



Thursday, January 19, 2017
GCEDC- Innovation Zone Conference Room, Suite 107
Employment & Compensation Committee Meeting
2:00 pm

MINUTES

ATTENDANCE

Committee Members: M. Wiater, M. Gray, P. Battaglia
Agency Members: J. Rizzo
Staff: M. Masse, L. Farrell, E. Richardson, P. Kennett
Guests:
Absent: M. Davis

1. CALL TO ORDER / ENTER PUBLIC SESSION

M. Wiater called the meeting to order at 2:22 p.m. in the GCEDC Innovation Zone Conference Room.

2. EXECUTIVE SESSION

P. Battaglia made a motion to enter executive session under the Public Officers Law, Article 7, Open Meetings Law Section 105, at 2:22p.m., for the following reasons:

1. To discuss the medical, financial, credit or employment history of a particular person or corporation, or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of a particular person or corporation.

The motion was seconded by M. Gray and approved by all members present.

Staff members left the meeting at 2:22pm.

RE-ENTER PUBLIC SESSION

M. Gray made a motion to enter back into public session at 2:49 p.m., seconded by P. Zeliff and approved by all.

Staff members rejoined the meeting at 2:49pm.

3. CHAIRMAN'S REPORT & ACTIVITIES

3a. Agenda Additions / Deletions / Other Business – M. Wiater asked the Committee to remove item 4b CEO Employment Contract from the agenda.

M. Gray made a motion to remove item 4b CEO Employment Contract from the agenda; the motion was seconded by P. Battaglia. Roll call resulted as follows:

M. Wiater -	Yes
P. Battaglia -	Yes
M. Gray -	Yes
M. Davis -	Absent

The item was approved as presented.

3b. Minutes: November 15, 2016, December 1, 2016 & December 16, 2016

M. Gray made a motion to approve the November 15, 2016, December 1, 2016 & December 16, 2016 Minutes; the motion was seconded by P. Battaglia. Roll call resulted as follows:

M. Wiater -	Yes
P. Battaglia -	Yes
M. Gray -	Yes
M. Davis -	Absent

The item was approved as presented.

4. DISCUSSIONS / OFFICIAL RECOMMENDATIONS TO THE BOARD

4a. 2017 Agency Goals – M. Masse shared the proposed 2017 Agency goals with the Committee. They are as follows:

1. Secure capital / business investment commitments of \$39 million.

2. Secure pledges to create 122 jobs.
3. Achieve the GCEDC 2017 budget from a bottom line financial operation performance (EBITDA) standpoint.
4. Continue enhancing GCEDC's municipal outreach program. Continue engagements with regional stakeholders focused on visits with municipalities and school districts.
5. Continue site development activities at the tech and industrial parks supporting investment and job goals.
6. Continue active sales and marketing efforts focused on company attractions, expansions and retentions to achieve our investment and job goals.
7. Continue workforce development initiatives and programming with our education partners focused on worker pipeline enhancement enabling growth from our existing businesses and supporting company attractions.
8. Commence strategic planning and related activities regarding STAMP Track II infrastructure expansion and funding requirements.

M. Masse added that the capital investment and job creation goals are based on an average of the last four years of actual pledged capital investment and job creation. Mega projects and one-time larger projects were removed from this average. The other suggested goals are somewhat over-arching goals that the entire staff can work towards achieving. In the past, the goals had been more task specific and the change to broader goals for the Agency made more sense.

P. Battaglia asked if the Agency typically uses an average of the last several years to come up with its capital investment and job creation goals.

M. Masse shared that the Committee generally starts with an average as a baseline and it is then up to the Board's discretion to determine if they feel that is appropriate. Last year, the Board had information that a large project would most likely close in 2016 so those job numbers and capital investment were included in the 2016 Agency goals.

P. Battaglia asked if the staff has a sales pipeline that should be considered as a part of this decision.

M. Masse shared that there is a sales pipeline list that will be shared with the Board during executive session of the regular GCEDC board meeting.

M. Wiater suggested that the Committee not make a recommendation prior to reviewing the sales pipeline provided by the staff. The Board can review the sales pipeline in the GCEDC board meeting and determine if the proposed goals line up.

4b. ~~CEO Employment Contract~~ – Removed from the Agenda.

