

RESOLUTION NO. 1704

**A Resolution of the Board of Commissioners of
Public Utility District No. 1 of Okanogan County
Adopting the District's Employee Compensation Policy and
Amending the District's Wage and Salary Program**

WHEREAS, the Board of Commissioners of Public Utility District No. 1 of Okanogan County (District) has adopted a compensation program for non-bargaining unit employees; and

WHEREAS, the Board of Commissioners desires to maintain a compensation program that accurately reflects the job duties being performed by District employees and the appropriate market value of those job duties; and

WHEREAS, the Board of Commissioners desires to maintain a compensation program designed to attract and retain competent, qualified employees; and

WHEREAS District staff, with the assistance of In-Tandem Consultants, have developed a compensation program designed to appropriately compensate employees based on the job duties performed and the market value of those job duties; and

WHEREAS, Resolution No. 1684 was approved by the Board of Commissioners May 13, 2019, establishing the District's Wage and Salary Program; and

WHEREAS, District staff have reviewed labor market studies and have confirmed that the salary ranges are justified to fall within the comparable market as well as consider the local economy; and

WHEREAS, the position titles and salary ranges for the District's 2020 Wage and Salary Program are described in Exhibit B attached hereto;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of Public Utility District No. 1 of Okanogan County hereby adopts the District's Employee Compensation Policy and the 2020 Wage and Salary Program as described in Exhibit A and B.

DATED this 9th day of March 2020.


Jerry Asmussen, President


William C. Colyar, Vice President

ATTEST:


Scott Vejraska, Secretary

APPROVED as to form:


Heidi E. Appel, General Counsel

Resolution No. 1704 - Exhibit A
Employee Compensation Policy for Non-Bargaining Unit Positions

The District's Employee Compensation Policy provides salary administration guidelines to effectively administer compensation for non-bargaining unit positions. This policy applies to all non-bargaining unit positions except the general manager, which will be determined by the Board of Commissioners Resolution. This policy is subject to change, from time to time, by the Board of Commissioners. This program is designed to promote attracting and maintaining a skilled workforce. To accomplish this, the District's compensation system is designed to strive for the following:

Competitive: The District seeks to compensate employees within industry market wages and the local economy.

Comprehensive: The measure of compensation will normally take into consideration all benefits enjoyed by employees inclusive of, but not limited to, salary, health insurance and benefits, personal leave, deferred compensations, and retirement plans.

Objectivity: Normally, the level of salary compensation falls within a range for each position at the District. Placement within the range is subject to a case by case analysis of the individual and factors including, but not limited to, the level of experience, education, knowledge of the job, knowledge of utility business, ability to efficiently perform duties, and level of responsibility.

Development: The administration of this policy, where practicable, is to encourage career and professional development within the workforce. One of the goals of the policy is to reward increasing levels of responsibility and overall knowledge of the utility business. Demonstrated ability to incorporate the knowledge and experience to the benefit of the District will be a consideration in addressing compensation.

Internal Equity: A factor to be considered by the District when assessing comparable levels of responsibility while addressing variations in local and regional labor markets. Pay compression issues that do arise will be evaluated on a case-by-case basis.

Annual Adjustments: Management may use U.S. Department of Labor-Bureau of Labor Statistics Consumer Price Index (U.S. All Cities Average—Urban Wage Earners and Clerical Workers [CPI-W]) average from October to October for future recommended adjustments to the wage scales.

The District's employee compensation is subject to the availability of budgeted funds. As part of the annual budgeting process, the Board of Commissions will review and approve, at the Board's discretion, funds to be allocated for total compensation, which includes salaries and all other compensation-related expenses, including benefit plans (medical/dental/vacation/retirement/ personal leave). Non-Bargaining Unit employees shall receive at least the same non-salary benefits as Bargaining Unit employees except as noted in this policy.

Salary Ranges

A salary range for each non-bargaining until position base pay will be established subject to the above provisions and Board determination. The salary ranges for each position will be determined utilizing various salary surveys as appropriate, and subject to prior approval by the Board. The salary range may be adjusted annually by the Board utilizing as a guide both the most applicable Consumer Price Index, the

Northwest Utilities Salary, Wage and Benefit Survey, and the Local Union No. 77 Collective Bargaining Agreement wage schedule.

The salary ranges provide the framework within which salary determinations are made. The objective is to pay starting salaries that are competitive but not excessive relative to the market and internal pay levels.

MIN Generally, the minimum is the lowest salary paid to an employee in a particular salary range. The District has established a practice of starting employees at or above the minimum of the salary range, although the general manager may approve a starting salary lower as needed.

MP The mid-point of the salary range reflects an appropriate rate of pay for a fully experienced employee who has met all requirements for their job. It also is considered the upper limit for "hire-in" salaries.

The length of time involved in reaching MP of the range depends on the learning and experience necessary to fully master the job. Typically, full competency takes five years of direct experience. Once an individual employee has demonstrated full mastery of the job and is performing at an acceptable level, base pay should be near the salary MP. The District has developed a step program to get employees to their MP within five years, based on satisfactory performance (which is about 2% increase per step).

MAX The maximum represents the highest level of salary paid for a job. Employees paid at this level have generally been employed at the District for a considerable length of time and consistently have exceeded performance expectations.

