

HOUSTON FIRST CORPORATION
MINUTES OF THE
BENEFITS AND COMPENSATION COMMITTEE

AUGUST 22, 2017

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.TRANSP.CODE ANN. §431.101 et seq. and TEX.LOC.GOV'T.CODE ANN §394.001 et seq., held a meeting in the Partnership Tower, 2nd floor, Conference Room One, 701 Avenida de las Americas, Houston, Harris County, Texas 77010, on Wednesday, August 22, 2017, commencing at 3:30 P.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, Elizabeth Brock, Ryan Guillion, Council Member Martin, Kevin O'Brien, Paul Puente and Dawn Ullrich.

Chairperson Brennan-Martin called the meeting to order at approximately 3:30 P.M. and a quorum was established.

1. **Public Comments.** None.
2. **Approval of Minutes.** Following a motion duly seconded, the minutes of the June 7, 2017 meeting were approved as presented. Elizabeth Brock, Council Member Martin and Paul Puente were not in attendance at the time of the vote.

Item VI.A. was taken out of order.

3. **Consideration of and possible recommendation of the 2018 Compensation Philosophy.** Dawn Ullrich stated that there would be no action on this item until the next meeting. To provide background for the committee members, Ms. Ullrich provided the history, background, inception of HFC, the "Zen of Compensation Philosophy" by Daniel Pink and Houston First's compensation goals. Following her presentation, Brenda Bazan discussed the various components of the Compensation Philosophy, which included base pay.
3. **Presentations.**
 - a. **Report on ChaseSource Findings.** Ms. Bazan stated that job descriptions (not titles) were provided to the consultant to price the jobs at market. The findings indicated that there was a disparity among upper level management. Further, she stated that a market study would occur every three years and another study would be conducted in 2018.
 - b. **Budget Parameters for 2018 Merit and Bonus Pay.** Ms. Bazan continued with an overview of the components related to the merit program and the historical award percentages from 2015 to 2017. She stated that merit was dialed back to 2% in 2017 and executive staff relinquished their merit increase.

