



CONVENTION AND VISITORS AUTHORITY

Compensation Committee Meeting
June 13, 2006
Minutes

The Compensation Committee meeting was held the 13th day of June 2006 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."

CALL TO ORDER The meeting was called to order at 9:55 a.m. by Committee Chair James Gibson. On roll call the all of the committee members were present, constituting a quorum of the committee thereof.

Committee Members in Attendance: James Gibson, Chair
Chuck Bowling
Michael Montandon

Board Member in attendance: Oscar Goodman, Ex-Officio

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

LVCVA Staff Absent: Terry Jicinsky, Sr. Vice President of Marketing

APPROVAL OF AGENDA AND THE MINUTES OF October 6, 2005

Committee Chair James Gibson moved it was carried by unanimous vote of the committee members to approve the June 13, 2006 Agenda, and the Minutes of the October 6, 2005 Compensation Committee meeting as presented.

PRESIDENT/CEO's ANNUAL EVALUATION

President/CEO Rossi Ralenkotter presented an overview of his fiscal year 2005/2006 goals and objectives. He briefly discussed: LVCVA's continued partnering with the resort industry to increase visitor volume and room nights while maintaining an effective average daily rate; 449 leads were generated during the fiscal year with a conversion rate of 26.6%; Customer service and satisfaction studies with the LVCVA's building customers continues; and, Occupancy level of the Las Vegas Convention Center was 76%. President Ralenkotter discussed advertising awareness campaigns through R&R Partners; the five-year Vision Plan; and, The LVCVA is working closely with McCarran Airport to increase international flights into Las Vegas.

PRESIDENT/CEO's
ANNUAL
EVALUATION
(Continued)

Other accomplishments during the fiscal year included the Vegas Certified Travel Agent Program; LVCVA retaining its Number One Tradeshow Destination for the 12th consecutive year; and, New diversity marketing programs have been incorporated at the LVCVA. Additionally, the LVCVA worked closely with Las Vegas Events on the extension of the National Finals Rodeo contract through the year 2014, as well as landing the 2007 National Basketball Association All-Star Game. Currently, the LVCVA is working with Las Vegas Events to get another NASCAR Race in Las Vegas during the Fall season.

President/CEO Ralenkotter briefly reviewed other issues relative to his goals, including: The increase in website traffic, which is up 30%; Referrals to hotel properties is up 62%; and, Database increased 87%. He briefly discussed coordination activities with the extended destinations of Boulder City, Mesquite and Laughlin.

Numerous other activities, awards, and achievements were reported to the Committee, and a brief overview of the many committees President Ralenkotter serves on, which include the *Las Vegas Centennial Celebration Committee*, *Blue Ribbon Task Force* from the Governor's Office on transportation issues, the *County's Blue Ribbon Commission on Fuel Supply*, and the *Special Events Center Task Force*, just to name a few. He most recently received the Employer of the Year Award from ESMA.

The Committee members praised President/CEO Rossi Ralenkotter for his accomplishments, and commended him for his efforts and positive results on all of the goals set forth for the 2005/2006 fiscal year. They congratulated him, not just for his success in the market trend, but also for bringing the LVCVA employees together with a common goal.

The Committee members discussed salary ranges and comparisons to other visitor bureaus and convention centers.

Following the discussion, the final motion by Committee Member Michael Montandon was carried by unanimous vote of the Committee members to recommend to the full Board: 1) A 5% increase to the President/CEO's base salary, plus a \$60,000 incentive bonus, bringing the President/CEO's total annual salary to \$308,714; and, 2) Approval of the President/CEO's Fiscal Year 2006/2007 Goals and Objectives, as presented.

President/CEO Rossi Ralenkotter thanked the Committee for their confidence, and acknowledged the LVCVA employees for their hard work in making it all happen.

Ex-Officio Oscar Goodman left the meeting.

LEGAL COUNSEL'S
ANNUAL
EVALUATION

Legal Counsel Luke Puschnig discussed his goals achieved during fiscal year 2005/2006. He detailed his work on: the expansion project; implementation of the self-insured workers' compensation program; industry activities related to travel industry and/or risk management; the takeover and implementation of intellectual management for the LVCVA; participation in Leadership Las Vegas Program; implementation of the Board policy review process; and, insurance and adjusted claims.

Mr. Puschnig highlighted accomplishments outside the normal scope of his job such as the negotiations for difficult contracts, including: the National Basketball Association All-Star Game; Professional Rodeo Cowboy Association contract through 2014; as well as other accomplishments such as: acquisition of the Frey property, handling of Civic Rent; his participation in Let Freedom Ring, and serving as Secretary on the Clark County Law Library Board of Trustees.

Following a brief discussion on whether Legal Counsel needed to submit his Goals and Objectives for fiscal year 2006/2007 to the Committee at this time, Mr. Puschnig discussed in detail the six goals he and President Ralenkotter agreed on. Those six goals included: Continue to participate in the enhancement program; Continue with the Board Policy review process, Continue to participate in industry activities related to legal aspects of the travel industry and/or risk management for public agencies; Enroll and participate in the Certified Destination Management Executive educational program; Assist lobbying efforts for the 2007 Nevada State Legislature by continuing to perform research, etc.; and, investigate and obtain the appropriate amount scope of insurance of the LVCVA within budget.

The Committee discussed how the percentage of base salary and incentive bonus should be distributed. They agreed to stay consistent with the executive team level, and follow the recommendation of the President/CEO of a 5% increase to Legal Counsel's base salary, and a 13% incentive bonus.

Following the discussion, the final motion by Committee Member Charles Bowling was carried by unanimous vote of the Committee members to recommend to the full Board: 1) A 5% increase to Legal Counsel's base salary, plus a 13% incentive bonus, bringing Legal Counsel's total annual salary to \$144,622; and, 2) Approval of Legal Counsel's Fiscal Year 2006/2007 Goals and Objectives, as presented.

SET NEXT
MEETING DATE

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

DIRECTORS'
COMMENTS

There were no comments from the committee members.

COMMENTS FROM THE FLOOR BY THE PUBLIC There were no comments from the floor by the public.

ADJOURNMENT Committee Chairman James Gibson adjourned the meeting at 11:04 a.m.

Respectfully submitted,

Date Approved: August 8, 2006

(s)
Carol Fergen
Executive Assistant to the Board

(s)
James Gibson
Compensation Committee Chairman