



Agenda Item: Discuss and Consider Approval of FY23 Salary Contingency and Incentive Programs

Background: The goal of a performance-based compensation program is to promote individual accountability in job performance, increase organizational effectiveness through employee-led initiatives, and unify the workforce in pursuit of common goals. Documented performance discussions take place twice a year with all year-round employees. Merit wage increases and incentive programs support this effort.

In FY22, new salary ranges were adopted to replace those from FY16. At that time, a two-year plan was presented to address the salary changes required under the new ranges with the first year focused on non-exempt positions. Recently, based on market conditions and talent availability, wage compression is occurring in positions in both the non-exempt and exempt ranges. Part of the salary contingency in FY23 will be used to address the remaining exempt position adjustments from the two-year plan and to address specific positions where wage compression is occurring.

Upon review by Human Resources, and approval by the Chief Executive Officer and Chief Financial Officer, merit increases are awarded to employees in the first quarter of the fiscal year. Market adjustments may be made in the first quarter of the fiscal year, or when deemed necessary during the year, using the same approval process.

The chart below represents the financial impacts of 7% salary contingencies that was presented to the Finance and Operations Committee on August 9, 2022 and approved.

Fund	7%
Coastal Zone	115,900
Dellanera	16,800
East Beach	11,840
East End Lagoon / Nourished Beach	19,205
Seawolf Park	31,920
Stewart Beach	17,200
Urban Park	35,200
Beach Patrol	65,200
General Fund	43,800
Tourism Development	113,500
Total	\$470,565

Staff Recommendation:

- Provide a salary contingency for FY23 that includes both merit and market increase components
- Provide incentives for Park Management and Tourism Development Teams provided established goals are achieved and revenue projections are met.

Funding Source (if applicable): Salary budgets for each fund.