

**Minutes of the Human Resources Committee
June 1, 2006**

The Human Resources Committee of the Rhode Island Housing and Mortgage Finance Corporation convened at 9:45 am on June 1, 2006 at the offices of the Corporation. Committee members present were Chairman Marouchoc, and Commissioners Barge and Curley. Also present were Commissioners Monteiro and Shawcross, and Richard Godfrey, Executive Director, Michael Milito, Deputy Assistant Director – Law and Human Resources.

The Executive Director presented and discussed the attached memo with the Committee.

The Committee considered the following matters: (i) proposed budget for merit based salary increases for FY 2007 and (ii) proposed procedural change to permit the Executive Director to modify salary ranges for positions in grades 14 and below without obtaining Board approval.

The Committee first considered the proposed budget for merit based salary increases for FY 2007. Staff proposed that a budget for merit-based salary increases of between 3.5% and 4.0% be approved for FY 2007. 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 2007. In addition, the State of Rhode Island's collective bargaining agreement with its largest union provides for a salary increase of 3.0% in FY 2007, 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 5.0% for FY 2007. After a brief discussion, the Committee unanimously approved a budget of 3.5% - 4.0% for merit-based salary increases for FY 2007.

Next, the Committee considered a proposal to permit the Executive Director to modify salary ranges for positions in grades 14 and below without obtaining Board approval. Rhode Island Housing continues to experience difficulty in attracting and retaining employees in the upper grades. Although our recent salary survey indicated that most positions were competitive, there were very few comparables for mid-tier professionals. In order to assist in the recruiting and retaining of these professionals, staff proposes that the Executive Director be given authority to adjust salary ranges for various positions as long as they do not exceed Grade 14. Following a brief discussion, the Committee unanimously approved the proposal as presented at the meeting.

There being no further business, the meeting was adjourned at 10:10 am.

Respectfully Submitted:

Chairperson

Date