

COMPENSATION COMMITTEE REPORT
MEETING OF
WEDNESDAY, JUNE 17, 2015, AT 1:30 PM

A regular meeting of the Compensation Committee was convened by Chair Ken Haley, at 1:31 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 April 8, 2015, was reviewed and approved by the Committee as presented. [Report of April 8, 2015 Approved](#)

Directors Les Birdsall, Sue Adams, and Mary Lou Delpech were present; no comments were offered. [Residents' Forum](#)

Ken welcomed the new Board members to the Committee, and gave a brief overview of the Committee's purpose and work. He also invited the other Board members present to offer comments during the meeting. [Chair's Welcome](#)

Perkins presented the members with the Compensation Committee Orientation Binder, and provided a brief overview of the materials included. The Committee members were invited to review the binder contents at their convenience. Board members may review the Orientation Binder by making an appointment with Perkins. The timeline for preparing the 2016 budget was also reviewed, with an emphasis on Compensation Committee recommendation due dates. Finally, Perkins reviewed the Committee meeting calendar for 2015-2016, noting that actual meeting dates can be changed as needed by action of the Committee. The ensuing discussion reviewed the purpose and outcomes of the 2011 total compensation survey; the 2008-2015 compensation and benefits milestones; the compensation philosophy; the effect of Committee and Board compensation and benefit actions on employees; the need to find and maintain a balance between resident financial concerns and the costs of operating the Foundation. [New Business](#)
[6 a –c: Members' Orientation Binder; 2016 Budget Prep Calendar, 2015 Committee Calendar](#)

Perkins then reviewed the benefits program information, and the anticipated cost changes. Because new information was received this week, Perkins was asked to recast the summary report with that information, and bring this item back to the Committee for action at the July meeting. [6 d: 2016 Benefits Program Budget](#)

The Committee historically recommends an amount to be budgeted for wage increases in the ensuing year. Perkins reviewed the recommendation for 2016. The subsequent discussion included an overview of the compensation management structure, how it is maintained and adjusted; the current use of lump sums as both merit for employees at or near the top of their compensation range, and to recognize outstanding performance; and the timing for GRF's next consultant-led compensation review. The Committee also briefly discussed the timing for the next [6 e: 2016 Non-Union Compensation Adjustment Pool](#)

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benefits broker RFQ process. Additional information was requested regarding how the wage pool has been used in the past. Perkins will collect that information, and was directed to bring this item back to the Committee for action at the July meeting.

After a brief ad hoc discussion, the Committee agreed with Grafals' suggestion and will review the Union contractual requirements at the July open meeting. Perkins will amend the budget timeline and the Committee calendar to reflect this change.

Union
Discussion

The next meeting of the Compensation Committee will be at 1:30 p.m. on Wednesday, July 8, 2015, in the Board Room at the Gateway Administration Building.

Next Meeting

The meeting was adjourned at 3:18 pm.

Adjournment



Kenneth Haley, Chair
Compensation Committee

JP/m