

RECLAMATION DISTRICT NO. 1000 COMPENSATION PHILOSOPHY

Summary

The purpose of this Compensation Philosophy is to document the District's process and philosophy for determining compensation and benefits for employees in their service to the District. It is intended to provide transparency to the public on how their assessments are being used to meet the District's mission. It assists management in projecting future budgets and cash flow projections to determine when revenues might need to be increased to meet projected expenditures. It also informs District employees on potential future salary adjustments so they can make personal financial decisions. As with any District policy, however, it will be reviewed from time to time and may be modified by the Board of Trustees at any time. Likewise, the benefits currently provided to District employees may also be modified from time to time or terminated by the Board of Trustees, except as may otherwise be required by law.

Also, this philosophy should not be construed as a contract or agreement for future wage increases; but reflects the current philosophy of the Board on compensation for District employees. While the District has generally followed this philosophy over the recent past, there have been years when the Board deviated based on economic considerations such as the overall state of the economy, and similar labor market trends. The Board must also consider the overall fiscal stability of the District and recognizes we are bound by state and federal laws and any increases in future funding to meet the goals outlined in this philosophy may be subject to a vote by property owners in the District.

I. HISTORY & MISSION OF RD 1000:

Reclamation District No. 1000's stated mission is flood protection for the Natomas Basin providing for the public's health and safety by operating and maintaining the levees, and the District's canals and pump stations in a safe, efficient and responsible manner.

The District was formed in 1911 by an act of the State Legislature to provide flood control and drainage services to the Natomas basin area of Sacramento and Sutter Counties. Formed as an agricultural district, it has urbanized over time and now protects over 100,000 residents, numerous businesses, schools and the Sacramento International Airport with over \$5 billion in damageable property.

Given this critical public safety mission, the District strives to maintain a professional, competent and dedicated work force to carry out its responsibilities. To this end, the District proposes to adopt the following compensation philosophy.