Starting Salaries

Salary offers to new hires are coordinated through human resources and approved by the general manager. Offers will take into consideration the following factors (considering these factors could very well result in a starting salary above the minimum of the job's range):

- The individual's job-related experience and training;
- Salaries paid to others in similar positions;
- Current labor market information.

Salary Adjustments

Individual salary adjustments will be determined by the general manager in conjunction with PUD department heads and supervisors. Individual salary adjustments may occur throughout the year as appropriate for a) cost of living adjustments; b) step increases for employees in new positions or entry-level of the ranges; c) change in level of responsibility or demonstrated competencies within the position; d) change of position; e) performance; or f) other special circumstances as may occur. Salary increases of any nature are at the discretion of the District and no employee is entitled to any adjustment until approved by the general manager.

Personal Leave accrual rates and beginning balances may be adjusted as determined by the general manager within the limitations, as described below.

Adjustments outside of the following limitations require Board review and prior approval. Adjustments within the following limitations are determined by the general manager:

- 1) The base-pay for the individual must remain within the salary range.

- 2) For employees in their position five or more years, the adjustment will be limited to 10% in the budget year.
- 3) The total adjustments within a budget year shall be limited to the annual budget approved by the Board for wage adjustments.
- 4) Personal Leave accrual rate up to the standard accrual rate based on year of relevant experience. A beginning Personal Leave balance up to 10 days may be offered to a new employee.

As new positions are created or substantively changed, salary ranges will be determined and are subject to prior approval by the Board. Job descriptions may be reviewed every two years or whenever significant changes occur to the duties or responsibilities of the position. New or updated job descriptions may be addressed when filling vacancies or promoting staff members.

Other Compensation

Exempt employees may be eligible to participate in 401a and 457 deferred compensation programs consistent with all state and federal regulations and receive a company matching contribution in the amount equal to 50% of the employee contribution. Such benefit shall be limited to 6% of the employee's base salary.

In accordance with federal civil rights law and state regulations and policies, it is the policy of the District to prohibit discrimination based on race, color, national origin, religion, sex, gender identity, sexual orientation, disability, age, marital status, family/parental status, political beliefs, or any other protected category under federal or state law and regulation.

Resolution No. 1704 - Exhibit B
2020 Wage and Salary Grade Program

TITLE	MIN	LWR THD	MP	UPR THD	MAX
Engineering Assistant	44,834	51,444	54,748	58,053	64,663
Energy Services Coordinator	54,215	62,332	66,391	70,449	78,567
Accounting Technician	54,215	62,332	66,391	70,449	78,567
Administrative Assistant	54,215	62,332	66,391	70,449	78,567
Public Relations Coordinator	63,138	72,736	77,536	82,335	91,935
Customer Records Specialist	63,138	72,736	77,536	82,335	91,935
Distribution Engineer	63,138	72,736	77,536	82,335	91,935
Lead Distribution Engineer	71,605	82,659	88,185	93,711	104,764
System Tech 1	71,605	82,659	88,185	93,711	104,764
Information Systems Technician	71,605	82,659	88,185	93,711	104,764
Right of Way Superintendent/ Construction Permit Coordinator	71,605	82,659	88,185	93,711	104,764
Broadband Network Analyst	71,605	82,659	88,185	93,711	104,764
Accountant	71,605	82,659	88,185	93,711	104,764
Information Systems Security Officer	79,623	92,099	98,336	104,574	117,050
System Tech 2	79,623	92,099	98,336	104,574	117,050
Environmental Coordinator	79,623	92,099	98,336	104,574	117,050
Financial Analyst	79,623	92,099	98,336	104,574	117,050
Accountant / Deputy Treasurer	79,623	92,099	98,336	104,574	117,050
System Engineer	87,193	101,059	107,991	114,925	128,791
WECC Compliance/Pwr Res Analyst	87,193	101,059	107,991	114,925	128,791
Safety Coordinator	87,193	101,059	107,991	114,925	128,791
Accounting Manager	94,317	109,539	117,149	124,760	139,982
Finance Manager	94,317	109,539	117,149	124,760	139,982
Customer Service Supervisor	94,317	109,539	117,149	124,760	139,982
Purchasing Agent/Facilities Manager	94,317	109,539	117,149	124,760	139,982
Operations Superintendent	94,317	109,539	117,149	124,760	139,982
Information Systems Manager	101,001	117,540	125,811	134,081	150,621
Network Manager/Engineer	101,001	117,540	125,811	134,081	150,621
Human Resource Manager	101,001	117,540	125,811	134,081	150,621
Engineering Manager	107,247	125,066	133,975	142,884	160,703
Chief Engineer	107,247	125,066	133,975	142,884	160,703
Operations Manager	107,247	125,066	133,975	142,884	160,703
Director of Regulatory & Environmental Affairs	107,247	125,066	133,975	142,884	160,703
Director of Accounting, Finance & Administration	132,036	155,576	167,346	179,116	202,656
Director of Power Resources & Broadband Services	132,036	155,576	167,346	179,116	202,656

Abbreviations	
MIN:	Minimum
LWR THD:	Lower third quartile
MP:	Mid-Point
UPR THD:	Upper third quartil
MAX:	Maximum

