



## **Consent Item**

**RE:** 2020 Merit Increases

**Department/Program:** Administration/Finance

**Explanation:** The percentage to be awarded for merit increases for full-time staff is requested after the receipt in February of final year-end sales taxes from the previous year. This is done to ensure that economic conditions have remained favorable since salary increases were presented to the Board for inclusion in the budget the previous September.

Sales tax revenues for 2019 total \$9,844,695, which is \$253,695 higher than budget, and is an increase of 2.6%. They are \$196,333 or 2% higher than those received in 2018. Drilling down into the variance from the prior year, capital improvement and parks sales taxes increased over 2018 by 6%, the public safety tax increased by 2% and the county sales tax increased by 1.3%. TIF taxes decreased by 15%. Collections for all sales tax types excluding public safety have nearly recovered to the 2016 level.

**Recommendation:** A merit increase of 3% was budgeted for 2020. Staff recommends that the Board approve a salary increase of 3% for all full-time staff effective April 1, 2020.

**Submitted By:** Denise Keller, Finance Officer

**Date:** February 14, 2020