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**MONTANA STATE FUND
HUMAN RESOURCES AND COMPENSATION COMMITTEE
May 26, 2022**

The Montana State Fund (MSF) Board of Directors meeting was held May 26, 2022 via Zoom.

Committee Members Attending

Richard Miltenberger, Chair, Clancy
John Maxness, Helena

Jan VanRiper, Missoula

Board Members Attending

Dexter Thiel, Sidney
Michael Marsh, Billings

MSF Staff Attending

Laurence Hubbard, President/CEO
Kevin Braun, General Counsel

Melissa Iverson, Graphic Artist/Web Specialist

I. Meeting Preliminaries

A. Call to Order

Chair Miltenberger called the meeting to order at 2:00 pm. He reported that a quorum of the Committee was present.

B. Approval of December 9, 2021 Human Resources and Compensation Committee Meeting Minutes.

Chair Miltenberger called for edits to or a motion to approve the minutes.

Mr. Maxness made a motion to adopt the December 9, 2021 minutes of the Human Resources and Compensation Committee. Ms. VanRiper seconded the motion. Chair Miltenberger called for the vote and the motion passed unanimously.

C. Ratify Employment Contract with new President/CEO

Chair Miltenberger called for the Committee to ratify the Board's employment contract and compensation with Ms. Holly O'Dell. He sought clarification from Kevin Braun, General Counsel, as to whether the motion should contain the amount of Ms. O'Dell's compensation.

Mr. Braun said the Committee could announce the amount now or wait until the recommendation by the Committee to the full Board to ratify the contract was issued.

Chair Miltenberger said Ms. O'Dell's compensation was in the realm of \$420,000 which is a little less than President Hubbard's current compensation of \$430,000. He added that there is an opportunity for a bonus mid-year which would bring Ms. O'Dell's compensation to the same level as President Hubbard's earning potential. He said he wanted to put that out there as this is a public meeting so everyone was aware of it and said the actual number will be read into the minutes at the full Board meeting. He said the Board feels very comfortable that Mr. Hubbard's salary as well as Ms. O'Dell's meet the criteria for being appropriate for the position and also not on the top end. He noted these salaries are right in the average range for similar organizations which was the Board's criteria.

Ms. VanRiper moved the Committee recommend to the full Board the approval and ratification of the employment contract with Holly O'Dell to serve as the President and CEO of the Montana State Fund. Mr. Maxness seconded the motion. Chair Miltenberger called for discussion or comments for the record from the Board.

Ms. VanRiper asked Chair Miltenberger to repeat the amount.

President Hubbard said the amount from the Human Resources department was \$419,999.84.

Chair Miltenberger called for public comment; there was none. He called for the vote and the motion passed unanimously.

Chair Miltenberger said there was a corollary amendment that provides the budget authority for Ms. O'Dell's salary. He explained that Ms. O'Dell had started, though President Hubbard had not yet left, to provide a transition period for the position. He noted this motion would be a recommendation to the full Board at the next Board meeting.

Mr. Maxness made a motion the Committee recommend to the full Board that the budget for Calendar Year 2022 be amended to include the compensation paid to Holly O'Dell for the period from May 16 through July 30, 2022, the period of time the CEO position was double filled. Ms. VanRiper seconded the motion. Chair Miltenberger called for further discussion or input from the public; there was none. He called for the vote and the motion passed unanimously.

II. President/CEO Compensation Review

A. Notice of Closure of Meeting – Richard Miltenberger, Chair

Chair Miltenberger announced that this meeting would be in Executive Session to discuss compensation for President Hubbard for the performance period of 2021. He invited President Hubbard to join the closed session for the first portion of that meeting.

B. Meeting Closed to the Public

C. President/CEO's Compensation Review

Chair Miltenberger reopened the meeting at 3:13 pm. He welcomed members of the public. He thanked the public for their patience. He called for a motion in the change of the annual base compensation for President Hubbard.

Ms. VanRiper made a motion that the Committee recommend to the full Board an adjustment to the annual base compensation of Laurence Hubbard, President and CEO of Montana State Fund, be set at a 4% increase over the current salary, effective March 12, 2022. Mr. Maxness seconded the motion. Chair Miltenberger called for discussion by Board members and input from members of the public; there was none. Chair Miltenberger called for the vote and the motion passed unanimously.

Chair Miltenberger noted that it would be necessary to provide the budget dollars for this adjustment and called for a motion to that effect.

Mr. Maxness made a motion that the Committee recommend to the full Board that the budget for Calendar Year 2022 be amended to acknowledge the Board approved adjustment to the President/CEO's base compensation. Ms. VanRiper seconded the motion. He called for discussion by Board members and input from the public; there was none. He called for the vote and the motion passed unanimously.

III. Old Business/New Business

Ms. VanRiper said, on behalf of the Committee, they appreciate the incredible job President Hubbard has done all of these years for Montana State Fund. She said it is incredibly excellent and there will be a time and place to say more about that.

IV. Public Comment

Chair Miltenberger called for public comment; there was none.

A. Adjourn

He called for a motion to adjourn, and Mr. Maxness made the motion, Ms. VanRiper seconded the motion. No vote was necessary.

The meeting was adjourned at 3:17 p.m. The next regularly scheduled Board meeting will be held on Friday, June 10, 2022 at MSF, 855 Front Street, Helena, Montana.

Respectfully submitted,

Verna Boucher

Special Assistant to the President/CEO