

 Oakdale Electric Cooperative		Board Policy
Policy Name: General Manager/CEO Salary Administration		Policy No: 3.05
Last Reviewed/Revised: 06-06-2023		Page 1 of 2

I. OBJECTIVES

- A. To establish Oakdale Electric Cooperative's policy for structuring an adequate General Manager/CEO salary to attract and retain qualified personnel, and to stimulate his or her superior performance, growth, and development.
- B. To assure the General Manager/CEO that his or her pay compares fairly with other positions, both inside and outside the Cooperative and having similar duties, difficulties and responsibilities.
- C. To assure that performance of the General Manager/CEO will be periodically appraised and that he or she will be provided with advice, counsel, aid, and training through which he or she can meet established standards, demonstrate potential, and assume positions of greater responsibility.
- D. Reward superior performance of the General Manager/CEO in the fulfillment of his or her duties and responsibilities for the Cooperative.
- E. Provide the incentive for the General Manager/CEO to increase productivity on the job and to become better skilled in the activities related to his or her job performance.
- F. To enable the Board of Directors to meet the aforementioned objectives in a fair, systematic, and controlled or predetermined basis which permits accurate budget and financial planning.

II. COMPENSATION PLAN

- A. The General Manager/CEO position will be classified as a Salaried, Exempt position.
- B. The General Manager/CEO (*employee*) shall have an annual performance appraisal. The position description is reviewed for changes; the General Manager/CEO's performance is reviewed by the Board of Directors; and a plan for continued training and improvements is made. Employee's performance will also be a factor in determining the percentage increase within the performance range of his/her compensation matrix.
- C. The Executive Assistant/Human Resources is responsible for gathering and analyzing the salary and compensation range utilizing local, state, and regional comparable salaries of General Manager/CEO's in the labor market area and industry of the Cooperative.

D. The salary and compensation of the General Manager/CEO will be reviewed in November of each year by the Board of Directors to determine if changes or conditions indicate the desirability or necessity for adjustments. This review should focus upon:

1. Changes in job responsibilities that can affect the interrelationships within the plan.
2. Changes in economic conditions that affect the ability of the employee to maintain an adequate standard of living.
3. An assessment of general economic conditions directly affecting the Cooperative and its ability to pay the General Manager/CEO will be made. This assessment shall include unusual operating expenses and other factors that have a direct bearing on the Cooperative's ability to maintain a viable financial condition.
4. Changes in the labor market which impacts on the external equity of the plan.

If, as a result of the review noted above, it is determined that there have been changes in the duties and responsibilities of a position, or that changing labor conditions have altered the comparative wage rates for that position, the position should be revalued within the structure of the plan.

5. After careful consideration of these factors, the Board of Directors will make a determination to the General Manager/CEO. This adjustment shall be made as a change applied to the employee's annual wage and salary.

This plan should be administered in such a manner that the General Manager/CEO can recognize that his/her position is being evaluated objectively and that his/her performance is appraised fairly.

III. PROCEDURE

- A. The employee will be given full information concerning the salary and compensation range of his/her position to provide a clear understanding of the position requirements.
- B. Any employee who is at the maximum of his/her performance range shall not be eligible for a performance pay increase unless his/her performance is deemed as superior.
- C. Performance wage and salary adjustments for the General Manager/CEO within the approved plan shall be recommended by the Board of Directors to become effective.

Responsibility:

- A. The Board of Directors shall be responsible for any changes or revisions of this plan necessitated by a change in economic conditions or unforeseen events.
- B. The Board of Directors shall be responsible for the administration of this plan.

Issued: 03/25/2020	Reviewed Date (no revisions): 06-06-2023	Revised Date:
--------------------	---	---------------

