

A G E N D A

COMPENSATION COMMITTEE

MEETING OF
WEDNESDAY, JUNE 8, 2016, AT 1:30 P.M.
BOARD ROOM - GATEWAY

1. MEETING CALLED TO ORDER: Les Birdsall, Chairman
2. ROLL CALL: Birdsall, Adams, Fredlund
3. APPROVAL OF REPORT OF JULY 8, 2015 (Attachment)
4. RESIDENTS' FORUM
5. NEW BUSINESS
 - a. Budget Preparation Timeline (Attachment)
 - b. Review of Compensation Committee Resource Manual (To be distributed at meeting)
 - c. Summary Report: Review Compensation Philosophy (Attachment)
6. NEXT MEETING: Wednesday, July 13, 2016, at 1:30 p.m. in the Board Room at the Gateway complex
7. ADJOURN

If an executive session is necessary, it will be announced during the regular meeting. Executive session topics are restricted to legal, personnel, and third-party contract matters.

Attachments as Noted

cc: GRF Board

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
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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

**2017 GRF Operations Budget
Preparation Timeline**

June 8	Compensation Committee Background & Planning Meeting
June 28	Finance Committee discusses 2017 budget principles
July 13	Compensation Committee develops recommendations for the 2017 budget
July 26	Finance Committee completes recommendations of the Budget principles
July 28	The Board of Directors considers and acts upon the Compensation Committee recommendations. The Board of Directors adopts final budget principles.
July 29 - Sept 2	Staff prepares draft budget.
August 10	<i>If necessary, Compensation Committee meets to complete recommendations for the Board of Directors.</i>
August 25	<i>If necessary, Compensation Committee recommendations are considered by the Board of Directors.</i>
Sept 6	Staff delivers draft 2017 budget to the GRF Board, Finance Committee, with copies to website and library.
Sept 13 - 14	Staff reviews the draft 2017 budget at a joint meeting of the Board of Directors/Finance Committee
Sept 27	Finance Committee discusses the draft budget and prepares recommendations to the Board of Directors
Sept 29 *	The Board of Directors finalizes the 2017 GRF Operations Budget

Agenda Item: 5 c
Subject: Review of Compensation
Philosophy
Meeting Date: June 8, 2016

SUMMARY REPORT
GOLDEN RAIN FOUNDATION COMPENSATION COMMITTEE

REPORT PREPARED BY:

Judith Perkins, Sr. Manager Human Resources and
Anthony W. Grafals, General Counsel and Director of Confidential Services

RECOMMENDATION

Review and ratify the compensation philosophy as written and recommend to the Board of Directors that it be adopted as budget principle for the 2017 budget planning process.

BACKGROUND:

The current compensation philosophy was approved by the Board of Directors at the July 28, 2011, meeting. The compensation philosophy serves as the foundation for all compensation related decisions for the organization, and therefore needs to reflect the views of decision makers.

In the past, the compensation philosophy has not been well incorporated into compensation discussions, but has been relied on by staff in its practices. In order to fully integrate the compensation philosophy into the decision making process, staff recommends that it be submitted as a budget principal.

SUBSEQUENT ACTIONS:

If the Committee accepts staff's recommendation, staff will prepare a summary report requesting the inclusion of the compensation philosophy as a budget principle for the 2017 budget planning process.

ATTACHMENTS:

1) Golden Rain Foundation Compensation Philosophy

Golden Rain Foundation Compensation Philosophy

Golden Rain Foundation of Walnut Creek (GRF) relies upon the skills and abilities of its employees to create a superior living experience for the residents of Rossmore Walnut Creek. In order to attract and retain competent, experienced employees, GRF offers them competitive compensation and benefits in a congenial work environment. GRF's strategy is to focus on maximizing financial efficiency. By relying primarily on experienced employees, total compensation costs can be controlled while still positioning GRF to provide superior levels of service and cooperation in order to meet residents' demands.

Approved by the Compensation Committee July 11, 2011
Approved by the Board of Directors July 28, 2011