



FALL RIVER RURAL ELECTRIC COOPERATIVE, INC.

GENERAL POLICY No. 612
SUBJECT: EMPLOYEE HOUSING INCENTIVE PAY

I. PURPOSE:

The Cooperative recognizes that all consumers are entitled to quality service. An extensive service area, diverse living costs and the necessity for certain employees to establish their residence near the centers of their work activities necessitates financial assistance in order to equalize housing costs.

II. POLICY:

It shall be the policy of the Cooperative to compensate employees fairly for the differences in housing cost in different territories.

III. RESPONSIBILITY:

The CEO/General Manager is responsible for seeing that the provisions of this policy are carried out.

IV. ELIGIBLE EMPLOYEES:

Regular full time employees who have finished their probationary period; are required to live within a 15-mile radius of their assigned work location (exceptions may be approved by the CEO/General Manager); and are required to be on electric standby duty, or the job responsibilities require a presence in the Cooperative service area, and have been found by formula to exceed the cost of the base area will be eligible. The base area will be the area determined to be the low-cost housing area of the Cooperative.

V. Provisions:

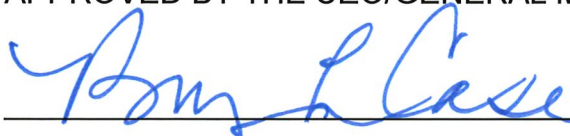
The following provisions and conditions shall apply to this policy:

- A. A formula that determines the housing cost in Ashton, Driggs, Island Park, and West Yellowstone and reflects the cost of a residential lot and construction of a family home with 1,800 square feet of living space.
- B. The total cost (land and structure) of each area compared to the least cost area will be used to formulate a monthly rate incentive which will apply to both homeowners and renters in their area.
- C. Incentive agreements will be for the term of one year, with a consistent termination date for all housing incentive contracts. The Cooperative will evaluate the incentive each year prior to the contract expiration date. If there has been a significant change to area markets, the Cooperative will have an opportunity to adjust the incentive. Notice must be given by either party 30 days prior to the agreement termination date, if the incentive is going to be adjusted. If no such notice is given, the contract agreement will automatically renew as is for another year.
- D. The Cooperative will commission a market evaluation survey every three years or as deemed necessary by the CEO/General Manager. The CEO/General Manager will use the market evaluation survey to establish and adjust the monthly incentive pay level by area.

VI. PRIMACY OF POLICY:

This policy supersedes any existing policy that may conflict with the provisions of this policy. This policy does not represent a contract between the employer and the employee, and the policies herein may be changed by the employer alone and without notice.

APPROVED BY THE CEO/GENERAL MANAGER



Bryan Case, CEO/General Manager

DATE APPROVED: January 24, 2007

DATE REVISED: July 24, 2017

November 18, 2019

October 31, 2023

January 31, 2025