

**ALLIANCE FOR STRATEGIC GROWTH, INC.**  
**PERSONNEL COMMITTEE**  
**November 18, 2011**  
**Meeting Minutes**

**Present:** Emily Jerman-Brown, Terry Brumley, Vicki Tague, and Richard Taylor and Investment Committee Members Cathy Cross and Barbara Street

**Absent:** Dorothy Douglass and Joseph Evans

**Others Present:** Cathy Cross, Dave Koesters and Barbara Street

**Quorum to conduct business:** Yes

**Required votes to conduct business:** Majority

**CALL TO ORDER:** The meeting was called to order at 11:40 AM at the Alliance for Strategic Growth, Inc. Corporate office by Co-Chair Rick Taylor.

**DECLARATION OF CONFLICTS OF INTEREST:** While not a committee member, Barbara Street declared a Conflict of Interest with the Major Medical Carrier due to WellPoint stock she holds.

**UPDATES AND ACTIONS**

**Review and Approval of 09/23/11 Personnel Committee Meeting Minutes:** Vicki Tague made a motion to approve the 09/23/11 meeting minutes. Emily Jerman-Brown seconded the motion and the motion passed unanimously.

**Employee Status Report:** Koesters reported that employment levels for the corporation to be 51. Regarding the two employees hired last quarter as temporaries a temporary position (Elaina Hutchinson) in Blackford County was moved to fulltime status through the end of June 2012 to respond to the Key Plastics closure and Karen Rench who was helping while Tashica Malone was off on Leave of Absence has been laid off. Cathy Cross will be off for 3-6 weeks on a Medical Leave of Absence beginning 11/21/11.

**403(B) Investment Recommendation Status And Investment Status Report:** Street reported to the Committee that the Board approved the Committee recommendation to remove the Growth Fund of America as an investment option and provide the required notification to staff. Street reported that all notifications have taken place; however that American Funds will not accept the notification of removal until 48 hours prior to the 12/15/11 effective date. Street included in the meeting materials an update from John Masterson on the Income Fund of America which continues on the Watch List. Based upon the factors in Masterson's update report, the recommendation is to stay the course and keep this fund on the Watch List with analysis as needed. The Committee concurred with the recommendation resulting in no required action.

**EMPLOYEE COMPENSATION PACKAGE**

**Overall Budget Update:** Cathy Cross provided the Committee with an overall budget update from the Executive Committee meeting held earlier this year. Generally the expenses, particularly in the area of employee benefits, is greater than projected based upon the age and gender banding which continues through December 31, 2011. The overall budget situation dictates conservatism by the Committee.

**Status of Market survey for Update of Pay Scale:** Koesters reported that he has not been successful to date in gathering adequate responses to the Wage & Benefits survey to provide a comparison and recommendation for Committee consideration.

**Employee Benefits Survey Report:** Koesters reviewed with the Committee the results of a blind survey which was conducted with ASG, Inc. employees on a number of factors, including their preferred way to get information on employee benefits, understanding of the cost of benefits and input as to what they value the most in the benefits offered to employees.

**Employee Fringe Benefits Procurement & Major Medical Options:** Street reminded the Committee that ASG, Inc. Benefits Year has been synchronized with the calendar year even though the corporate year runs on a July – June basis. As such the committee's role is to review the major medical and other fringe benefits offered by the corporation for approval by the Board on December 7<sup>th</sup>. This timeline will allow for open enrollment/implementation on January 1, 2012. Street noted that the mailing provided the current Benefits Plan. She also noted that the last wage adjustment for ASG, Inc. employees was January 1, 2011. Only those employees (JobWorks or ASG) who went into a totally different position received pay adjustments on July 1, 2011. Unsubstantiated information is that JobWorks employees have not received wage increases in a couple of years while the state employees just received an increase last year.

Koesters reviewed the process and the results of the procurement which was conducted through our Agent – Old National Insurance. All who provided quotes were asked to quote as a group which eliminates the variance in the costs for each employee. Koesters reported that the good news is that remaining with Anthem BCBS would result in a 10.1% increase, however quotes from United Healthcare could result in 17-24% reduction in costs. After review and discussion the following recommendations are made to the Board for approval.

- 1) Recommend to provide United Healthcare Indiana Choice Plus for Major Medical Coverage under a comparable Preferred Provider plan (PPO) with continuation of employee premium at 100% employer paid.
- 2) Recommend to provide an option for employees of a Health Savings Account (HSA) for Major Medical Coverage under a comparable traditional plan with continuation of employee premium at 100% employer paid. For those who choose this option, they will be provided 50% of the cost savings of the employee premium to the corporation between the PPO medical plan and the HSA for placement into their HSA in regular intervals, as determined to be most efficient by fiscal staff. This benefit is projected to be \$270 per year per employee who choose the HSA option. This discussion was to provide some incentive for staff to try the HSA and to use this year to educate staff for possible implementation on a wider scale next year.
- 3) Recommend to provide optional Vision coverage through VSP and move the optional coverage to the Section 125 Benefit Selection.
- 4) Recommend to maintain all other benefits at the same level as the current year, including the maximum allowable employee wage deferral to a Flexible Spending Account for Medical and Dependent Coverage up to \$1,500 and \$5,000 respectively.
- 5) Dental coverage with Guardian remains unchanged and the current rates.

Vicki Tague made a motion to approve the recommended benefits, which overall represent a cost savings over the current projected cost effective 1/1/12. Terry Brumley seconded the motion and the motion passed unanimously.

Koesters shared with the Committee a proposal he has from CHC on a no cost to the corporation wellness plan. This plan will give the each individual employee information on areas they can improve their health risks and provide coaching. The corporation, which would be shared with the committee, will receive an aggregate report which can help the corporation to know what it could do which would provide the greatest return on improvement of the health of its employees. To incent employees to participate the committee discussed providing employees a gift card. Emily Jerman-Brown made a motion to recommend approval of the corporation's voluntary employee participation and to offer an employee incentive in the amount of \$25 for participation in the wellness activities. Vicki Tague seconded the motion. In discussion it was projected cost is \$1,250 for the current budget year. The motion was approved unanimously.

**CEO EVALUATION AND UPDATE OF GOALS AND OBJECTIVES:** Street advised the Committee that approximately a year ago the ASG, Inc. Board of Directors, in conjunction with the WIB Board, developed the strategic goals and evaluation system for the CEO. The resultant evaluation document including dimensions, weights and objectives (strategic, operational and professional development) were sent to the Committee. Street asked the Committee to discuss the process and timeline for conducting the evaluation of the CEO, as well as setting up the expectations for the upcoming year. After discussion the Committee agreed that input would be sought from the Corporate and LEO Officers and Committee Chairs for finalization by the Personnel Committee. Committee members were asked of their interest in receipt of information from a 360 evaluation which staff are looking to implement to utilize in the employee evaluation process. By consensus the Committee members indicated they would be interested in seeing the results of that evaluation. Terry Brumley made a motion to approve the process as discussed. Vicki Tague seconded the motion and the motion was approved unanimously.

**FOR THE GOOD OF THE CAUSE:** None.

**NEXT MEETING DATE & LOCATION:** The next meeting was set for January 13, 2012. In consideration of the WorkPlan the upcoming Committee Agenda will include the following:

- Personnel Policy Review & Update
- CEO Evaluation – Goals & Objectives
- FMLA
- Wellness Plan
- Compensation Survey
- Investment Update

**ADJOURNMENT:** With no other business to be acted on at this time the meeting was adjourned at 1:45PM.

Respectfully submitted,

Barbara Street  
Recording Secretary