

Rhode Island Housing

Minutes of the Management and Budget Committee
September 11, 2013

Committee Attendees: Mr. James DeRentis, (Committee Chair), Joe Monteiro and Paul Dimeo

Staff Attendees: Richard Godfrey, Gayle Corrigan, Kara Lachapelle, Patricia Trinqu and Nicole Turner

The Management and Budget Committee of Rhode Island Housing convened at 8:35 a.m. to discuss the FY 2014 budget.

Mr. Godfrey began by outlining the budget presentation materials which included:

- A 1-page overview of the budget
- Proposed FY 2014 Budget and background materials
- Context for the FY 2014 Budget
- Major changes from FY 2013 Budget
- Selected administrative expense details
- Descriptions of operating and program expense items

Ms. Corrigan and Ms. Lachapelle explained various details within the budget presentation. Mrs. Corrigan discussed the budget process and how staff looked at all areas of the organization. She discussed how fiscal year 2014 is a bridge year and that Rhode Island Housing will be in a better position in fiscal year 2015 after having made all the changes we made. Ms. Corrigan also noted that this budget is premised upon an organizational restructuring which includes the elimination of the Division of Administration, Customer Service and Community Relations (ACSCR) and the transfer of functions previously handed by ACSCR to the Executive and Homeownership Divisions

Significant discussion took place regarding the loan loss projections for FY 2014, valuation of REO properties and the calculation of the loan loss reserve.

There was also discussion about the recent layoffs. It was noted that we need to assure that the full picture is given to the public because numbers don't always tell the whole picture. It is important for people to understand that we are still making loans, creating affordable housing and keeping people in their homes, including all of the programs to prevent homelessness that Rhode Island Housing funds. We must also help people to understand our new lending platforms and how they will help Rhode Islanders.

The committee asked how management felt that the reduction in programs would affect Rhode Island Housing's remaining staff and it was explained that staff had been well briefed on the financial situation and that the focus was now on getting the work done with fewer people.

There being no further questions regarding the fiscal year 2014 budget, Mr. Monteiro made a motion to recommend approval of the FY 2014 Budget as presented to the Board of Commissioners, Mr. Dimeo seconded. All members of the Committee approved the recommendation.

There being no further business, the meeting was adjourned at 9:10 a.m.

Respectfully submitted:

Mr. James DeRentis
Chair, Management and Budget Committee