

F. COMPENSATION PHILOSOPHY GUIDELINES

1. PAY SCALE DEVELOPMENT GUIDELINES

Each GLPC job position is linked to a December 31, 2007 Civil Service (C.S.) pay scale by matching actual GLPC job duties & responsibilities to established C.S. job descriptions duties & responsibilities. Associated C.S. pay scales MINIMUM points (MIN) as of **12/31/07** establish the lowest pay to be received by the GLPC employee and define the MIN point in the GLPC pay scale. Each GLPC pay scale MAXIMUM point (MAX) is **1.9** times the associated GLPC MIN point. The MIDDLE point (MID) of the GLPC pay scale is the sum of the MIN and the MAX points then divided by two.

The GLPC pay scale MIN points will be increased each year (following a year of positive inflation as measured by the Consumer Price Index) by **2%** with the intent to keep pay scales flexible with increases in cost of living. GLPC pay scales will also be reviewed if/when the C.S. MIN points are adjusted. If an employee job position does not reasonably match any job description available through C.S., other means will be taken to obtain fair & appropriate pay ranges. These other means are to be approved by the commission. Whether utilizing C.S. pay ranges or other means, the GLPC will periodically conduct market surveys to determine competitive pay rates for various positions. It is the GLPC's intent that pay will be competitive with comparable local employers.

2. HIRE RATE GUIDELINES

Employees will typically be hired between the MIN point and the MID point of their associated GLPC pay scale, depending on years of experience in a comparable job. Five or more years of experience would allow an employee to be hired at the MID point of the appropriate GLPC pay scale. No previous experience would warrant the employee being hired at the MIN point in the GLPC pay scale. Experience between zero & five years would be prorated into the GLPC pay scale between the MIN and the MID points. Other conditions that could be considered are the employee's capabilities, education, and market conditions.

3. BELOW MID POINT GUIDELINES

Employees who are below their GLPC pay scale MID point can receive raises based on longevity and performance. It is the desire of the GLPC to have all employees who are accomplishing their job responsibilities at a satisfactory level (defined as meeting or exceeding the standards identified in the associated job description) to be at the MID point of their specific pay scale.

Five years of total comparable experience is viewed by the GLPC as an appropriate service time for an employee to be functioning at a satisfactory level. If the employee's supervisor does not feel this progression is occurring, then employment or reclassification will be considered.

4. ABOVE MID POINT & BELOW MAX POINT GUIDELINES

It is intended that only consistent satisfactory and high performers over a period of time will progress above the MID point in base pay. Employees who are at or above their GLPC pay scale MID point but below the MAX point can receive raises from two different components.

The first component is a *PORT PERFORMANCE ADJUSTMENT (PPA)* granted by the GLPC board and based on the overall success of the port in meeting its strategic goals and objectives.

The second component is an *EMPLOYEE PERFORMANCE ADJUSTMENT (EPA)* and is based on an executive director approved supervisor evaluation.

Although, all employees at or above their MID point qualify for a *PORT PERFORMANCE ADJUSTMENT (PPA)*, *EMPLOYEE PERFORMANCE ADJUSTMENT (EPA)* may affect the actual receipt of the *PORT PERFORMANCE ADJUSTMENT (PPA)*.

The *PORT PERFORMANCE ADJUSTMENT (PPA)* percentage is a positive **2%** of the applicable employee's rate of pay. *EMPLOYEE PERFORMANCE ADJUSTMENT (EPA)* percentages range between a **Negative PPA% and 3%** of applicable employee's rate of pay. See chart below.

NOTE: Less than satisfactory employee performance evaluations decrease actual receipt of PORT PERFORMANCE ADJUSTMENT (PPA).

<u>PERFORMANCE EVALUATION:</u>	<u>BELOW Expectations</u>	<u>AT Expectations</u>	<u>ABOVE Expectations</u>
<i>Port Performance Adjustment % (PPA):</i>	2%	2%	2%
<i>Employee Performance Adjustment % (EPA):</i>	<u>-PPA%</u>	<u>1%</u>	<u>3%</u>
Total Adjustment %:	0%	3%	5%

5. MAX POINT GUIDELINES

Employees at the GLPC pay scale MAX point will NOT be paid pay increase adjustments. However, *PORT PERFORMANCE ADJUSTMENTS (PPA)* and *EMPLOYEE PERFORMANCE ADJUSTMENTS (EPA)* awarded but not actually paid due to pay scale MAX point ceiling caps, will be tracked and used in the future to adjust the employee's pay rate if/when the pay scale is adjusted to a

higher ceiling cap. Accumulation of past non paid adjustment percentages can at that time bring the employee's pay rate back up to but not exceed the new GLPC pay scale's MAX point.

6. It is the responsibility of each manager to prescribe certain milestones which should occur in terms of training, personal development, acquisition of certain skills & job duties, time of service, and relationship development (working with others) which enable the employee to assume or take on the full scope of the job description. At each performance evaluation session, the progress relative to the individual program (plan) should be discussed. Supervisors advising of "ABOVE EXPECTATIONS" performance evaluation ratings will have to assist the Executive Director in attesting to the board the reasoning behind such a "Role Model" accomplishment.
7. Pay changes should generally be proposed at budget time with implementation occurring on the 1st day of the following fiscal year.
8. GLPC pay scale adjustments, *PORT PERFORMANCE ADJUSTMENTS (PPA)*, and *EMPLOYEE PERFORMANCE ADJUSTMENTS (EPA)* may be capped by an annual budget figure as determined by the GLPC board.
9. It is the GLPC's intent that all pay increases will be administered in a consistent manner and justified in terms of this pay philosophy.