



Compensation Philosophy



Measurement & Reporting
Effective March 1st, 2024



Terminology

The concept of a “compa-ratio” plays an important role in our compensation philosophy. A compa-ratio describes a co-worker’s actual base pay relative to “market pay” for a similar job. Market pay, in turn, is determined by aggregating many salary surveys from around the country and adjusting for differences in the local cost of living. In general, our policy is to pay co-workers not less than 80% and not more than 120% of market pay (The Executive range is 75% - 125%). Thus, a compa-ratio of 100% means that the co-worker’s pay is at the midpoint of the range.

The concepts of “Exempt,” “Non-Exempt,” and “Executive” job classifications also play an important role in our compensation philosophy. These concepts are defined below.

- **Non-Exempt:** A co-worker who is paid by the hour and eligible for overtime. A non-exempt co-worker’s pay range has compa-ratios of 80% (minimum) to 120% (maximum).
- **Exempt:** A co-worker who is paid an annual salary and not eligible for overtime. An exempt co-worker’s pay range has compa-ratios of 80% (minimum) to 120% (maximum).
- **Executive:** An exempt co-worker who is responsible for managing a core area of the credit union. An executive co-worker’s pay range has compa-ratios of 75% (minimum) to 125% (maximum).

Measurement & Reporting

Average Compa-Ratio per Job Classification		
		Number of Co-Workers
Non-Exempt	106.2%	114
Exempt	96.3%	60
Executive	92.1%	9

Average Compa-Ratio by Gender for Each Job Classification						
	Female	Number of Co-Workers	Male	Number of Co-Workers	Non-binary	Number of Co-Workers
Non-Exempt	106.9%	87	104.8%	27	N/A	0
Exempt	96.3%	44	95.9%	16	N/A	0
Executive	89.6%	2	92.8%	7	N/A	0

Note: The national data, on which compa-ratios depend, is not disaggregated by gender.



Average Compa-Ratio by Minority Status

		Number of Co-Workers
Minority	96.9%	14
Non-Minority	102.9%	169

Note: The national data, on which compa-ratios depend, is not disaggregated by minority status. We acknowledge the difference in average compa ratios between minorities and non-minorities and have analyzed the data. These differences are based on differences in tenure within the organization and job performance. Also note that compa ratios are calculated using base pay only. When including any incentive pay, the difference is reduced.

Average Compa-Ratio by Minority Status for Each Job Classification

	Minority	Number of Co-Workers	Non-Minority	Number of Co-Workers
Non-Exempt	97.9%	10	107.0%	104
Exempt	94.3%	4	96.5%	56
Executive	N/A	0	92.1%	9

Note: The national data, on which compa-ratios depend, is not disaggregated by minority status. We acknowledge the difference in average compa ratios between minorities and non-minorities and have analyzed the data. These differences are based on differences in tenure within the organization and job performance. Also note that compa ratios are calculated using base pay only. When including any incentive pay, the difference is reduced.

Salaries Below Range Minimum

0

Note: All co-workers are paid at or above the minimum of their respective ranges.

Salaries Above Range Maximum

15

Note: Majority are co-workers in lowest paid positions and due to longer tenure.



Living Wage for Geographic Areasⁱ	
Beaverhead County	\$19.65
Broadwater County	\$22.46
Cascade County	\$19.03
Deer Lodge County	\$18.68
Flathead County	\$20.36
Gallatin County	\$21.62
Granite County	\$21.08
Jefferson County	\$20.67
Lake County	\$20.34
Lewis & Clark County	\$20.05
Lincoln County	\$19.63
Madison County	\$21.88
Meagher County	\$21.33
Mineral County	\$20.05
Missoula County	\$20.34
Park County	\$20.22
Powell County	\$19.25
Ravalli County	\$20.47
Sanders County	\$21.70
Silver Bow County	\$18.45
Clearwater Entry Level Wage	\$20.00
Note: Clearwater's entry level wage has fallen slightly below a living wage in several of the counties served. Clearwater acknowledges this and will address this situation during the 2025 budget process.	

Multiple of the Highest Paid Co-worker to the Lowest Paid Co-worker
9.26
Note: Clearwater policy limits the base pay of the highest paid co-worker to no more than ten times the lowest paid co-worker.

Challenges in Attraction, Retention & Turnover Related to Compensation
Note: Attracting higher level lending positions, specifically home and commercial lenders. Low unemployment rate, low labor-force participation rate, and increased competition on wage making it harder to compete for talent in general.

ⁱ <http://livingwage.mit.edu>

