



CONVENTION AND VISITORS AUTHORITY

Compensation Committee Meeting
October 6, 2005
Minutes

The Compensation Committee of the Board of Directors of the Las Vegas Convention and Visitors Authority held a meeting the 6th day of October 2005 at the Las Vegas Convention Center in the Board Room at 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

Chair James Gibson called the meeting to order at 8:19 a.m. On roll call the following committee members were present, constituting a quorum of the committee thereof:

- Committee Members in Attendance: James Gibson, Committee Chair
Chuck Bowling
- Committee Members Absent: Michael Montandon
- Other Board Members in Attendance Oscar Goodman (ex-officio)
- LVCVA Executive Staff in Attendance: Rossi Ralenkotter, President/CEO
E. James Gans, Senior Vice President – Operations Division
Terry Jicinsky, Senior Vice President – Marketing Division
Luke Puschnig, Legal Counsel
Mark Olson, Vice President - Human Resources

APPROVAL OF
AGENDA AND
APPROVAL OF
MINUTES

Committee Chair James Gibson moved and it was carried by unanimous vote of the committee members present to approve the October 6, 2005 Agenda, and the Minutes of August 31, 2005 meeting as presented.

PRESIDENT’S
MEASURABLE
GOALS

At the September 13, 2005 meeting, the Board requested the President’s current goals and objectives be reviewed and adjusted to ensure they define measurable standards. Staff updated the President’s goals and submitted them for the Committee’s review and approval.

Staff requested the President be evaluated on a fiscal year basis rather than in January, and that the President’s Goals be submitted in July to be consistent with his evaluation.

The Committee discussed a pay-for-performance approach with more specific measurable goals and objectives to help the committee with their evaluation of employee performance.

There was no action taken by the Committee on this item.

COMPENSATION
PHILOSOPHY

At the September 13, 2005 meeting, the Board requested a Compensation Philosophy that reflects the requirements for goals and measurable objectives by which to evaluate an employee's performance. Staff submitted a Compensation Philosophy to the Committee for their review and comments.

The Committee requested the language be revised in the Compensation Philosophy to include tractable goals with a more specific pay-for-performance philosophy by which to measure the employee's performance.

Member Charles Bowling moved and it was carried by unanimous vote of the committee members present to approve and submit the Compensation Philosophy, with the changes requested, to the full Board for approval at the October 11, 2005 meeting.

PERFORMANCE
INCENTIVE

At the September 13, 2005 meeting, the Board requested a recommendation on the Performance Incentive percentages that would provide true pay-for-performance incentives.

Vice President of Human Resources Mark Olson reported that the Fox Lawson Compensation Survey indicated that the LVCVA's current 8% incentive for Management and Executive classes, excluding the President, is below the average performance incentive of 11.25% at other bureaus and convention authorities. He explained that this is somewhat misleading because sales and marketing classifications average over 15% and other classifications average between 6% and 9%. He said that given that this is the largest, most complex convention and visitors authority, an adjustment is warranted. Staff recommended a Performance Incentive of up to 15% for Management Class and up to 20% for Executive Class.

The Committee discussed pay-for-performance incentives that would be based on the achievement of the employee's targeted goals. They agreed that the President's Targeted Incentive should be in the range of 25%, depending on performance and accomplishing targeted goals, and up to 35% for exceptional performance.

Member James Gibson moved to approve and to submit the following Performance Incentives to the full Board for their approval at the October 11, 2005 meeting: A Performance Incentive base of 15% for the Management Class; 20% for the Executive Class; and 25% for the President; with the opportunity exceed that amount relative to an exceptional performance, at the discretion of the Committee and the Board.

SET THE NEXT MEETING The next meeting of the Compensation Committee is tentatively set for January 10, 2006, or at the Call of the Chair.

DIRECTORS' COMMENTS There were no comments from the Directors.

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

ADJOURNMENT Committee Chair James Gibson adjourned the meeting at 8:41 a.m.

Respectfully submitted,

(s)

Carol Fergen
Executive Assistant to the Board

Approved: _____

(s)

James Gibson
Committee Chair