

**Networks Northwest – Executive/Governance Committee**  
**Tuesday, Sept. 5, 2017, 3:30-5:00 p.m.**  
**Networks Northwest office, Traverse City**

**DRAFT - MINUTES - DRAFT**

**Committee members present:** C. Carland; C. Christensen; G. Fedus; M. Hill; P. Hresko; C. Kennedy; B. Kennis; B. Workman, M. Ascione, J. Jennette; B. Holmes-Bozung; D. Parkes; S. Peters.

**Committee members absent:** J. Mills

**Others present:** none.

**Staff present:** Elaine Wood, Matt McCauley.

**Call to order**

Since Committee Chair S. Peters was running late, the committee meeting was called to order by Gary Fedus at 3:35 p.m. Peters arrived at approximately 3:50 and took over chairing the meeting.

**Minutes of August 14, 2017**

The Executive Committee minutes of August 14, 2017 were reviewed in draft form. There were no corrections or changes.

Motion by D. Parkes, supported by B. Workman, to approve the Aug. 14, 2017 committee minutes as presented. Motion passed unanimously.

**BILS Sub-committee Minutes**

The Beaver Island Lighthouse School Sub-committee minutes of April 28, 2017 and May 22, 2017 were reviewed in their draft form. There were no corrections or changes.

Motion by B. workman, supported by D. Parkes, to approve the minutes of the BILS sub-committee meetings of 4/28/17 and 5/22/17 as presented. Motion passed unanimously.

**Beaver Island Lighthouse School**

Motion by G. Fedus, supported by C. Carland, to go into closed session to discuss legal and property issues related to the Beaver Island Lighthouse School. Motion passed unanimously by roll call vote.

Committee members discussed legal and property issues related to the Beaver Island Lighthouse School. No decisions were made and no action was taken. Following the discussion, Committee Chair Sue Peters ended the closed session and reopened the meeting.

**Leadership Transition**

E. Wood and M. McCauley gave an update on how the leadership transition is progressing, and both reported a very positive, successful transition. Wood detailed some of the major accomplishments McCauley has had over the past nine months and expressed great satisfaction with his leadership. Discussion took place.

### **CEO compensation**

Members reviewed their committee's roles and responsibilities and confirmed that they have the role of setting the salary for the new CEO, as long as it is within the range for the position from the agency's Compensation Plan. There was considerable discussion about the recommendation from Wood & McCauley that the CEO be an employee like all other agency personnel, as opposed to having a contract. Members agreed with the recommendation following discussion. They asked for a short Memo of Employment, however, between the committee and the CEO explaining any circumstances of employment that vary from other personnel. Wood & McCauley explained that the only variation is that the CEO position has a choice between utilizing an agency vehicle that is leased for him, or receiving a car allowance, which is in accordance with internal staff policy. Wood will bring the policy to the next committee meeting, along with a draft of a Memo of Employment for the CEO position.

The salary level for McCauley upon assuming the CEO position on 1/1/18 was discussed at length. The agency's Compensation Plan was reviewed. Staff presented a review of the 2010 CEO Salary Study, with updates on comparable positions. The current CEO's salary history since 2009 was reviewed, along with the salaries of current department director positions. It was recommended that the new CEO salary on 1/1/18 be set at \$130,425, which is 9% less than the current CEO and would put him at the 25% level of the range on the Compensation Plan, and somewhat below median for the comparables. The CEO position also has the choice between an assigned agency vehicle or a car allowance. All fringe benefits are the same as all other employees, and the board members believed that the CEO should receive the same COLA as other employees, even though the staff had recommended 50%.

Board members discussed their desire for a formal, annual review of performance. Wood explained that an excellent process and forms already exist but have not been used consistently every year. McCauley expressed his encouragement for an annual review. Board members also expressed their desire to review the CEO's compensation at the six-month point.

Motion by Parkes, supported by Hresko, to adopt the CEO salary for 1/1/18 as recommended and presented. Motion passed unanimously.

### **Changes in Committee Structure**

Due to lack of time, this item was tabled until the next meeting.

### **Adjournment**

There being no further agenda items, the committee meeting was adjourned by consensus at 5:00 p.m.

Respectfully submitted by:

Elaine Wood