

Item No. 4A

Date of Meeting: May 7, 2019



**THE NORTHWEST**  
SEAPORT ALLIANCE  
*Gateway to Solutions*

# NWSA Managing Members Benefits and Salary Resolution Second Reading

Presenters:

Jean West, Chief HR Officer

Loni Shorten, HR Manager

# Action Requested

**Request adoption of Resolution 2019-01, the Master Benefits and Salary Resolution (“MBSR”).**



# Resolution 2019-01

## Master Benefits and Salary Resolution

- **Health and welfare program**
  - Summarizes benefits
  - Defines eligibility
  - Establishes effective dates
- **Salary Program**
  - Establishes Fair Labor Standards Act's classifications
  - Establishes salary grades and ranges.



## II. D (6) Leaves of Absence without Pay

### Current:

The Alliance may grant a leave of absence without pay for qualifying reasons to include non-occupational injury and disease and to reduce personal hardship. **Such leave will only be granted where state or federal law is inapplicable.**

### Proposed:

The Alliance may grant a leave of absence without pay for qualifying reasons to include non-occupational injury and disease and to reduce personal hardship. **Such leave will be granted consistent with state and federal laws.**



## II. D (13) Washington Paid Family & Medical Leave (WFML)

- **The WFML program will provide paid leave when an employee is away from work to:**
  - Care for his/her own serious health condition or injury
  - Care for a family member with a serious health condition or injury
  - Bond with a child after birth, adoption or foster placement
  - Take leave for certain military events
- **The weekly benefit is calculated as a percentage of the employee's gross wages – minimum of \$100 and maximum of \$1,000.**
- **Eligible employees may take up to 18 weeks of leave under this program.**



## **II. D (13) Washington Paid Family & Medical Leave (WFML)**

- **Administered by WA State Employment Security Department.**
- **The program is funded by employee and employer contributions, which began on January 1, 2019.**
- **The shared premium is 0.4% of employee wages – 63% paid by employees and 37% paid by employers.**
- **For an employee earning \$50,000 a year, the deduction is approximately \$10.00 per month.**
- **Benefits are available January 1, 2020.**
- **2019 estimated employer contribution is \$10,000**



# III. C Salary Increases, Lump Sum Payments and Market Adjustments

## **Annual Salary Increases:**

- The NWSA have a performance management program for non-represented employees.
- Employees may receive an annual salary increase based on the results of their annual performance review.
- Annual increases are administered at the discretion of the Chief Executive Officer within budget totals approved by Managing Members.



# III. C Salary Increases, Lump Sum Payments and Market Adjustments

## **Lump Sum Awards:**

- The Lump Sum Award is a component of the performance management program.
- Annual recognition and reward for employees and teams whose high performance for the year have resulted in an extraordinary and/or exceptional accomplishment(s), achievement(s) that have made a significant contribution to the goals of the department or organization.
- Individual Awards are \$2,000 or \$1,000, and Team Awards are \$1,000 for each team member.





# III. C Salary Increases, Lump Sum Payments and Market Adjustments

## **Market Adjustments:**

The CEO has discretion to approve market adjustment increases where appropriate given current market conditions, internal equity and an employee's skills and experience in current position and increases are within budget totals.



# III. C Salary Increases, Lump Sum Payments and Market Adjustments

## Approval Process:

- The budgeted amounts will be detailed as three separate line items in the NWSA budget.
- Managing Members may adjust any of these amounts and final budgeted amounts must be approved by the Managing Members during the budgeting process.
- Any changes in the methodology of the calculations for these budgeted items must be approved by the Managing Members. All increases and payments may not exceed approved budgeted totals.



# III. C Salary Increases, Lump Sum Payments and Market Adjustments

## Salary Increases Budget Calculation:

- Calculate the average salary of all budgeted salaried employees.
- Calculate the weighted average increase for all salaried employees.
- Multiply the average salary by the weighted average increase percentage, and then by the number of budgeted salaried employees to determine budgeted amount.
- April through December 2019: \$134,893



# III. C Salary Increases, Lump Sum Payments and Market Adjustments

## **Lump Sums and Market Adjustments:**

- Multiply total annual salary for all budgeted salaried employees by no more than 0.25% for Lump Sums and Market Adjustments respectively.
- The exact budgeted amount, if any, to be determined through the budgeting process.
- April through December 2019:
  - Lump Sums: \$16,488
  - Market Adjustments: \$16,488



# Salary Ranges

**Request a Cost of Labor adjustment of 2.2 percent to the non-represented salary ranges.**



# Action Requested

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