
2018 Northwest Executive Compensation Survey

of Privately Held Companies and Publicly Traded Companies



PAY, BENEFITS, AND TRENDS
33rd Edition

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ABOUT Milliman

This annual survey is confidentially conducted and published by Milliman, Inc.

Milliman, whose corporate offices are in Seattle, is among the world's largest independent actuarial and consulting firms. With more than 3,500 employees and revenue of US\$1 billion in 2017, the firm serves the full spectrum of business, financial, government, union, education, and nonprofit organizations. Milliman was founded in 1947 and today has offices in principal cities worldwide.

The firm has consulting practices in the following areas:

- Employee benefits, communications, and compensation consulting
- Healthcare consulting
- Life and financial consulting
- Property and casualty consulting

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Milliman's compensation consulting staff provides assistance to clients in the review, development, and implementation of salary administration, incentive compensation, and executive compensation programs. Utilizing the firm's proprietary salary survey software, Milliman conducts numerous custom and regional surveys each year.

Other surveys available. . .

Northwest Engineering / Scientific / Project Management Salary Survey (published annually in August) — Reports data on engineering, scientific, and project management positions.

Northwest Management & Professional Salary Survey (published annually in August) — Reports data on management, supervisory, and professional positions.

Northwest Healthcare Compensation Survey (published annually in April) — Reports data on hospital, clinic, home care and long-term care positions within the Northwest.

Northwest Technology Survey (published in September) — Reports data on key technology positions within the Northwest.

Northwest Benefits Survey (published annually in May) — Provides Northwest employers with comprehensive benefits data.

Puget Sound Area Compensation Survey (published annually in June) — Reports data on primarily nonexempt and selected exempt positions.

Portland Area Compensation Survey (published annually in April) — Reports data on primarily nonexempt level positions within the Portland Metropolitan area.

Spokane / Inland Northwest Compensation Survey (published annually in August) — Reports data on primarily nonexempt level positions within Spokane, Kootenai and other Inland Northwest counties.

Alaska Compensation Survey (published annually in August) — Reports data on nonexempt through management & professional positions within Anchorage, Fairbanks, Southeast, & Northern / Western Alaska areas.

Northwest Financial Industry Compensation Survey (published annually in August) — Reports data on industry-specific positions within Northwest financial institutions.

Northwest Utilities Salary & Wage Survey (published in September) — Reports data on industry-specific positions.

If you have any questions about using or interpreting this survey report, please contact Lauren Busey at:

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INTRODUCTION / METHODOLOGY

This **33rd edition** of the **Northwest Executive Compensation Survey** provides unique reference information regarding executive compensation practices within Northwest companies.

Data for 19 top executive positions within both **privately held companies** and **publicly traded companies** are included in this report. Data for each group are shown separately, **by size categories**, to facilitate comparison and analysis.

Data reported in this survey were compiled from **323 Northwest organizations** (106 publicly traded and 217 privately held/other companies). Data for all privately held companies and some publicly traded companies were collected by participant input. Data for the remaining publicly traded companies were gathered from proxy statements and annual financial reports.

This survey is for the private, confidential use of the recipient; reproducing or distributing this data without written permission is prohibited.

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Effective Date of Data:

August 2018 (or most recent proxy)

Publication Date:

November 2018

Extensive data are included on:

- Base Salary
- Bonus
- Total Cash Compensation
- Equity Compensation
- Benefits and Perquisites
- Performance Measures
- Long-Term Incentives
- Retirement and Capital Accumulation
- Pay Adjustment Trends

As with all Milliman surveys, averages and trends are reported, thus maintaining the confidentiality of individual company practices.

If you have any questions about using or interpreting this survey report, or for further information or assistance regarding compensation matters, please contact Larry Daniels at 206-504-5543.

Notes on statistical methods:

1. *Both averages (means) and medians are used in this report as measures of central tendency. Medians can be a more accurate measure when a range of data contains extremes at the low or high end. A median is the point below which 50% of data observations fall.*
2. *25th percentile is the point below which 25% of data observations fall. 75th percentile is the point below which 75% of data observations fall. Thus, the range between the 25th and 75th percentile is the middle 50% of the data.*
3. *Throughout this report, companies with or without bonus plans are included in the calculations for total cash. Therefore, the sum of averages/medians for base and bonus may not equal the total cash compensation shown.*
4. *Nonprofit organizations have been included in the sample of privately held companies.*
5. *Subsidiaries of domestic or international publicly traded organizations have been included in the sample of publicly traded companies.*
6. *Equity amounts reflect the aggregate compensation costs for financial statement reporting purposes under FASB ASC Topic 718 for stock and option awards granted in the current fiscal and prior years. These amounts do not reflect amounts paid to or realized by the executive for the fiscal year.*

PARTICIPANT DIRECTORY

Data from a total of **323 Northwest companies** are included in this survey. The following list includes **106 publicly traded & 217 privately held/other companies**.

