

COMPENSATION COMMITTEE REPORT
MEETING OF
WEDNESDAY, JULY 8, 2015, AT 1:30 PM

A regular meeting of the Compensation Committee was convened by Chair Ken Haley, at 1:30 PM, in the Board Room at the Gateway complex. Call to Order

Present, in addition to the Chair, were Committee members Mel Fredlund and Bob Kelso. Also in attendance were Warren Salmons, CEO of GRF; Anthony W. Grafals, General Counsel and Director of Confidential Services; and Judith Perkins, Sr. Manager Human Resources. Attendance

The report of the Committee's meeting held on June 17, 2015, was reviewed and approved by the Committee as presented. Report of June 17, 2015 Approved

Board of Directors President Les Birdsall and Directors Sue Adams and Mary Lou Delpuch were also in attendance. No comments were offered by the Board members. Residents' Forum

Perkins provided an overview of the staff report that provided specific information regarding the ways in which the 2013 – 2015 Market/Merit/Promotion Pool funds had been utilized. The ensuing discussion included the following topics: Staff Report 5 a): Market/Merit/Promotion Pool Usage History

- Rewarding unique one-off employee actions from a special pool of money might be considered in the future;
- The Foundation's compensation philosophy, both in theory and as enacted;
- The utility of various governmental indices in guiding wage adjustments;
- Various methods of implementing wage adjustments;
- The need to attract and retain skilled employees and manage costs.

Perkins presented a Summary Report requesting the Committee recommend to the Board of Directors that GRF increase the benefits program for 2016 by \$40,100. This Report, revised from the one presented in June, reflects a decrease in the increase range anticipated for medical benefits. Following a motion duly made, seconded, and discussed, the Committee voted unanimously to approve the recommendation as presented. Old Business: 6 a) Non-Union Benefits Program Recommendation

Perkins then presented a Summary Report requesting the Committee recommend the 2016 budget include a pool of money equal to 3% of wages, up to \$138,000, to be used to adjust non-union compensation. A motion having been duly made, seconded, and discussed, the Committee voted unanimously to approve the recommendation as presented. b) Non-Union Compensation Budget Recommendation

The final Summary Report presented by Perkins requested the Committee recommend to the Board of Directors that the 2016 budget include \$152,200 for the estimated increase in contractual costs. Following the motion, discussion included a synopsis of the history of contractual negotiations leading to the current contract. A motion having been duly made, seconded, and discussed, the Committee voted unanimously to approve the recommendation as presented. New Business 7 a) Contractual Costs

Compensation Committee
July 8, 2015

It was agreed that Grafals would provide the Committee members with a copy of an explanatory memo previously provided to the Board of Directors. Perkins will add that memo to the Compensation Committee Members' Orientation Binder for future reference by new Committee members.

The regular meeting of the Compensation Committee, normally scheduled for Next Meeting August 12, 2015, has been cancelled. The next meeting date will be determined Cancelled after the final budget is approved.

The meeting was adjourned at 2:45 pm.

Adjournment



Kenneth Haley, Chair
Compensation Committee

JP/m