

**MINUTES OF A MEETING OF THE
COMPENSATION COMMITTEE OF THE
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
(ECIDA)**

- DATE AND PLACE:** October 31, 2018, at the Erie County Industrial Development Agency, 95 Perry Street, Suite 403, Buffalo, New York 14203
- PRESENT:** Dottie Gallagher, Richard Lipsitz, Jr. and Hon. Mark C. Poloncarz
- EXCUSED:** James F. Doherty
- OTHERS PRESENT:** Steve Weathers, Chief Executive Officer; John Cappellino, Executive Vice President, Mollie Profic, Treasurer; and Robert Murray, Secretary
- GUEST:** Rev. Mark E. Blue and Andrew Federick, Erie County Senior Economic Development Specialist

There being a quorum present at 12:02 p.m., the Meeting of the Compensation Committee was called to order by its Chair, Mr. Poloncarz.

MINUTES

The minutes of the March 28, 2018 Compensation Committee meeting were presented, and upon motion made by Ms. Gallagher, and seconded by Mr. Lipsitz, and as thereafter voted upon, the minutes was unanimously approved.

DISCUSSION REGARDING PARAMETERS AND CRITERIA FOR COMPENSATION ANALYSIS

Ms. Profic provided committee members with a presentation involving total compensation costs per employee, compensation growth over time, and an analysis of total compensation costs per employee as compared to the Agency's budget and earned revenue. General discussion ensued. Mr. Lipsitz provided his analysis of the presentation, noted that employees are not members of a collective bargaining unit and also noted that the Agency generates its revenues from transactions and not from a government contribution and as of today, Mr. Lipsitz stated he does not believe the Agency has an income or revenue issue and if it did, we would be having a different discussion.

Discussion then ensued regarding health care costs and health care costs challenges and opportunities.

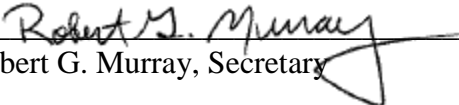
Mr. Weathers and Mr. Cappellino then presented results from the most recently completed New York State Comptroller report on Industrial Development Agencies wherein the

Comptroller's report noted that state-wide salary and wages of IDAs are about 10% of revenues and Mr. Weathers noted that the Agency's salary and wages are about 9% of the Agency's total revenue.

Mr. Poloncarz noted that the percentage of benefits and salaries compared to base pay is not out of line. Ms. Gallagher agreed with Mr. Poloncarz and also stated it would be difficult to find a true comparison to the Erie County Industrial Development Agency given the variety of projects and transactions that the Erie County IDA is involved in. Ms. Gallagher then discussed bonus procedural challenges and suggested that bonus considerations be tied into a performance matrix. Mr. Weathers noted that Agency goals and objectives are established each year by the Board and also commented that those goals and objectives are then applied uniquely to each employee as part of that employee's evaluation process and for scoring purposes related to the bonus. Mr. Poloncarz then questioned bonus scoring and stated that he believes it is odd that every employee received a high score such that perhaps the criteria for evaluating performance should be reconsidered. Ms. Gallagher stated that when you have many employees who are long tenured there is a greater chance that they would each receive an excellent review.

Mr. Weathers then confirmed that Agency staff will review performance evaluation criteria and the performance evaluation template and look to add a metric component for employee evaluation purposes.

There being no further business to discuss, Mr. Poloncarz adjourned the meeting at 1:14 p.m.


Robert G. Murray, Secretary