BANKING / FINANCIAL - PRIVATELY HELD

Advantis Credit Union
ALPS Federal Credit Union
Baker Boyer Bank
Bank of Eastern Oregon
Bank of Idaho
bankcda
CapEd Credit Union
Cascade Central Credit Union
Cashmere Valley Bank
Central Willamette Community Credit Union
Coastal Community Bank
Commencement Bank
Community Bank
Consolidated Community Credit Union
Craft3
Credit Union 1
D.L. Evans Bank
Denali Federal Credit Union
Fibre Federal Credit Union
First Federal - McMinnville
Great Northwest Federal Credit Union
HAPO Community Credit Union
Harborstone Credit Union
IBEW & United Workers FCU
Icon Credit Union
Idaho First Bank
Idaho Housing and Finance Association
Kitsap Credit Union
Lewis & Clark Bank
Matanuska Valley Federal Credit Union
Mountain Pacific Bank
Mt. McKinley Bank
North Coast Credit Union
Northwest Bank
Northwest Community Credit Union
Numerica Credit Union
Olympia Federal Savings
Oregon Community Credit Union
Oregonians Credit Union
P1FCU
Pacific Crest Savings Bank

Peninsula Credit Union
Peoples Bank
People's Community Federal Credit Union
Pioneer Trust Bank, N.A.
Providence Federal Credit Union
Qualstar Credit Union
RiverBank
Rogue Credit Union
SaviBank
Security State Bank
Skagit Bank
Solarity Credit Union
Sound Credit Union
St. Helens Community Credit Union
State Bank Northwest
STCU
Sunset Science Park Federal Credit Union
The Bank of Commerce
Tongass Federal Credit Union
Unitus Community Credit Union
Verity Credit Union
Washington Trust Bank
Wauna Federal Credit Union
WCLA Credit Union
Yakima Federal Savings and Loan Association

BANKING / FINANCIAL - PUBLICLY TRADED

Anchor Bank*
Bank of the Pacific
Banner Corporation
Beneficial State Bank
Clatsop Community Bank
Columbia Bank
Community 1st Bank
First Federal - Port Angeles
First Financial Northwest Bank
First National Bank Alaska
First Sound Bank
FS Bancorp, Inc.*
Heritage Bank
HomeStreet, Inc.*

Islanders Bank
Northrim Bank
Pacific West Bank
People's Bank of Commerce
Riverview Community Bank
Sound Community Bank
Summit Bank - Oregon
Timberland Bank
Umpqua Holdings Corporation
Washington Federal

BIOTECH / PHARMACEUTICAL

Alder BioPharmaceuticals, Inc.*
Alpine Immune Sciences, Inc.*
Atossa Genetics Inc.*
BioLife Solutions, Inc.*
Cascadian Therapeutics*
CTI / Cell Therapeutics, Inc.*
CytoDyn Inc.*
Immune Design Corp.*
NanoString Technologies, Inc.*
Omeros Corporation*
Quorum Review IRB
Seattle Genetics, Inc.*

DISTRIBUTION / WHOLESALE / RETAIL

Amazon.com, Inc.*
Boise Cascade Company*
Costco Wholesale Corporation*
Craft Brew Alliance, Inc.*
Electronic Systems Technology Inc.*
Gensco Inc.
Jones Soda Co.*
Lithia Motors, Inc.*
Nordstrom, Inc.*
Papa Murphy's Holdings, Inc.*
Starbucks Corporation*
URM Stores, Inc.
Willamette Valley Vineyards, Inc.*
Wireless Advocates
Zumiez, Inc.*

ELECTRONICS / TECHNOLOGY

3MD Technologies, Inc. / Denali Advanced Integration
BSQUARE Corporation*
Clearsign Combustion Corp*
Cray Inc.*
CUI Global, Inc.*
Data I/O Corporation*
Digimarc Corporation*
Electro Scientific Industries, Inc.*
EnergySavvy
eventcore
FLIR Systems, Inc.*
Fulcrum Technologies, Inc.
Globys, Inc.
Glowforge
iovation, Inc.
Itron, Inc.*
KeyTronicEMS*
Lattice Semiconductor Corporation*
Microsoft Corporation*
Microvision, Inc.*
Milestone Systems Inc
Mirador Financial
Palo Alto Software
Pipeworks, Inc.
RadiSys Corporation*
RealNetworks, Inc.*
REALSELF, INC.
Skilljar
Tableau Software, Inc.*
T-Mobile US, Inc.*
Visualant, Inc.*
Zapproved
Zonar Systems

