

Shelby Energy Cooperative  
Case No. 2016-00464  
July 31, 2016

**Payroll Adjustment**

To reflect the increase granted by the Board of Directors, the step increases granted and promotions during the year. To give recognition to employees terminated and employees hired during the test year. Overtime pay is calculated at 1-1/2 times regular pay rate for hours worked in excess of 8 hours per day.

Temporary employees are used for certain busy times of the month, or when an employee has scheduled vacation time off. This is expected to continue into the future.

Wage and salary increases are as follows:

	<u>Increase</u>	
	<u>Union</u>	<u>Non-Union</u>
2016	2.93%	1.93%
2015	2.47%	3.82%
2014	2.13%	3.69%
2013	2.04%	2.76%
2012	3.00%	3.64%

The amount of increase was allocated based on the actual test year.

Projected wages	\$ 2,845,305
Actual wages for test year	<u>\$ 2,876,791</u>
Adjustment	<u>\$ (31,486)</u>

The allocation is on the following page: