

Finance Committee Meeting

Tuesday, February 20, 2024 6:00 PM

Addison Public Library - Large Meeting Room 1st floor, 4 Friendship Plaza,
Addison, IL 60101

1. **Call to Order**
2. **Roll Call**
3. **Approval of the Agenda**
4. **Public Comment**
5. **Discussion Item: Pay grade structure adjustment**
6. **Discussion Item: Pay rate increases for FY25**
7. **Discussion Item: Board development and continuing education for FY2025**
8. **Discussion Item: Filming board meetings**
9. **Discussion Item: Library Director's annual performance review**
10. **Additional Discussion**
11. **Adjournment**



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The Library's *Salary Structure and Compensation Policy* found on pg. 21 of our Employee Handbook states:

The Library maintains a competitive salary structure which consists of pay grades and ranges.

Pay Grades

These are the assigned categories for job positions. Positions that are similar in responsibility, experience, and education levels are grouped together.

Pay Ranges

Each pay grade is assigned a minimum, mid-point, and maximum amount of pay. The low end of the range is for entry-level employees who meet the minimum level of qualifications for their position. The high end is for outstanding performance. An employee's pay within the pay range is based on performance, length of employment at the Addison Public Library, and equity with other employees in that pay range. The Library's goal is for the mid-point to be at or near the market rate for each position.


In order to achieve our goal for the mid-point or target point of the range to be at or near the market rate, we adjust our ranges each year to ensure that our ranges are competitive with the labor market. Our current pay grade structure was developed for us by a team of compensation specialists at HRSource. We do a full refresh of the structure every 3-4 years, and in the years in between, such as this one, we make manual adjustments based on data gathered a variety of resources such as salary surveys and wage reports.

HR Source gathers and analyzes market rate data from a variety of sources, both internal and external, to provide an annual recommendation specific to public libraries. This year, they have recommended an adjustment of 2.6%. The pay structure attachment presented here for Board approval reflects a 2.6% increase per that recommendation.



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2024 Structure Adjustments

By Kathryn O'Connor (<mailto:koconnor@hrssource.org>), PHR, SHRM-CP, CCP, GRP, Director, Compensation Services

Published November 7, 2023

An essential piece of paying competitively is ensuring that your compensation structure and pay grades are maintained and align with the external labor market, especially in the years between comprehensive market studies.

For organizations that manage their compensation programs on a calendar year, now is the time to collect data and make decisions regarding adjustments for the upcoming year.

HR Source structure adjustment recommendations are compiled using data from employer surveys of compensation practices. As always, HR Source has gathered and analyzed data from both internal and external sources to provide the following **general industry structure** adjustment recommendations for 2024:



- Compensation structures specifically covering production, service, and maintenance positions: 2.3% increase.
- Compensation structures specifically covering non-exempt office and technical positions: 2.5% increase.
- Compensation structures specifically covering exempt professional and managerial positions: 2.5% increase.
- Compensation structures including two or more of the previously identified groups: 2.5% increase.

HR Source also collects, analyzes, and publishes select industry-specific compensation surveys, which enable us to share 2024 structure adjustment recommendations for the following industries:

- Non-Profit Organizations: 2.3% increase.
- Public Libraries: 2.6% increase.
- Park and Recreation Agencies: 2.6% increase.

To adjust your pay grade structure, modify all range midpoints using the fixed percentage noted above. Once all range midpoints have been adjusted, expand outwards to recalculate range minimum and maximum values.

As a reminder, structure adjustments are a perfectly acceptable and recommended pay practice, but they should not be a replacement for compensation benchmarking at regular intervals. It is generally recommended that all jobs be formally benchmarked every three to four years. In the off years, it is acceptable to apply structure adjustments.

HR Source's highly qualified compensation analysts can help with your compensation questions and project needs. Contact the Compensation Department at 800-448-4584 or email us at info@hrsource.org (<mailto:info@hrsource.org>).

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**Addison Public Library
Pay Grade Assignments
Based on a 37.5 Hour Workweek
Effective: May 1, 2024**

Pay Grade	FLSA	Position Title	Range Minimum	Target Rate	Range Maximum
15	E	Assistant Director	\$81,216	\$101,520	\$121,823
			\$41.65	\$52.06	\$62.47
14	E	Head of Information Technology Services	\$74,674	\$93,343	\$112,011
			\$38.29	\$47.87	\$57.44
13		Hold for future use	\$68,660	\$85,824	\$102,989
			\$35.21	\$44.01	\$52.81
12	E	Collection Development Manager	\$63,129	\$78,912	\$94,694
	E	Head of Community Engagement	\$32.37	\$40.47	\$48.56
	E	Head of Guest Services			
	E	Head of Adult Services			
	E	Head of Children's Services			
	E	Head of Material Management			
	E	Head of Teen Services			
11	NE	Facilities Manager	\$58,045	\$72,566	\$87,067
			\$29.77	\$37.21	\$44.65
10	E	Communications and Marketing Coordinator	\$53,370	\$66,712	\$80,054
	E	Creative Services Coordinator	\$27.37	\$34.21	\$41.05
	E	Human Resources Generalist			
	E	IT Systems Administrator			
9	NE	Adult Services Specialist	\$49,071	\$61,339	\$73,606
	NE	Social Services Specialist	\$25.16	\$31.46	\$37.75
	NE	Business Services Specialist			
	NE	Cataloging Specialist			
	NE	Children's Services Specialist			
	NE	Collection Development Specialist			
	NE	Teen Services Specialist			
8	NE	Business Office Manager	\$45,119	\$56,398	\$67,678
7	NE	Adult Services Reference Assistant	\$41,485	\$51,856	\$62,227
	NE	Business Assistant	\$21.27	\$26.59	\$31.91
	NE	Children's Services Assistant			
	NE	Community Engagement Assistant			
	NE	Teen Services Assistant			
6	NE	Business Office Assistant	\$38,143	\$47,679	\$57,215
	NE	Facilities Associate	\$19.56	\$24.45	\$29.34
5	NE	Acquisitions Associate	\$35,071	\$43,839	\$52,606
	NE	Cataloging Associate	\$17.99	\$22.48	\$26.98
4	NE	Information Technology Services Associate	\$32,246	\$40,308	\$48,369
	NE	Interlibrary Loan Associate	\$16.54	\$20.67	\$24.80

