Overtime

In order to determine whether an employee will receive overtime pay for hours worked in excess of forty
(40) hours per week, each employee shall be declared "exempt" or "non-exempt" in accordance with
provisions of existing labor laws. Exempt employees shall not be compensated monetarily for overtime
worked. However, on a case-by-case basis exempt positions may qualify for overtime bonus pay, at the
discretion of the Special Part.

Non-exempt employees shall receive overtime pay at the rate of one and one-half (1.5) times the hourly wage for actual hours worked in excess of forty (40) hours in any work week.

- Time off with pay (such as vacation, holiday or sick leave) shall not be considered as hours worked for overtime pay purposes.
- Overtime work shall be approved in advance by the Superintendent. In case of extenuating circumstances, this requirement may be waived by the superintendent.
- Overtime shall be kept at a minimum consistent with maintenance of essential SOUTHERN services and available financial resources.



Compensation Review

At least once each fiscal year the Superintendent shall:

A. Evaluate all employees' current pay rates (both hourly and salaried) as well as each individual's performance during the preceding year. Based on this information as well as cost of living indices, comparison with similar utilities' compensation scales, and internal budgetary limitations, employees may be given an appropriate increase in their rate of pay.

B. Typically an annual increase in pay will be made effective January I" of each year. This increment may reflect a cost of living increase, a merit increase or a combination of the two. All pay increments are given solely at the discretion of the Board of SOUTHERN.

C. All new full-time, permanent SOUTHERN employees (both hourly and salaried) may be given an automatic increase in pay at the end of their first six (6) months of employment equivalent to \$.50 per hour, based on their satisfactory job performance for the first six months of employment. Any future pay increments shall be based on routine annual increments pursuant to these policies.

D. Superintendent may, at their discretion, award pay increments to individual employees at other times during the year, as circumstances warrant.