

MINUTES OF MEETING

RHODE ISLAND AIRPORT CORPORATION

PENSION COMMITTEE

WEDNESDAY, JUNE 16, 2010

AT 2:00 P.M.

IN THE BRIEFING CENTER

AT T. F. GREEN AIRPORT

2000 POST ROAD, WARWICK, RHODE ISLAND

The meeting of the Rhode Island Airport Corporation (“Corporation”) Pension Committee was called to order by Chair, Kathleen C. Hittner, M.D. at 2:03 p.m., in the Briefing Center, T. F. Green Airport, 2000 Post Road, Warwick, Rhode Island, in accordance with the notice duly posted pursuant to the Open Meetings Law.

COMMITTEE MEMBERS PRESENT: Kathleen C. Hittner, M.D., Chair, RIAC Board; Kevin A. Dillon, RIAC President and CEO; Jeffrey Wiggin, representing, Local 2873.

ALSO PRESENT: Peter A. Frazier, General Counsel; Bruce Wilde, Chief Human Resources Officer; Sherri-Ann Penta, Manager of Human Resources.

1. Approval of the Minutes:

A motion was made by Mr. Dillon and seconded by Mr. Wiggin to

approve the Minutes of the Pension Committee Meeting of April 8, 2010. The motion was passed unanimously.

2. Update by Chief Human Resources Officer and Plan Administrator.

There was no formal report.

3. Discussion Item:

(a) Consideration of and Action Upon Pension System Vesting Rights.

Mr. Dillon reported that he would be recusing himself from voting on this issue and excused himself from the Committee table.

Ms. Penta reported that the recommendation is to modify the Principal 414h plan. Ms. Penta explained that currently an employee is 100% vested in their payroll contributions and any roll over dollars in their plan. However, there is currently a five year cliff vesting policy in regards to the employer match, which means that an employee is only vested in the employer match after 5 years of continuous employment with RIAC. Ms. Penta reported that the recommendation is to allow employees to be vested in the employer match after one year of continuous service. It was noted that this item is a matter of mandatory bargaining. It was discussed with the union and the union agreed that the item could be considered outside the traditional bargaining setting.

A motion was made by Mr. Wiggin and seconded by Dr. Hittner to authorize the Corporation to modify the Principal 414h plan to allow RIAC employees to be vested in the employer match after one year of continuous employment service with RIAC.

The motion was passed by two votes in the affirmative, with one committee member, Mr. Dillon, recusing himself from voting. Those votes are as follows:

YEAS: Kathleen C. Hittner, M.D.

Jeffrey Wiggin

NAYS: None

RECUSAL: Kevin Dillon

(b) Consideration of and Action Upon Selection of a Plan Investment Advisor.

Ms. Penta gave an overview of the selection process, noting that there had been six responses in response to the Request for Proposal. One proposal was deemed unresponsive so interviews were conducted with the remaining five companies. Each company was evaluated using pre-established criteria. The recommendation is that the contract be awarded to Meridien Financial Group, a local

company who has prior experience with working with RIAC's pension plan provider, The Principal. The term of the contract will be for one year, with two one year renewal options. The cost of the services being provided by Meridien Financial Group will not exceed \$22,000. As this cost is under \$50,000 it was determined that this item will not need Board approval. There was discussion of the scope of the services to be provided by Meridien Financial Group.

A motion was made by Mr. Dillon and seconded by Mr. Wiggin to authorize the President and CEO, or his designee, to negotiate and execute a Professional Services Agreement with Meridien Financial Group to provide Investment Plan Advisory Services for a term of one year, with two one year renewal options, for a cost not to exceed \$22,000. The motion was passed unanimously.

4. Future Meetings:

The next meeting will be announced.

5. Adjournment:

At approximately 2:16 p.m. a motion was made by Mr. Wiggin and seconded by Mr. Dillon to adjourn the meeting. The motion was passed unanimously.

Respectfully submitted,

**Kathleen C. Hittner, M.D, Chair Rhode Island Airport
Corporation
Pension Committee**