GOVERNMENT / EDUCATION

City of Bellevue
City of Boise
City of Portland
City of Spokane
City of Tacoma
King County

PARTICIPANT DIRECTORY

LEG-TECH
 Pierce Transit
 Port of Everett
 Port of Seattle
 Portland Community College
 Seattle Public Schools
 Seattle University
 Sound Transit
 State of Idaho
 State of Oregon
 University of Oregon
 University of Puget Sound
 University of Washington - UW Technology
 WA School Info Processing Coop. (WSIPC)
 Washington Health Benefit Exchange

HEALTHCARE

Bay Area Hospital
 Bloodworks NW
 CellNetix Pathology & Laboratories
 Central Oregon Radiology Associates, P.C
 Columbia Basin Health Association
 Community Health Association of Spokane
 (CHAS)
 Community Health Center of Snohomish
 County
 Confluence Health
 EvergreenHealth
 Fred Hutchinson Cancer Research Center
 Frontier Behavioral Health
 Grays Harbor Community Hospital
 HealthPoint
 Heritage Health
 Island Hospital
 Kittitas Valley Community Hospital
 Klickitat Valley Health
 Kootenai Health
 Lake Chelan Community Hospital & Clinics
 Legacy Health
 Mason General Hospital & Family of Clinics
 Mid-Columbia Medical Center
 Morton General Hospital
 Moses Lake Community Health Center
 Newport Hospital & Health Services
 Northwest Hospital & Medical Center

Northwest Kidney Centers
 Northwest Permanente, P.C.
 Ocean Beach Hospital & Medical Clinics
 Olympic Medical Center
 Oregon Medical Group
 Overlake Hospital Medical Center
 PeaceHealth System Services Center
 Peninsula Community Health Services
 Pioneer Human Services
 PMH Medical Center
 Proliance Surgeons, Inc.
 Providence Portland Medical Center
 Providence Regional Medical Center Everett
 Pullman Regional Hospital
 Puyallup Tribal Health Authority
 Radia Inc., PS
 Saint Alphonsus Medical Center - Nampa
 Saint Alphonsus Regional Medical Center -
 Boise
 Salem Health
 Samaritan Health Services
 Samaritan Healthcare
 SCCA Proton Therapy Center
 Seattle Cancer Care Alliance (Fred Hutch)
 Seattle Children's
 Skagit Regional Health
 Spokane Eye Clinic
 St. Charles Health System
 Summit Pacific Medical Center
 The Center (Oregon)
 The Doctors Clinic
 The Polyclinic
 Tri-Cities Cancer Center
 University of Washington - Harborview
 Medical Center
 University of Washington Medical Center
 Virginia Garcia Memorial Health Center
 Virginia Mason Medical Center
 Willapa Harbor Hospital
 Yakima Neighborhood Health Services
 Yellowhawk Tribal Health Center

MANUFACTURING

Aleutian Pribilof Island Community
 Development Association (APICDA)

Algas-SDI
 American Seafoods Company
 Applied Technical Services Corporation
 Bob's Red Mill Natural Foods
 Buck Knives, Inc.
 Clearwater Paper Corporation*
 Columbia Sportswear Company*
 Daybreak Oil & Gas, Inc.*
 Deschutes Brewery, Inc.
 Geonerco Management, LLC
 Greenbrier Companies, Inc.*
 Hecla Mining Company*
 IsoRay, Inc.*
 Key Technology, Inc.*
 Nautilus, Inc.*
 Nike, Inc.*
 Northwest Pipe Company*
 PACCAR Inc*
 Pacific Research Laboratories, Inc.
 Potlatch Corporation*
 Preco Electronics, LLC
 Roseburg Forest Products Co.
 Schmitt Industries, Inc.*
 Schnitzer Steel Industries, Inc.*
 UniSea, Inc.
 Weyerhaeuser Company*

SERVICES

Alacritty Services
 Alaska Air Group, Inc.*
 Barrett Business Services, Inc.*
 Blue Nile, Inc.
 Bristol Bay Native Corporation
 Calista Corporation
 Children's Cancer Association
 Clark Nuber
 Community Health Plan of Washington
 Doyon, Limited
 Expedia, Inc.*
 Expeditors International of Washington*
 F5 Networks, Inc.*
 Fairbanks Native Association
 Ferguson Construction, Inc.
 First Choice Health
 Grange Insurance Association
 Lighthouse

