

**Rhode Island Housing and Mortgage Finance Corporation  
Human Resources Committee**

**Minutes of June 14, 2005 Meeting**

Members Present: Denise Barge, Christine Curley and Anthony Marouchoc (Chair)

Also Present: Staff: Richard Godfrey, Thomas Hogg, Michael Milito and Patricia Trinque

A meeting of the Human Resources Committee was held at 8:30 a.m. on June 14, 2005 at the offices of Rhode Island Housing to discuss the following topics: (i) proposed budget for merit based salary increases for FY 2006, (ii) proposed changes to the salary ranges for the Corporation and (iii) staffing targets for FY 2006.

The Committee first considered the proposed budget for merit based salary increases for FY 2006. Staff proposed that a budget for merit-based salary increases of 3.5% be approved for FY 2006. In making this recommendation, staff noted that the other nearby housing finance agencies as well as Rhode Island banking institutions anticipate salary increases of 3.5 to 4.0% in FY 2006. A national survey of companies with fewer than 500 employees anticipates salary increases for 2006 of 3.5 to 4.0%. Finally, the State of Rhode Island expects to enter into a collective bargaining agreement with its largest union which will provide for a salary increase of 4.0% in FY 2006, a co-pay of 2.5% of annual salary towards health costs and a continuation of step increases and longevity pay for State employees. When all of these inputs are factored in, the average increase in salary to State employees will be approximately 3.5% for FY 2006. The budget allows for full agency coverage of health care benefit cost increases over the coming year, but staff is currently engaged in a process that will likely recommend plan changes within the next 12 months. After a brief discussion, the Committee unanimously approved a budget of 3.5% for merit-based salary increases for FY 2006.

Next, the Committee considered a proposal to adjust salary ranges for the Corporation. The Corporation generally adjusts salary ranges every other year to reflect the impact of inflation and market pressures. Staff proposed that salary ranges be increased by approximately 7% effective July 1, 2005. Changes in the salary ranges do not directly impact the salary of any individual employee. Individual salaries are determined through the Corporation's merit system. Following a brief discussion, the Committee unanimously approved the proposed adjustment to salary ranges.

Finally, the Committee considered a proposal to reduce the number of "on hold" authorized positions from 8 to 6 for FY 2006. The 2005 budget assumes that at least 14 approved positions will remain unfilled, despite continually increasing demands for agency assistance. The 2006 budget anticipates filling many of these vacancies and

reduces the “on hold” positions to 6. Following a brief discussion, the Committee unanimously approved the staffing goals.

Upon a motion made by Chairman Marouchoc and seconded by Commissioner Curley, the Committee voted unanimously to recommend adoption by the Board of Commissioners of the proposals presented to the Committee.

There being no further business, the meeting was adjourned at 9:15 a.m.

Approved: \_\_\_\_\_  
Anthony Marouchoc

Date: \_\_\_\_\_