



# Tenure Bonus Policy Update

## Background:

- Current policy allows for significant bonus increases as an employee progresses their tenure at ANCS. The payouts are stated as one-time dollar amounts up until the 20-Year milestone, at which point the bonus changes to an annual salary increase of 1%. In FY23 two employees reached the 20-Year milestone.

## Issue:

- The current payout of 1% annual salary increase equates to about \$1,000, which is not competitive with the other tenure milestone payouts. This structure essentially discourages tenure past the 18-Year milestone.

## Proposal:

- Recommending to update the bonus policy to allow employees with 20+ years of service to receive a one-time \$10k bonus in addition to the 1% salary increase annually.
- Recommending that the updated bonus payout be paid retroactively for the first two (2) employees that reached the milestone in FY23. The total number of employees that would be paid in FY24 under the updated bonus payout will be three (3) for a total of \$30,000.

Milestone	Current Bonus	Proposed Bonus
5 Years	\$2,500	\$2,500
7 Years	\$3,500	\$3,500
10 Years	\$5,000	\$5,000
12 Years	\$6,000	\$6,000
15 Years	\$7,500	\$7,500
18 Years	\$9,000	\$9,000
20 Years	1% Annual Salary Increase	\$10,000 + 1% Annual Salary Increase