Lynden Incorporated
 Marchex, Inc.*
 Milliman, Inc.
 Moss Adams LLP
 Mutual of Enumclaw Insurance Company
 NANA Regional Corporation, Inc.
 Nuvodia / Inland Imaging
 Oregon Mutual Insurance Company
 PacificSource Health Plans
 PAE Engineers
 Perkins Coie LLP
 Pope Resources*
 Quest Solution, Inc.*
 Radiant Logistics, Inc.*
 Red Lion Hotels Corporation*
 SAIF Corporation
 Savers, Inc.
 SPIE
 Thomas Management, LLC
 TriMet
 TrueBlue, Inc.*
 Trupanion*
 US Ecology, Inc.*
 Washington State Bar Association
 World Vision
 Zenith American Solutions, Inc.
 Zillow, Inc.*

UTILITIES

Alaska Communications Systems*
 Avista Corporation*
 Benton Rural Electric Association
 Chugach Electric Association, Inc.*
 Corix Infrastructure Inc.
 Eugene Water & Electric Board (EWEB)
 IDACORP, Inc.*
 Island Network, LLC (Orcas Power & Light
 Cooperative)
 Northwest Natural Gas Company*
 PacifiCorp*
 Portland General Electric Company*
 Puget Sound Energy*
 U.S. Geothermal Inc.*
 Utility Services of Alaska, Inc.
 West Oregon Electric Cooperative, Inc.

JOB DESCRIPTIONS

1. GENERAL INDUSTRY

- 1.01 Chief Executive Officer (CEO)
- 1.02a President / Chief Executive Officer – Group of Subsidiaries / Divisions
- 1.02b President / Chief Executive Officer – Singular Subsidiary / Division
- 1.03 Chief Financial Officer (CFO)
- 1.04 Chief Operating Officer (COO)
- 1.06 Chief Administrative Officer (CAO)
- 1.07 Top Strategic Planning Executive
- 1.08 Chief Information Officer (CIO)
- 1.09 Chief Technology Officer (CTO)
- 1.10 Top Marketing and Sales Executive
- 1.11 Top Marketing Executive
- 1.12 Top Sales Executive
- 1.13 Top Human Resources Executive
- 1.14 Top Legal Executive / General Counsel
- 1.15 Top Manufacturing Executive

2. BANKING INDUSTRY

- 2.01 Chief Credit Administration Officer
- 2.02 Chief Lending Officer
- 2.03 Chief Retail Banking Officers

3. BIOTECH / BIOPHARMACEUTICAL / HEALTHCARE

- 3.01 Chief Medical Officer

GENERAL INDUSTRY

1.01 Chief Executive Officer (CEO)

Establishes current and long-range objectives, plans, and policies of the company. Develops organizational structure and allocates responsibility to senior executive staff. Key representative of the company to customers, outside agencies, and the general public. Intended to be the highest level position of the company. May also be the Chairman of the Board or hold title of President.

1.02a President / Chief Executive Officer – Group of Subsidiaries / Divisions

Top division executive with multiple profit center responsibilities. Responsible for the activities of multiple subsidiaries or divisions of an organization in accordance with objectives, plans, and policies instituted by parent company. Key representative of the subsidiaries or divisions to customers, outside agencies, and the general public. Intended to be the highest level position of the subsidiaries or divisions.

1.02b President / Chief Executive Officer – Singular Subsidiary / Division

Top division executive with singular profit center responsibilities. Responsible for the activities of a singular subsidiary or division of an organization in accordance with objectives, plans, and policies instituted by parent company. Key representative of the subsidiary or division to customers, outside agencies, and the general public. Intended to be the highest level position of a subsidiary or division.

1.03 Chief Financial Officer (CFO)

Responsible for company's overall financial plans and policies as well as its accounting practices and conduct of relationship with lending institutions, shareholders, and financial community. Provides direction for financial functions such as accounting, budgeting, credit, insurance, tax and treasury. Typically reports to the Chief Executive Officer.

1.04 Chief Operating Officer (COO)

Establishes and administers all the activities of the company in accordance with policies and objectives established by Chief Executive Officer and the Board of Directors. Responsible for the execution of the company's strategic plans in functional areas such as operations, financial performance, human resources, and company expansion. Typically reports to the Chief Executive Officer.

