

Sacramento Suburban Water District

Employee Compensation Policy

Adopted: July 19, 2004
Approved with changes on November 19, 2018

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 the process. A compensation program is necessary to provide each employee with fair and equitable compensation for the value of the skills the employee brings to the District and the position. 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 fair and equitable compensation defined in terms of comparison to other positions within the District and the local labor market for the value of the skills the employee brings to the position and the District.

- a) It is the District’s policy to remain competitive within the local labor market. To accomplish this, the General Manager will target will target a range from market median to mid-point of the third quartile of compensation in the appropriate labor market when setting compensation for District positions. This includes retirement, health and dental insurance, life insurance, holidays and other benefits, including vacation and sick leave.
- b) The compensation program will include, in addition to direct wages (regular, overtime and stand-by pay), 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 current labor market.
- c) It is the District’s policy to provide a program for advancement of its employees within the pay/salary range of their position using a merit-based system based on objective, regular goal setting and performance evaluations.

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 annual 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 annual labor budget that will consist of: 1) a detailed annual compensation budget; 2) a proposed merit pool percentage increase; 3) an annual 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 will have the authority to fix and alter employee compensation within the approved annual labor budget.

The General Manager may change or alter the labor budget during the year by either: 1) requesting the Board of Directors to authorize the General Manager to make such changes at budget adoption; or 2) submitting an amended labor budget, explaining reasons for the change, and receiving Board approval for the change.

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

- Determining staffing requirements, titles, positions, responsibilities and organization structure.
- Setting goals and conducting performance reviews.
- Proposing and, as approved, implementing annual pay/salary adjustments that include annual 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 insure the equitable and uniform implementation of this policy, which includes reporting to the Board on at least an annual basis, typically during the budget process.

400.00 Policy Review

This Policy will be reviewed at least biennially.