-represented full and part-time employees.

Per City council direction and past practice, the annual market (cost of living) increases for the non-represented employees are determined by balancing certain benchmarks, (see below). These factors are taken into account for the recommendation of the increase. The balancing of these benchmarks is important to maintain internal equity between union and non-union employees, and to remain competitive with other municipalities so the City of Warrenville can continue to attract and retain quality and skilled employees.

The following benchmarks are used to guide the determination of the appropriate market adjustment for the City's non-union employees:

- a) The December 2021 U.S. Consumer Price Wage Index for the Chicago-Gary area (CPI-W) was 7.1%.
- b) Information on the three City union employee contractual COLA and step increases and non-union employee increases is attached for comparative purposes (Exhibit A). (Note: The recommended increase for non-union employees is in line with the unions.)

2) Merit increases:

Eligible non-represented full-time employees also may receive merit increases directly related to the individual employee's performance appraisal rating. The merit increase system currently in places was approved by the City Council in 2010. The percentages reflected were decreased by 50% at that time to address the economic uncertainty of the great recession.

City staff recently identified that the 2010 changes caused non-represented employees to progress very slowly through the assigned pay range, especially when hired at the bottom of the range. Exhibit B includes the merit table adopted in 2010 that is currently in use as well as a proposed merit matrix, which would increase the percentages. The highest percentages are reserved for those employees at the bottom half of the pay range with above average performance ratings. If adopted this merit matrix would be in effect beginning May 1, 2023,

and would remain in effect until it is changed. The FY 2023 proposed budget includes the staff recommended merit percentages as presented.

Requested action: Recommend City Council approve a 4.00% market increase and the proposed merit increase matrix for non-represented employees as included in the FY 2023 Budget.

Comparison of union and non-union employee Increases**Union Employee Increases****Patrol Officers**

FY 2022 (May 1, 2021) COLA¹ = TBD (in negotiations);

Step Increase (employment anniversary) = 5.56% annually to top of range

Police Sergeants

FY 2022 (May 1, 2021) COLA = TBD (in negotiations);

Step Increase (May 1) = 1.84% annually to top of range

Public Works Employees

FY 2022 (May 1, 2021) COLA = 2.00%

Step Increase (employment anniversary) = 4.38% annually to top of range

FY 2023 (May 1, 2022) COLA = 2.00%

Step Increase (employment anniversary) = 4.38% annually to top of range

Merit bonus of 1% or 2% is available depending on their evaluation rating.

Non-Union employees

FY 2022 (May 1, 2021) COLA = 1.1%

Merit increases for eligible employees is based on their performance evaluation rating up to the top of the applicable pay range.

FY 2023 (May 1, 2022) COLA = 4.0% (**Recommended**)

Merit increases for eligible employees is based on their performance evaluation rating up to the top of the applicable pay range.

Notes:

1. COLA = Cost of Living Adjustment (a.k.a. market-based increase).

EXHIBIT B
CITY OF WARRENVILLE
EMPLOYEE COMPENSATION PLAN
MERIT INCREASE MATRIX

CURRENT

Performance Rating	First Quartile	Second Quartile	Third Quartile	Fourth Quartile
Outstanding	3.00%	2.50%	2.00%	1.50%
Above Satisfactory	2.50%	2.00%	1.50%	1.00%
Satisfactory	1.50%	1.50%	1.00%	0.50%
Below Satisfactory	0.00%	0.00%	0.00%	0.00%

Revision Authorization date: 06/07/10

PROPOSED NEW MATRIX

Performance Rating	First Quartile	Second Quartile	Third Quartile	Fourth Quartile
Outstanding	4.50%	4.00%	3.50%	3.00%
Above Satisfactory	3.50%	3.00%	2.50%	2.50%
Satisfactory	3.00%	2.50%	2.00%	2.00%
Below Satisfactory	0.00%	0.00%	0.00%	0.00%