



Date: January 9, 2023

Honorable Mayor and Council Members

Author and title: Bonnie Thompson-Hardin, Human Resources Manager

Title: **Town Attorney Performance-Based Pay Increase 2023**

Approved By: \_\_\_\_\_ Jen Callaway, Town Manager

**Recommended Action:** That the Council approve Resolution 2024-01 awarding a one-time non-base pay compensation amount of \$2,221.96 and a 5.0% increase in base pay, resulting in an annual pay of \$233,279.80 to Town Attorney, Andrew Morris.

**Discussion:** Council completed a performance appraisal for Town Attorney, Andy Morris, in closed session at its December 12, 2023 meeting. Andy's contract includes the following language regarding pay changes:

(b) Annual Salary Adjustments. At the Town Council's sole discretion, salary adjustments may be given to Employee at or around the time of the annual review and evaluation by the Town Council.

Under the Town's current compensation plan, employees covered under the Town's bargaining agreements are eligible for pay increases based on performance. The potential merit-based increase to base pay is based on General Fund budget-to-budget revenue increases. For fiscal year 2023/24, the Town is in the 5.0% pool based on the applicable budget-to-budget revenue increases. In this pool, employees are entitled to receive up to a 6.0% increase based on performance.

An employee's base pay may only be increased up to the top of the range in which the employee's position is classified on the Town's wage matrix. Once an employee's base pay reaches the top of the range, the employee is eligible for a non-base pay compensation (NBPC) equal to the amount that the employee would have earned over the year if there was no cap on the position range. The NBPC is paid as a lump sum after the employee's evaluation and is not added to the employee's base pay.

Staff recommend using this methodology for calculating Andy's performance-based pay increase to be consistent with all other employees.

Based on Andy's evaluation score, he is eligible for up to a 6.0% pay-for-performance increase, in line with the methodology described above. Andy's base pay before the pay-for-performance increase is 5.0% below the top of the range for the Town Attorney classification. Therefore, under the current methodology, staff recommend increasing Andy's pay to the top of the range, resulting in an annual pay of \$233,279.80.

If there was no cap on the Town Attorney classification and Andy received the full 6.0% increase based on his evaluation score, the annual compensation would be \$235,501.76, \$2,221.96 more than the top of the range allows per year. Therefore, staff are also recommending awarding Andy an NBPC in the amount of \$2,221.96.

**Priority:**

<input type="checkbox"/>	Enhanced Communication	<input type="checkbox"/>	Climate and Greenhouse Gas Reduction	<input type="checkbox"/>	Housing
<input type="checkbox"/>	Infrastructure Investment	<input type="checkbox"/>	Emergency and Wildfire Preparedness	<input checked="" type="checkbox"/>	Core Service

**Fiscal Impact:** An amount of this type was included in the fiscal year 2023/24 annual budget.

**Public Communication:** None.

**Attachments:** Resolution 2024-01.