
MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

Executive Committee Minutes

September 13, 2016
10 a.m. – 12 p.m.
300 N. Washington Sq. Lansing, MI 48913

Members Present:

Jerry Poisson	Dave Meador	John Brown
Tom Moran	Doug Rothwell	Chris Rizik
Jack O'Reilly	Dave Washburn	Dave Armstrong
Fritz Erickson	Anmar Sarafa	Robert Collier
Greg Northrup		

Member Present via Phone:

Christine MacInnes	Jeff Noel	David Sowerby
--------------------	-----------	---------------

Members Absent:

Karen Weaver	Lizabeth Ardisana	Jeff Metts
Scott Newman-Bale		

Staff Present:

Steve Arwood	Jennifer Nelson	Lynne Feldpausch
Greg Tedder	Amanda Bright-McClanahan	Amiee Evans
Christin Armstrong	Valerie Hoag	Steve Bakkal
Eric Shreffler (by phone)		

I. Call to order

Mr. Rothwell called the meeting to order at 10:01 am. The meeting was held at Michigan Economic Development Corporation, 300 N. Washington Sq. Lansing, Michigan.

II. Public Comment

Mr. Rothwell invited public comment, there was none.

III. Chairman's Report

Mr. Rothwell asked if there were any questions, changes, or corrections regarding the July meeting minutes. *There being none, Mr. Poisson moved to approve the minutes of the July meeting. Mr. Armstrong supported the motion. The motion passed unanimously.*

Mr. Rothwell introduced a resolution that would allow the President and CEO or the Chief Administrative Officer to be the authorized signatories for fund and asset transactions. Mr. Moran moved the resolution and Mr. Poisson provided support. The resolution was passed unanimously.

IV. Personnel and Compensation Subcommittee Report

Ms. Lynne Feldpausch presented the recommendations from the Personnel and Compensation Committee on behalf of Jeff Noel (present by phone). Ms. Feldpausch noted that the Committee's goals were to evaluate the existing pay structures to ensure competitive modeling focused on total compensation, assess compensation policies against best practices, consider alternative compensation options, and develop recommendations.

MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

She provided the following recommendations on behalf of the Committee:

- Allow for a standard COLA in lieu of merit based on the cost of living index and available funding;
- Provide a structured "variable pay" plan for corporate staff, based on individual, divisional, and organizational performance in key metrics, with a funding trigger;
- Revise the promotional rate to 7% for ranges entry (1) through specialist (4), 8% for manager (5) through director (6), and 10% for SVP (7) through executive (8) for competitive retention;
- Change to the new hire placement policy to consider experience in excess of position requirements with equity;
- No change to the lateral movement policy.

Ms. Feldpausch also noted that in order to ensure talent retention for the next fiscal year the Committee would like to provide a bonus opportunity in January 2017 with existing scorecard metrics for corporate employees.

[At 10:15 am Mr. O'Reilly arrived]

After discussion, Mr. Collier moved the Resolution to adopt the recommended corporate compensation structure, Mr. Poisson supported the resolution. The resolution was passed unanimously.

[At 10:58 am Mr. Collier exited the meeting]

V. Audit and Governance Subcommittee Report

Mr. Armstrong reported that no subcommittee meeting took place in August due to a delay in the completion of audits originally anticipate for July 2016.

Ms. Amanda Bright-McClanahan noted on behalf of the Subcommittee that official book closing would begin the week of September 12th. Additionally, a number of audit reports are expected to be released in early October 2016.

VI. CEO Report

- Mr. Arwood noted that budget development for the state budget fiscal year 2018 has begun.
- He also noted that the Gun Lake tribe dispute has reached a settlement.
- Mr. Eric Shreffler provided an update to the Committee on battery technologies and their anticipated influences on the Michigan economy in the short and long term future.
- Mr. Steve Bakkal presented the recommended FY17 metrics and FY17 strategic focus. Mr. Bakkal proposed \$4,259M in private investment, 30,300 jobs, \$2.00 regional wage increase, and 75 customer satisfaction target. He noted that most of the target were a modest increase over last year's targets.

VII. Mr. Rothwell opened the floor for open discussion.

VIII. The meeting was adjourned at 12:03 p.m.