



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 a range of salary contingencies for consideration:

Fund	7%	8%	9%
Coastal Zone	\$115,900	\$132,500	\$149,000
Dellanera	\$16,800	\$20,300	\$22,900
East Beach	\$11,840	\$7,100	\$8,000
East End Lagoon/ Nourished Beach	\$19,205	\$21,700	\$24,500
Seawolf Park	\$31,920	\$36,400	\$41,000
Stewart Beach	\$17,200	\$10,800	\$12,100
Urban Park	\$35,200	\$40,200	\$45,200
Beach Patrol	\$65,200	\$74,500	\$83,800
General Fund	\$43,800	\$79,500	\$89,400
Tourism Development	\$113,500	\$129,700	\$145,900
Total	\$470,565	\$552,700	\$621,800

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.