

**Organizational Synergy & Human Resources Committee
December 20, 2007 Meeting**

Draft Minutes

Members Present: Mark Cooper, Committee Chairman
Edna Karanian
James Francis

CRRA Staff Present: Tom Kirk, President
Jim Bolduc, Chief Financial Officer
Chris Hyfield, Human Resources Manager
Moira Kenney, Secretary to the Board/Paralegal

Chairman Cooper called the meeting to order at 8:35 a.m. and noted there was a quorum.

1. APPROVAL OF MINUTES OF THE NOVEMBER 29, 2007 ORGANIZATIONAL SYNERGY AND HUMAN RESOURCES COMMITTEE

Chairman Cooper requested a motion to approve the minutes of the October 25, 2007 Organizational Synergy & Human Resources Committee meeting. Director Francis made the motion, which was seconded by Director Karanian.

The minutes were approved unanimously.

2. INFORMATIONAL ITEMS: HEALTH & WELFARE BROKER OF RECORD

Mr. Hyfield explained CRRA has decided to stay with their current broker RC Knox. He explained an RFP for a Health and Welfare Broker of Record yielded several responses but received only two submittals. CRRA's Director of Legal Affairs (Laurie Hunt), reviewed the three year contract and deemed it not necessary to bring to the Board for approval because no money changes hands. RC Knox disclosed their commission for life disability and dental commissions as \$986.00 a year. Mr. Hyfield stated ConnectiCare's commissions were estimated at \$1,5000 a year and the standard is \$5, 941.

Director Francis asked if the insurance bid-rigging scandal of 2004 surrounding the world's largest insurance broker, Marsh & McLennan affected the commission process. Mr. Bolduc explained that with CRRA's Insurance Broker/Consultant AON they are not paid a commission but a fee for their services. Mr. Bolduc explained that CRRA is required to go through a broker to obtain insurance. The Committee and CRRA management agreed to review other avenues of commission and payment after the contract's three year term expires.

3. INFORMATIONAL ITEMS

Mr. Hyfield stated he had several additional informational items to discuss. He stated that a small change had been made to CRRA's vacation policy. He explained that the current policy allows employees to accrue time off monthly. That change allows employees to accrue all of their time off in six months. He explained that if an employee resigned the pay out for unused

vacation days was based on a monthly accrual system. He stated that if the employee was in the negative for vacation time the pay back amount would be taken out of the employees check.

Mr. Hyfield stated that CRRA management had drafted a plan for senior management which would allow staff to forgo the across the board increases, or merit increases for additional personnel time. He explained the base pay would stay level but they would be able to gain personnel time equal to the dollar amount of the increase, not to exceed thirty days.

Mr. Kirk stated the idea originally focused around staff who may be attracted to additional time off. He stated the availability was only to senior management members who do not have comp time availability and that he felt it was a good management tool.

Mr. Kirk stated a second suggestion for potential cost savings through non-salary compensation is the option is paying the 401k or 457b contribution in the name of the staff member. The Committee agreed that the suggestion was worthy and asked that their recommendation for approved be put on the record.

4. EXECUTIVE SESSION

Chairman Cooper requested a motion to enter into Executive Session to discuss personnel matters. The motion was made by Director Francis and seconded by Director Karanian. The motion was approved unanimously. Chairman Cooper requested that the following people remain for the Executive Session:

Chris Hyfield
Tom Kirk
Jim Bolduc

The Executive Session commenced at 8:55 a.m. and concluded at 9:20 a.m.

The meeting reconvened at 9:28 a.m. and Chairman Cooper noted that no votes were taken in Executive Session.

5. ADJOURNMENT

Chairman Cooper requested a motion to adjourn the meeting. The motion made by Director Karanian and seconded by Director Francis was approved unanimously.

The meeting was adjourned at 9:29 a.m.

Respectfully submitted,

Moira Kenney
Secretary to the Board/Paralegal

