



COMPENSATION COMMITTEE MEETING
July 8, 2020
Minutes

The Compensation Committee Meeting of the Board of Directors of the Las Vegas Convention and Visitors Authority (LVCVA) was held at the Las Vegas Convention Center, 3150 Paradise Road, Las Vegas, Nevada 89109, and telephonically on July 8, 2020. This meeting was properly noticed and posted in accordance with the State of Nevada Executive Department Declaration of Emergency Directives 006, 016, 018, 021, and 026 dated March 22, 2020, April 29, 2020, May 7, 2020, May 28, 2020, and June 29, 2020 respectively.

Compensation Committee Members:

Present unless otherwise noted

Ms. Marilyn Spiegel, Chair
Ms. Mary Beth Sewald, Vice Chair..... *via phone*
Councilwoman Michele Fiore
Mr. Tom Jenkin..... *absent*
Commissioner Lawrence Weekly

LVCVA Executive Staff in Attendance

Steve Hill, CEO/President
Caroline Bateman, General Counsel
Ed Finger, Chief Financial Officer
Lori Nelson-Kraft, Senior Vice President of Communications
Brian Yost, Chief Operating Officer
Kate Wik, Chief Marketing Officer
Stana Subaric, Senior Vice President of People & Culture

OPENING CEREMONIES

Chair Marilyn Spiegel called the meeting to order at 1:33 p.m. and acknowledged that members Michele Fiore and Lawrence Weekly were present in person, and member Mary Beth Sewald was present telephonically.

FLAG SALUTE The Pledge of Allegiance was performed.

COMMENTS FROM THE FLOOR BY THE PUBLIC

There were no comments from the floor by the public.

APPROVAL OF AGENDA AND MINUTES

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Member Michele Fiore moved, and it was carried by unanimous vote of the voting members, to approve the July 8, 2020, Compensation Committee Meeting agenda and the June 10, 2019, Compensation Committee meeting minutes.

LVCVA STAFF REPORTS AND REQUESTED ACTIONS

ITEM A. **Compensation Committee Charter Review and Evaluation of Committee**
Stana Subaric, Senior Vice President of People & Culture, provided a summary of the Compensation Committee Charter and reviewed the proposed changes to the Charter comprising minor verbiage edits. Ms. Subaric further confirmed that the Committee has performed all of its responsibilities as outlined in the Committee Charter.

Member Lawrence Weekly moved, and it was carried by unanimous vote of the voting members to approve for recommendation to the Board the proposed changes to the Compensation Committee Charter and deem that the Committee met its annual performance requirements pursuant to the Charter.

ITEM B. **CEO/President's Annual Performance Evaluation and Review of Fiscal Year 2021 Goals and Objectives**

Steve Hill, CEO/President, provided a detailed PowerPoint presentation on fiscal year (FY) 2020 accomplishments including the following: marketing, sales, destination access and advocacy, LVCVA customer and guest experience, the Las Vegas Convention Center District, The Boring Company's Las Vegas Convention Center Loop, and corporate governance accomplishments. Mr. Hill provided information on the LVCVA's marketing initiatives in response to the COVID-19 pandemic. Mr. Hill requested that the Committee consider: 1) Conducting his annual performance evaluation for fiscal year (FY) 2020; 2) Approving his proposed FY 2021 goals for recommendation to the Board of Directors (Board); and 3) Designating a recommendation to the Board regarding compensation based on overall performance and the accomplishment of the FY 2020 goals.

Fiscal Impact
FY 2020: TBD

Member Fiore stated that several casino operators in the downtown area have asked about the digging of tunnels in the downtown area, to which Mr. Hill expressed his excitement.

Committee Chair Spiegel asked if Committee members preferred to provide their recommendation on Mr. Hill's performance before or after listening to Mr. Hill's goals.

Member Fiore recommended to Mr. Hill to "continue doing what you're doing."

Member Weekly expressed his appreciation for Mr. Hill's efforts during a "turbulent time" for the LVCVA, described his experiences in serving on the LVCVA Board and working with Mr. Hill, and thanked Mr. Hill for his leadership. Member Weekly recognized the talent of the LVCVA's executive staff and discussed the importance of diversity on the executive team. Member Weekly echoed Member Fiore's recommendation.

Chair Spiegel echoed the Committee members' sentiments on Mr. Hill continuing to do a "great job."

Mr. Hill thanked the Committee members for their feedback and emphasized the LVCVA's accomplishments were a "team effort."

Mr. Hill outlined his FY 2021 goals including the following: marketing, convention center sales, destination sales, operations, development, and organizational goals.

Member Weekly thanked Mr. Hill for sharing his goals and shared his thoughts on the LVCVA's messaging and partnerships as they relate to the COVID-19 pandemic.

Chair Spiegel provided information regarding recent pay reductions for all LVCVA ambassadors, including for the CEO/President, and asked the other Committee members for their recommendations regarding the President/CEO's pay adjustment or bonus.

Member Fiore stated her thoughts on Las Vegas's "comeback" being greater than anticipated, and recommended adjustment of pay ranges, salaries, and bonuses to "regular" levels as soon as quickly as possible.