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Effective: May 1, 2024**

Pay Grade	FLSA	Position Title	Range Minimum	Target Rate	Range Maximum
3	NE	Guest Services Associate	\$29,649	\$37,061	\$44,473
	NE	Materials Management Associate	\$15.20	\$19.01	\$22.81
2		Hold for future use	\$29,250	\$34,076	\$40,891
			\$15.00	\$17.47	\$20.97
1	NE	Library Aide	\$29,250	\$31,331	\$37,598
			\$15.00	\$16.07	\$19.28

The Consumer Price Index (CPI) is a measure of the average change in the prices paid by consumers for goods and services. It tracks the rate of inflation over time. We use the CPI as a key factor in determining pay rate increases for our employees each year.

Our employee handbook states, “the minimum increase for eligible employees will be set at a rate that is 1% above the Chicago-area CPI for all urban consumers for the preceding year published by the United States Bureau of Labor Statistics in January of each year.”

Table A. Chicago-Naperville-Elgin, IL-IN-WI, CPI-U 1-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2019		2020		2021		2022		2023	
	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month	1-month	12-month
January	0.6	0.8	0.9	2.6	0.7	0.7	0.9	6.8	0.9	5.4
February	0.6	1.4	0.0	2.0	0.6	1.2	0.8	7.1	0.4	5.0
March	0.1	1.5	-0.7	1.1	0.6	2.6	1.4	7.8	0.8	4.4
April	-0.1	0.8	-0.9	0.3	1.0	4.6	0.4	7.2	0.8	4.8
May	0.8	1.2	1.0	0.4	1.0	4.7	1.8	8.0	0.4	3.3
June	-0.4	1.0	0.3	1.1	0.4	4.7	1.3(r)	8.9(r)	0.1	2.1
July	0.3	1.6	0.2	1.0	0.4	4.9	-0.2(r)	8.4(r)	0.0	2.2
August	0.2	1.6	0.1	1.0	0.1	4.8	0.1(r)	8.3(r)	0.2	2.3
September	0.2	1.4	0.6	1.4	0.3	4.5	0.2(r)	8.2(r)	0.1	2.3
October	0.3	1.8	-0.1	1.0	0.7	5.3	0.1(r)	7.7(r)	0.3	2.4
November	-0.2	2.2	-0.4	0.8	0.2	6.0	-0.6	6.8	-0.5	2.5
December	-0.2	2.2	-0.2	0.9	0.4	6.6	-0.8	5.5	0.0	3.3
(r) Revised										

The policy was developed with the philosophy that APL does not want employees to be losing ground or to be simply “treading water” but to move ahead each year in terms of their purchasing power and economic well-being.

The increase in the CPI from December 2022 to December 2023, for the Chicago region, as published by the Bureau of Labor Statistics on January 11, 2024, was 3.3%. Based on this, I recommend a minimum annual increase of 4.3% and an average annual increase for APL employees for FY2025 of 5.3%.

Other Factors

Besides the inflation rate as measured by the CPI, there are other factors we look at when determining rate increases for individual employees. One of these is where each employee is in relation to the target rate for their pay range. An entry level employee hired with no or relatively little prior experience is typically offered a starting rate of pay at or near the minimum of the range for their position. Our pay structure is set up with the goal that employees who are fully trained and performing well should be at or near the target rate for their pay grade. The

target rate is benchmarked to be a rate that is competitive with the labor market for the jobs within each pay grade. In other words, the target rate is what our employees could expect to receive if they went to work for another employer doing the exact same job.

We also factor in the impact of the increased minimum wage on the bottom of our pay structure. On January 1, 2024, the minimum wage in Illinois became \$14 per hour. On January 1, 2025, it will become \$15 per hour. I recommend that we ensure that all employees in Pay Grade 1 be earning at least \$15 per hour when pay rates for FY25 are implemented at the start of the fiscal year (May 1), so we don't have to adjust pay rates in the middle of our fiscal year.

Finally, we look at each employee's performance over the year, as reflected in their annual evaluation and any other documents related to their performance over the last year to determine merit as a factor to be considered in determining annual rate increases.

An average increase of 5.3% does not mean that every employee will receive a 5.3% pay raise. Employees who are already at or above the midpoint of the range for their position may receive less. The same is true of employees who have had performance deficiencies during the year or those who may not have yet gained the skills and experience to perform their jobs at a high level. Employees who are fully trained and not yet at or near the midpoint of the range for their pay grade may receive an increase that is higher than 5.3%.