4c. New Exempt Employee Rules – Final Ruling – L. Farrell shared that the NYS Department of Labor published final rules regarding the increased salary thresholds for Executive and Administrative positions to be considered exempt from overtime. Employees who meet the duties test under the Fair Labor Standards Act (FLSA) for Executive and Administrative exemptions must also meet more stringent salary level requirements in New York to be exempt. These thresholds are not as high as originally proposed though.

A threshold of \$47,476 was originally planned to take effect as of December 1, 2016. Because of this, the Operations Manager and Staff Accountant positions were converted from salary to hourly positions. The final ruling has now implemented a threshold of \$727.50 per week (\$37,830/year). The Operations Manager now meets the qualifications to be an exempt employee.

L. Farrell asked the Committee to recommend to the full board reverting the Operations Manager position back to an exempt/salaried position.

P. Battaglia made a motion to recommend to the full board reverting the Operations Manager position back to an exempt/salaried position effective January 20, 2017; the motion was seconded by M. Gray. Roll call resulted as follows:

M. Wiater -	Yes
P. Battaglia -	Yes
M. Gray -	Yes
M. Davis -	Absent

The item was approved as presented.

4d. Administrative Guidelines and Procedures Revision – L. Farrell shared that the Administrative Guidelines and Procedures document was updated to include changes that were made at the last board meeting related to employer contributions to benefits. Under Compensation, Reimbursement and Attendance, Section C Salary Increase, language has been changed to be consistent with the processes established at the end of 2016. Any salary increases must be reviewed by the Employment & Compensation Committee instead of requiring an approval. Section F Compensatory Time is being removed. Rules have changed since this was last updated and this is not allowed anymore. Under Fringe Benefits, Section A Health/Dental has been updated to reflect the Board's approval to reduce Agency contributions to health and dental benefits to 85% from 90%. The contribution has also been reduced by 5% for part time employees. Section B Flexible Spending Account

and Section C Medical Reimbursement Account have been removed as the Agency no longer uses these types of accounts. Section G Disability Benefits reflect an 85% contribution by the Agency as well.

P. Battaglia made a motion to recommend to the full Board the Administrative Guidelines and Procedures Revision as presented; the motion was seconded by M. Gray. Roll call resulted as follows:

M. Wiater -	Yes
P. Battaglia -	Yes
M. Gray -	Yes
M. Davis -	Absent

The item was approved as presented.

4e. Employment & Compensation Committee Policy Revision – L. Farrell shared a revised Employment & Compensation Committee Policy with the committee. The revisions include a change to Section 2: Committee Members. Language was changed to match the charters for the Audit & Finance Committee and Governance & Nominating Committee to state that the committee shall be made up of the Board Chair plus three members of the Board. Lastly, language was added to state that “The CEO will review annual merit increase recommendations with the Employment & Compensation Committee in Executive Session.

P. Battaglia made a motion to recommend approval to the full Board the Revised Employment & Compensation Committee Policy as presented; the motion was seconded by M. Gray. Roll call resulted as follows:

M. Wiater -	Yes
P. Battaglia -	Yes
M. Gray -	Yes
M. Davis -	Absent

The item was approved as presented.

4f. Benchmarking Study Proposals – L. Farrell shared, as requested by the committee, proposals for a Benchmarking Study to be completed for all full-time positions at the Agency. Two proposals were received. Quotes are as follows:

Jorgenson Consulting - \$9,000
Burke Group - \$3,500

M. Wiater shared that there is a big discrepancy in pricing between the two proposals.

P. Battaglia asked the process in which the two proposals were received. Why are they so different in price?

L. Farrell shared that both companies asked the same questions. They asked if the study was just for the CEO or all full-time positions. They both based their proposals on eight staff members. They both asked information about what type of entity the Agency was. The Burke Group seemed more familiar with how our Agency operates. They had recently done a study for Greater Rochester Enterprise. There was no discrepancy in the information that was provided to these companies.

P. Battaglia shared that he has worked with the Burke Group in the past and they provide good information.

This topic will be discussed with the full Board and approval will be requested for the Committee to spend up to \$3,500 with a consultant for a bench marking study.

5. ADJOURNMENT

As there was no further business, P. Battaglia made a motion to adjourn at 3:07p.m., seconded by M. Gray and passed unanimously.