JOB DESCRIPTIONS

1.06 Chief Administrative Officer (CAO)

Plans and directs the majority of the company's staff and administrative services areas such as accounting, finance, facilities management, human resources, management information systems, and strategic planning and development. Typically reports to the Chief Operating Officer or Chief Executive Officer.

1.07 Top Strategic Planning Executive

Establishes company's long-range objectives and strategic plans. Sets and defines goals and programs to align with prospective company growth and profitability. Ensures the company is using its resources effectively and efficiently. Typically reports to the Chief Executive Officer.

1.08 Chief Information Officer (CIO)

Recommends, implements, and oversees firm-wide IT initiatives such as security, disaster recovery, operations, and business continuity planning. Directs IT systems and services. Typically requires a degree, with 12+ years of broad and deep technology consulting and technology operations management experience. Reports to Chief Operating Officer or Chief Executive Officer.

1.09 Chief Technology Officer (CTO)

Provides and directs firm-wide current and long-range technology planning. Oversees analysis of purchased systems, hardware and software, or the internal design and development of hardware and software systems. Dispenses technical advice, guidance, and direction to carry out major plans and procedures. Coordinates the design, development, marketing, and maintenance of technology projects or product lines. Analyzes new technologies and runs competitive analyses. Typically requires 12 or more years of experience and a degree. Typically reports to Chief Information Officer, Chief Operating Officer, or Chief Executive Officer.

1.10 Top Marketing and Sales Executive

Establishes objectives, policies, and program goals for the marketing and sales of the company's product(s) and/or service(s). Directs and manages the efforts of marketing and sales personnel. Typically reports to the Chief Operating Officer or Chief Executive Officer. Intended to be the most senior position in marketing and sales. Note: If executive is only responsible for marketing or sales, see either Top Marketing Executive or Top Sales Executive.

1.11 Top Marketing Executive

Plans and implements marketing policies and programs for the company's product(s) and/or service(s). Develops and evaluates the marketing strategy to ensure it strategically aligns with the company's current objectives and long-term goals. Directs and manages the efforts of marketing personnel. Typically reports to the Chief Operating Officer or Chief Executive Officer. Intended to be the most senior position in marketing.

1.12 Top Sales Executive

Plans and implements sales objectives, policies, and procedures for the company's product(s) and/or service(s). Directs and manages the efforts of the sales force. May also oversee customer service functions and be the company's key representative to distributors and/or manufacturers. Typically reports to the Chief Operating Officer or Chief Executive Officer. Intended to be the most senior position in sales.

1.13 Top Human Resources Executive

Plans and implements organizational-wide policies, procedures, and programs for all areas of human resource management, such as employment, employee relations, benefits, compensation, training, ADA and EEO compliance, labor relations, organizational development, safety, and security. Typically reports to the Top Administrative Officer, Chief Operating Officer, or Chief Executive Officer.

JOB DESCRIPTIONS

1.14 Top Legal Executive / General Counsel

Plans and directs the legal events, obligations, and interests of the company. Evaluates company's practices, policies, and activities to ensure they meet regulatory requirements. Provides guidance and legal counsel, interprets and prepares legal documents, and manages company's legal defense. Oversees the Corporate Legal Secretary and supervises the legal staff. Typically reports to the Top Administrative Officer or Chief Executive Officer.

1.15 Top Manufacturing Executive

Plans and directs manufacturing policies and procedures to strategically align the manufacturing process with company current objectives and long-term goals. Ensures all program goals and production activities maintain and/or improve the manufacturing schedule, quality standards and cost objectives of the product. Typically reports to the Chief Operating Officer or Chief Executive Officer.

BANKING INDUSTRY

2.01 Chief Credit Administration Officer

Responsible for administering and overseeing the company's entire loan portfolio. Develops and recommends loan portfolio objectives, loan policies and procedures. Serves as chair of the loan committee. Calls meetings of the committee, prepares agenda, and prescreens loan recommendation. Provides guidance to officers engaged in lending activities.

2.02 Chief Lending Officer

Accountable for all lending activities, including installment/consumer, commercial, and real estate loans made by the bank.

2.03 Chief Retail Banking Officer

Responsible for profitably directing all operations of retail banking, including general administration, budgeting and control, as well as evaluation of efforts. Develops policies and procedures. May also be responsible for branch administration. This position typically reports to the CEO.

BIOTECH / BIOPHARMACEUTICAL / HEALTHCARE

3.01 Chief Medical Officer

Plans, directs, and coordinates all medical and related activities, with the exception of nursing services. Participates in establishing and implementing standards of medical service, and advises on medical and administrative questions and policies. Investigates and implements new medical practices and techniques. Requires an MD.