

Executive Compensation Corporate Officers Compensation Adjustments

Mart Sedky, Vice President Human Capital
Board of Directors All Committees Meeting
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Common Components of Executive Compensation Plans

- Base Salary
- Short-term Incentive
- Long-term Incentive
- Benefits (Supplemental Employee Retirement Plans - SERP)
- Perquisites (company cars, executive physicals, parking, club memberships, etc.)

OPPD Compensation Philosophy - Objectives

- Align with OPPD Business Strategy
- Attract, motivate, retain, and engage high-performing individuals
- Create a clear and strong link between pay and performance
- Reward and recognize employees for special events and accomplishments
- Provide a high level of consistency in pay design and administration

Base Compensation

- OPPD targets base salary at the 25th percentile of Total Cash Compensation in the marketplace
- “Market” is defined as the labor market for any particular job – those organizations with which OPPD competes for talent
 - For many jobs this is the utility industry, while other jobs (e.g., finance, human capital, business technology) could be recruited from any industry
 - OPPD recruits for Vice President and CEO candidates in the national market

Base Compensation – Salary Structure

Each OPPD executive position has a range that reflects market competitive pay for the jobs within that grade.

- The Center Point of the range approximates the market target.
- The Minimum and Maximum of each range is +/- 20% of the Mid Point, which allows for further pay differences based on performance, experience, contributions, etc.
- OPPD's Executive Compensation Structure was last updated in 2016. The 2020 update ensures continuing competitiveness with the market.

Market Pricing

Data is collected from compensation surveys that are published on an annual basis.

- These surveys are conducted by large, reputable compensation consulting firms such as Willis Towers Watson, Western Management Consulting Group, Hewitt, LPPC, APPA.
- We also benchmark SPP members and our Commission of Industrial Relations (CIR) Array.

2020 Proposed Increases/Adjustments

Name	Curent Base Pay	2020 Midpoint	Current Comp Ratio	Merit Increases Proposed						Market Adjustments Proposed			
				Proposed Increase	Annual Increase Amount	New Salary	New Comp Ratio	Retro-Active To Date	Payroll Dollars in 2020	Proposed Adjustment	Annual Adjustment Amount	New Salary	New Comp Ratio
Brown, Kate	\$356,300	\$421,000	84.63%	4.5%	\$16,034	\$372,334	88%	1/1/2021	\$0	4.0%	\$14,893	\$387,227	91.98%
Burke, Tim	\$566,368	\$899,000	63.00%	4.5%	\$25,487	\$591,855	66%	5/1/2020	\$16,991				
Comstock, Juli	\$323,258	\$395,000	81.84%	4.0%	\$12,930	\$336,188	85%	7/1/2020	\$6,465	3.5%	\$11,767	\$347,955	88.09%
Fernandez, Javier	\$392,325	\$529,000	74.16%	4.5%	\$17,655	\$409,980	78%	1/1/2021	\$0	4.0%	\$16,399	\$426,378	80.60%
Fisher, Mary	\$343,022	\$421,000	81.48%	4.5%	\$15,436	\$358,458	85%	12/1/2020	\$1,286	4.0%	\$14,338	\$372,796	88.55%
Olson, Lisa	\$344,240	\$357,000	96.43%	3.0%	\$10,327	\$354,567	99%	7/1/2020	\$5,164				
Sedky, Mart	\$323,390	\$357,000	90.59%	4.5%	\$14,553	\$337,943	95%	12/1/2020	\$1,213	3.5%	\$11,828	\$349,770	97.97%
Via, Troy	\$296,587	\$407,000	72.87%	4.5%	\$13,346	\$309,933	76%	9/1/2020	\$4,449	3.5%	\$10,848	\$320,781	78.82%

Note: Total Annual Increase Amounts = \$205,840
 This amounts to .01% of 2020 Total Payroll