

Minutes of the Human Resources Committee
April 11, 2006

The Human Resources Committee of the Rhode Island Housing and Mortgage Finance Corporation convened at 8:30 am on April 11, 2006 at the offices of the Corporation. Committee members present were Chairman Marouchoc, and Commissioners Barge and Curley. Also present were Thomas Hogg, Deputy Director and Chief Financial Officer, Michael Milito, Deputy Assistant Director – Law and Human Resources and Jayne Donegan, outside General Counsel.

The Committee considered the following matters:

1. Renewal of Executive Director's Contract

The Executive Director's current contract ends on April 30, 2006. The Committee and those present engaged in a discussion regarding renewal of the employment contract. The consensus of the Committee members was that the contract should be renewed for two years, ending April 30, 2008, on the same general terms and conditions of the current employment contract. Outside counsel was directed to draft a proposed contract which includes all previously approved amendments for full consideration of the Board.

2. Compensation for Executive Director

The Committee and those present engaged in a discussion regarding increases in annual salary and an award of a performance payment for the Executive Director. Staff provided information to the Committee regarding compensation earned by executive directors of other housing finance agencies nationwide and in the New England region. In addition, outside counsel provided information on compensation earned by executive directors of other Rhode Island quasi public corporations. The Committee also discussed the performance, measured against goals, of the Corporation in calendar year 2005.

Following a period of discussion, the Committee recommended that the Executive Director's salary be increased by approximately 3.5% to \$157,200, effective May 1, 2006, and in recognition of outstanding performance in meeting the goals as detailed in the 2005 work plan of the Corporation, he be awarded a one-time performance payment of \$3,000 payable immediately. Both the salary increase of 3.5% and the one-time performance payment of approximately 2% are commensurate with average awards in both categories for all corporate staff.

Respectfully Submitted:

Chairperson

Date