Upon the Committee's completion of its performance evaluation of the CEO/President, Member Fiore moved and it was carried by vote of the voting members to: 1) Approve for recommendation to the Board the CEO/President's proposed FY 2021 goals; and 2) Recommend to the Board that the CEO/President's compensation return to the level established during his last evaluation as quickly as possible.

ITEM C. **General Counsel's Annual Performance Evaluation and Review of Fiscal Year 2021 Goals and Objectives**

Mr. Hill shared his evaluation of the LVCVA's General Counsel Caroline Bateman, and requested that the Committee consider: 1) Conducting the General Counsel's annual performance evaluation for FY 2020; 2) Approving the General Counsel's proposed FY 2021 goals for recommendation to the Board; and 3) Designating a recommendation to the Board regarding compensation based on overall performance and accomplishment of the FY 2020 goals.

Ms. Bateman outlined her FY 2020 accomplishments, including streamlining the leasing and records retention processes.

Member Weekly expressed his appreciation for Ms. Bateman's professionalism.

Member Fiore shared her excitement to work alongside Ms. Bateman.

Chair Spiegel discussed the importance of improving efficiencies in the sales contracting process.

Mr. Hill stated that Ms. Bateman deserves suitable compensation but recommended it be deferred as the current timing is inappropriate.

Chair Spiegel stated Mr. Hill's recommendation would be presented to the full Board at the next regular meeting and expressed appreciation for Ms. Bateman's efforts.

Member Sewald echoed the sentiments of Committee members regarding the work of Mr. Hill and Ms. Bateman.

Member Sewald asked for clarification on the motion for Item B, to which Chair Spiegel explained, "There would be no immediate action based upon the current financial situation, and at such time when it came back we would have another review."

Ms. Sewald thanked Chair Spiegel for the clarification.

ITEM D. **Compensation Philosophy Program, Executive Class Review, and Executive Officer Title Changes**

Chair Spiegel provided background on previous discussions regarding the LVCVA's benchmarks on current positions.

Ms. Subaric explained the LVCVA's compensation philosophy and described the uniqueness of the LVCVA as it relates to the executive class review. Ms. Subaric requested that the Committee review and/or recommend to the Board the following: 1) Approval of the LVCVA's general compensation philosophy and executive compensation programs, including any modifications that the Committee may deem necessary or advisable; and 2) Approval of executive officer title changes, and salary and bonus ranges.

Ms. Subaric stated that Segal Consulting (Segal) was selected to review current executive base salaries and incentive plans, develop a total compensation strategy, and present a conclusion of the LVCVA's competitiveness of current base salaries and incentives.

Elizabeth Walgram, Senior Consultant at Segal Consulting, shared the methodologies, findings, and recommendations regarding the executive class assessment. Ms. Walgram stated that Segal's finding concluded that the LVCVA provides fair executive compensation to its leadership team in terms of base salary, incentive compensation, benefits, and total compensation. Ms. Walgram provided detailed information on the data sources used for the study including public sector, convention centers, and destination marketing organizations. Ms. Walgram shared the data analysis details for the 18 specific LVCVA positions that were part of the study including market data reference ranges and proposed LVCVA salary ranges.

Chair Spiegel thanked the Spiegel team for their report and commented on recruitment of any future LVCVA CEO/President from a DMO pool rather than public sector.

Member Weekly expressed appreciation for the clarity of the report and its usefulness in future recruitments.

Ms. Subaric summarized Item D and clarified that it does require a vote.

Member Weekly moved and it was carried by unanimous vote of the voting members present, to: 1) Approve for recommendation to the Board the LVCVA's general compensation philosophy and executive compensation programs; and 2) Approve for recommendation to the Board executive officer title changes, and salary and bonus ranges.

ITEM E. **Review of the LVCVA's Rewards and Recognition Policy and Approval of Proposed Revisions to the Policy**

Ms. Subaric provided a brief overview of management's policy related to special awards and requested that the Committee consider: 1) Conducting its annual review of management's policy related to special awards; and 2) Approving for recommendation to the Board proposed revisions to the service awards and authority champion components of the Rewards and Recognition Policy for Ambassadors.

Fiscal Impact

FY 2021: \$35,000 Estimated Expenditure

After the Committee reviewed the Rewards and Recognition Policy, Member Weekly moved and it was carried by unanimous vote of the voting members, to: 1) Approve for recommendation to the Board proposed revisions to the service awards and authority champion components of the Rewards and Recognition Policy for Ambassadors.

SET NEXT MEETING DATE

The next Compensation Committee will be at the Call of the Chair.

COMMENTS FROM THE FLOOR BY THE PUBLIC

There were no comments from the floor by the public.

ADJOURNMENT

Chair Spiegel thanked Committee members for their participation, thanked Mr. Hill and Ms. Bateman for their work on their performance reviews, and reiterated Mr. Hill's words that "A raise is certainly deserved, but not at this time." Chair Spiegel adjourned the meeting at 3:26 p.m.

Respectfully submitted,

Date Approved: April 8, 2021

Silvia Perez
Executive Assistant to the Board

Marilyn Spiegel
Compensation Committee Chair