

# MINUTES

## HOUSTON FIRST CORPORATION

### **BENEFITS & COMPENSATION COMMITTEE**

**APRIL 3, 2018**

**2<sup>nd</sup> FLOOR, CONFERENCE ROOM ONE**

The Benefits and Compensation Committee of Houston First Corporation (the "Corporation"), a Texas non-profit corporation created and organized by the City of Houston as a local government corporation pursuant to TEX.TRANSF.CODE ANN. §431.101 et seq. and TEX.LOC.GOV'T.CODE ANN §394.001 et seq., held a meeting in the Partnership Tower, 2<sup>nd</sup> floor, Conference Room One, 701 Avenida de las Americas, Houston, Harris County, Texas 77010, on Tuesday, April 3, 2018, commencing at 9:00 a.m.

Written notice of the meeting including the date, hour, place and agenda for the meeting, was posted in accordance with the Texas Open Meetings Act.

The following members participated in the meeting: Alex Brennan Martin, Bobby Singh, Sofia Adrogué, Nicki Keenan, Council Member Dave Martin and Kevin O'Brien. Ryan Gullion was absent.

Chairperson Brennan-Martin called the meeting to order at approximately 9:01 a.m. and a quorum was established.

1. **Public Comments.** None.
2. **Approval of Minutes.** Following a motion duly seconded, the minutes of the January 23, 2018 meeting was approved as presented.
3. **Committee Business.**
  - A. **Consideration and possible approval of the 2018 Partnerships and Event Development Plan.**

Michael Heckman provided information related to this item. He stated that the Plan was enhanced in 2014 following the alignment of Houston First and the Greater Houston Convention & Visitors Bureau, but had not changed since that time. Following his presentation, Mr. Heckman introduced Mr. Chris Pappas, Chair of the Joint Entrepreneurial Committee, who advised the Benefits & Compensation Committee that this item as presented was thoroughly discussed and unanimously recommended in the Joint Entrepreneurial Committee meeting on February 19, 2018. Mr. Pappas stated that comparables were considered prior to approval of the Plan and it was found that they had similar structures, but were more generous than the Houston First's Partnerships and Event Development Plan. Following a motion duly seconded, the 2018 Partnerships and Event Development Plan was approved as presented.

B. **Consideration and possible approval of the Implementation of the 2018 Employee Merit Program.** A motion was made and duly seconded to open the floor to discussion on this item. Brenda Bazan read the section from the 2017 Compensation Philosophy which stated that "The President shall notify the staff in the event of unexpected economic events making it imprudent to use all or any part of the budgeted pool as may be determined by the Benefits and Compensation Committee no later than April of any year before evaluations begin." Ms. Bazan proposed postponing this item until the Benefits & Compensation Committee meeting on June 5, 2018 to provide additional time to assess the financial condition of the Corporation after two quarters of Hotel Occupancy Tax receipts and five months of revenues and expenses. Following discussion, the Committee agreed to postpone this item until the June 5, 2018 Benefits & Compensation Committee meeting.

4. **Updates.**

A. **CEO Listening Tours.** This item was taken out of order. Brenda Bazan stated that she had met with all but two departments. Two changes have been made as a result of the listening tours already completed. First, the PTO policy was changed to combine all 'buckets' into one to eliminate confusion and secondly, exempt employees no longer had to clock in to the Kronos time System upon arrival at work.

5. **Committee Business (continued).**

C. **Consideration and possible approval of an amendment to the 2017 and 2018 Sales Incentive Programs.** A motion was made and duly seconded to open the floor to discussion on this item. Alex Brennan-Martin asked the Committee to turn to page six of the 2018 Sales Commission Plan and called their attention to the amendment indicated in yellow. In summary, the Executive Vice President, the Senior Vice President of Sales and the Vice President of Market Strategy were being moved from the Executive Incentive Program to the Sales Incentive Program. A request was made to provide a deep dive into the sales process at a future Board meeting, as well as regular updates on bookings that includes incentives, competition, etc. Following discussion, the Committee approved the amendment to the 2017 and 2018 Sales Incentive Programs.

6. **Updates (continued).**

B. **Employee Awards.** Annette Goldberg advised the Committee that there were two awards issued annually to employees, the Employee of the Year and the Terry Beutler Award. Since the New Year, New You event had to be postponed, a "Save the Best for Last" event was being planned to present the 2017 awards. Invitations would be sent out shortly.

The meeting adjourned at approximately 10:12 a.m.