



CONVENTION AND VISITORS AUTHORITY

Compensation Committee Meeting

August 26, 2008

DRAFT Minutes

The Compensation Committee meeting was held the 26th day of August 2008 in the Las Vegas Convention Center Board Room, 3150 Paradise Road, Las Vegas, Nevada. This meeting had been properly noticed and posted in compliance with the "Nevada Open Meeting Law."

I. OPENING CEREMONIES

CALL TO ORDER The meeting was called to order at 9:42 a.m. by Committee Chair James Gibson. On roll call the all of the committee members were present.

Committee Members: Mayor James Gibson, Chair
Mr. Chuck Bowling
Mayor Michael Montandon

Board Member in attendance: Mayor Oscar Goodman, Ex-Officio

LVCVA Executive Staff in Attendance: Mr. Rossi Ralenkotter, President/CEO
Mr. E. James Gans, Sr. Vice President of Operations
Mr. Terry Jicinsky, Sr. Vice President of Marketing
Mr. Luke Puschnig, Esq., Legal Counsel
Mr. Mark Olson, Vice President of Human Resources

APPROVAL OF THE AGENDA President Rossi Ralenkotter informed the committee that the August 26, 2008 Compensation Committee Meeting Agenda was in order for approval.

Member Michael Montandon moved and it was carried by unanimous vote of the members present to approve the August 26, 2008 Compensation Committee Meeting Agenda as presented.

II. STAFF REPORTS

President/CEO's Annual Evaluation

President Rossi Ralenkotter presented an overview of his fiscal year 2008 goals and objectives and the results thereof. Included in the back-up documentation were the: 'Awards Received by the LVCVA During Fiscal Year 2008'; 'Destination Las Vegas Marketing Plan 2007 and Beyond'; and 'Research Publications Compiled and Distributed by the LVCVA'.

President/CEO Ralenkotter also outlined his Fiscal Year 2009 Goals and Objectives.

The Committee praised President Rossi Ralenkotter for his accomplishments and commended him for his efforts and positive results on all of the goals set forth for fiscal year 2008. They discussed the special challenges of the past six months due to the difficult economic conditions across the country.

President Ralenkotter discussed the slow-downs in the key market indicators that impact travel to the Las Vegas destination such as: the higher gasoline prices which reduce automobile traffic; airline seat and pricing challenges; reduced leisure and convention delegate spending; higher unemployment rates, and a lack of consumer confidence reflected in an environment that is complex, unpredictable and challenging.

In order to address these challenging market conditions, he recommended the following to the Committee: 1) Cap fiscal year 2008 performance incentive compensation for the Executive Team at the fiscal year 2007 levels; 2) Freeze the base-pay for the Executive Team at the July 1, 2007 levels, and 3) As part of the freeze on base-pay, a temporary suspension of the Performance Incentive Compensation Plan for the Executive Team.

President Ralenkotter explained that the net effect of his recommendation could decrease approximately 27% (net) in the Executive Team compensation for fiscal year 2008.

Committee Chair James Gibson proposed that in light of the previous discussion concerning the current economic conditions, the committee accept President/CEO Ralenkotter's recommendation.

Following the discussion, Member Michael Montandon moved to forward the following recommendation to the full Board for possible action: 1) That compensation levels for the Executive Staff be set at up-to the dollar figures they were in fiscal year 2007; and 2) To approve the President/CEO's fiscal year 2009 goals.

Mayor Oscar Goodman left the meeting.

Legal Counsel's
Annual Evaluation

Legal Counsel Luke Puschnig addressed the committee advising them that he supports President Ralenkotter's salary and bonus recommendation. He said that the economy is very important to the organization and the Executive Team is united in this matter.

Legal Counsel briefly discussed a few of his goals and achievements during fiscal year 2008, some of which included: Participation in the Master Plan Enhancement Program, including the institution of the new CMAR [*Construction Manager-At-Risk*] program for public works projects, as well as his work on the real estate transactions; Investigating and obtaining the appropriate amount and scope of insurance for the Las Vegas Convention and Visitors Authority; and, review of all contracts. Legal Counsel Luke Puschnig also obtained his Certification in Exhibition Management distinction from IAEE, which he accomplished in nine (9) months.

Mr. Puschnig acknowledged the LVCVA staff for their support and assistance in making these accomplishments possible.

Included in the back-up documentation were Legal Counsel's Fiscal Year 2009 Goals and Objectives for the Committee's review.

The Committee members praised Luke Puschnig for the remarkable job he has done this past year. They discussed the uniqueness of his position, his professionalism and the respect he has acquired throughout the industry, as well as his admirable performance over the evaluation period.

President Ralenkotter added that Luke's coordinating efforts with outside counsel, as well as his expertise about bureaus and convention centers and how they operate is a valuable asset to the LVCVA on a day-to-day basis.

Following the discussion, Member Michael Montandon moved to forward the following recommendation to the full Board for possible action: 1) That the compensation level for Legal Counsel Luke Puschnig, as a member of the Executive Staff and based on the recommendation of the President/CEO, be set at up-to the dollar figure it was in fiscal year 2007; and 2) To approve the Legal Counsel's fiscal year 2009 goals as presented.

III. SET NEXT MEETING DATE

The next meeting of the Compensation Committee will be at the call of the Committee Chair.

IV. DIRECTORS' RECOGNITION

There were no additional comments from the Committee Members



V. COMMENTS FROM THE FLOOR BY THE PUBLIC

There were no comments from the floor by the public.

VI. ADJOURNMENT

There being no further business to come before the Compensation Committee, Chair James Gibson adjourned the meeting 10:53 a.m.

Respectfully submitted,

Date Approved: _____

Draft Approved: _____

Carol Fergen
Executive Assistant to the Board

James Gibson
Compensation Committee Chairman