

Sacramento Suburban Water District

Employee Compensation Policy

Adopted: July 19, 2004

Approved with changes on November 16, 2020

100.00 Purpose of the Policy

The purpose of this policy is to state the intention of the District in regards to employee compensation, delineate the process, and clarify the role and responsibility of the General Manager in that process. A compensation program is necessary to provide each employee with fair and equitable compensation. In order to provide each employee with fair and equitable compensation, it is desirable to develop a systematic method of establishing and maintaining a compensation program. Pursuant to California Water Code Section 30580(d), the General Manager has the responsibility to “fix and alter the compensation of employees and assistants subject to approval by the board” as given during the annual budget process.

200.00 Policy

It is the District’s policy to provide all of its employees with fair and equitable compensation defined in terms of comparison to other positions within the District and to the local labor market for the value of the skills related to their job specifications.

a) **Wage/Salary Compensation**

It is the District’s policy to remain competitive within the local labor market. To accomplish this, when setting wage/salary compensation for District positions, the General Manager will target compensation within a range (bound by the market median at the low end and the mid-point of the third quartile at the high end) of the compensation in the appropriate labor market.

b) **Total Compensation**

The total compensation program will include, in addition to wage/salary compensation, all District holidays and other paid time off benefits, and contributions toward medical/dental/vision insurance, life insurance, short and long-term disability, retirement, incentive program and training/educational programs. The total compensation program will be used when comparing the District’s pay level to the appropriate labor market.

c) **Advancement**

It is the District’s policy to provide a program for employee advancement within their pay/salary range using a merit-based system based on performance and goal achievement through an evaluation process.

300.00 Authority and Responsibility

The Board of Directors has the responsibility and authority to establish annual budgetary guidelines for the District that include the labor budget.

- a) As part of the proposed annual Operations and Maintenance Budget, the General Manager will prepare and present to the Board of Directors a proposed labor budget that will consist of:
 - 1) a detailed annual compensation budget;
 - 2) a proposed merit pool percentage increase;
 - 3) a cost-of-living adjustment (COLA); and
 - 4) revised pay/salary bands.
- b) The Board of Directors will consider, amend as needed, and approve the annual labor budget.
- c) The General Manager has the authority to fix and alter employee compensation within the approved annual labor budget.

The General Manager is responsible to change or alter the labor budget, when needed, by either:

- a) Requesting the Board of Directors to authorize the General Manager to make such changes at budget adoption; or
- b) Submitting an amended labor budget, with justification, and receiving Board approval.

The General Manager has the full authority to implement this policy up to the limits of the approved labor budget, which includes:

- Determining staffing requirements, titles, positions, responsibilities, and organizational structure.
- Setting goals and conducting performance reviews.
- Implementing annual pay/salary adjustments including merit and COLA increases.
- Creating incentive pay programs.
- Creating programs for position upgrades and special assignments.
- Providing pay/salary and benefit benchmarking information and surveys for Board review.
- Creating dual or multiple grade positions as needed.

The General Manager will ensure the equitable and uniform implementation of this policy, and reporting to the Board at least annually (typically during the budget process).

400.00 Policy Review

This Policy will be reviewed at least biennially.