



OFFICIAL MINUTES OF:

Meeting of:	Compensation Committee Meeting
Date:	January 13, 2015
Time:	9:15 a.m.

MEMBERS PRESENT:

Joseph Kimball, Chairman
Robert Andrade
Bruce Campbell
Michael DiChiro
Vincent Mesoella

MEMBERS ABSENT:

Angelo Rotella

STAFF AND GUESTS PRESENT:

Raymond Marshall, NBC Executive Director
Laurie Horridge, NBC
Karen Musumeci, NBC
Deborah Samson, NBC
Karen Giebink, NBC
Richard Bernier, NBC

Joanne Maceroni, NBC
Diane Buerger, NBC
Jennifer Harrington, NBC
Linda George, Senate Policy
Cecille Antonelli, NBC
Thomas Uva, NBC

1. Call to Order

Recognizing that a quorum was present Committee Chairman Kimball called the January 13, 2015 Compensation Committee Meeting to order at 9:17 a.m.

2. Approval of Minutes – November 17, 2014 – Compensation Committee

Chairman Kimball asked for a motion to approve the November 17, 2014 Compensation Committee meeting minutes as written. NBC Chairman Mesoella moved to approve the November 17, 2014 Compensation Committee meeting minutes as written. Commissioner Andrade seconded the motion. The vote taken by the Compensation Committee was unanimous. The motion carries.

3. Items for Action

- A. Review of the Current Status of Compliance with the Quasi-Public Corporations Accountability and Transparency Act aka “Sheehan Bill”
- B. **Review and Approval of Resolution 2015:01:**Acknowledgement and Approval of NBC’s Existing Policies, Practices and Procedures which satisfy RIGL §42-155-5 Relating to Executive Compensation
- C. Executive Director’s Contract

Executive Director Raymond Marshall advised that the Compensation Committee met on November 17th and December 17th, 2014. At the December 17th meeting the Employers Association presented their data and market analysis information regarding Executive Compensation. At that time the Committee requested that they be provided a list of Directors salaries for the various State of Rhode Island departments as well as the State of Rhode Island Quasi-Public Corporations.

Mr. Marshall advised that this information was gathered internally and he provided the Committee with the list of the Director’s salaries for both the State of Rhode Island Departments and the Rhode Island Quasi-Public Corporations.

He advised that the list in addition to providing the Director salaries for 2014 it also shows the number of employees and budget that the individuals are responsible for.

Mr. Marshall advised if the Committee after reviewing this information requires any additional information let it be known and we will generate it for the Committee.

He summarized that when the Committee met in November there were three basic things that need to be done:

1. To review how NBC has been historically managing the Non-Union Employee Administration Salary Program.

The present program was reviewed in detail with the Committee and the consensus was that the Committee approved the approach in which NBC manages all non-union employees which includes “senior management” as called for in the Sheehan bill.

2. To review the salary ranges for the “senior management” (Directors) level pay grades.

This was done by the Employers Association and there were slight modifications made to what already existed.

3. Negotiation of the Executive Director’s Contract.

On December 17, 2014 the Compensation Committed voted unanimously to delegate that responsibility to the NBC’s Chairman to negotiate the Executive Director’s contract including compensation at which time it will be taken before both the Compensation Committee and the full Board for approval.

Mr. Marshall stated that today we would like to ask the Committee to Review and Approve Resolution **2015:01:** Acknowledgement and Approval of NBC’s Existing Policies, Practices and Procedures which satisfy RIGL §42-155-5 Relating to Executive Compensation

He advised that on July 8, 2014 Governor Chaffee signed the Quasi-Public Corporations Accountability and Transparency Act (the Sheehan Bill) into law. The purpose of the Act is to impose standards of accountability and transparency on quasi-public corporations and its effective date is January 1, 2015.

Specifically, §42-155-5 (a) requires each quasi-public board to establish a committee on executive compensation, comprised solely of board members, that shall recommend to the full board the compensation packages of the executive and senior management of the corporation based on a comprehensive and objective analysis of comparable compensation of similar officers of state government, other authorities, quasi-public corporations, and private-sector employees with similar functions and responsibilities. NBC's Chairman converted NBC's existing Ad-Hoc Compensation Committee into a standing Compensation Committee to satisfy RIGL §42-155-5 (a) in September of 2014.

§42-155-5 (a) (1)-(4) require specific tasks to be completed by this newly formed Compensation Committee. NBC's existing practices and procedures generally comply with both the spirit and letter of the new law, and as such, NBC seeks reaffirmation from the Compensation Committee of its existing policies, practices and procedures as they relate to each of the new legal requirements. Where minor changes are required, they will be specifically noted.

Commissioner Campbell made a motion to approve Resolution 2015:01; Acknowledgement and Approval of NBC's Existing Policies, Practices and Procedures which satisfy RIGL §42-155-5 Relating to Executive Compensation. Commissioner Andrade seconded the motion and the vote taken by the Compensation Committee was unanimous. The motion carries.

There was no further discussion.

4. Other Business

There was no other business to report.

5. Adjournment

A motion to adjourn was made by Commissioner Campbell seconded by Commissioner DiChiro and the Compensation Committee meeting adjourned at 9:50 a.m.

Respectfully submitted,



Raymond J. Marshall, P.E.

Executive Director/Secretary