

Rhode Island Housing and Mortgage Finance Corporation
Minutes of the Meeting of the Management Committee
August 12, 2025

A meeting of the Management Committee of the Rhode Island Housing and Mortgage Finance Corporation (“RIHousing”) Board of Commissioners was held on Tuesday, August 12, 2025, at 4:00 p.m. The meeting was held at the main office of the Corporation, 44 Washington Street, Providence, RI 02903, Conference Boardroom, and via telephone conference call.

Carol Ventura, Executive Director, opened the meeting and introduced Terry Lehane, Director of IT, who outlined the parameters of the meeting.

Mr. Lehane stated that (i) this meeting would be recorded and available for review on the RIHousing website within 3-5 business days after the meeting and (ii) except for specific RIHousing staff participating telephonically in the meeting, all callers would be muted during the meeting. Mr. Lehane also asked that, to prevent any feedback or background noise, telephone participants should mute their telephones if they are not speaking. Additionally, Mr. Lehane announced that during the meeting, if anyone had technical difficulties with audio or accessing the call, they should call (401) 429-1430.

Next, Kelly Kenyon LeValley, Deputy General Counsel, provided additional guidance for the meeting. Ms. LeValley stated that the meeting was being held in person, with all members of the Management Committee appearing in person. Members of the public were invited to access the meeting in person or via teleconference according to their preference. Additionally, members of the public could visit the RIHousing website to view the agenda and information on the actions being taken, and if the teleconference was interrupted, staff would stop the meeting until audio was restored.

Ms. LeValley also stated that Chairwoman Goddard would preside over the meeting and requested that any Commissioner or staff member state their name prior to speaking for the benefit of listeners and to mute the phone when not speaking. She then invited Chairwoman Goddard to call the meeting to order.

A quorum being present, Chairwoman Goddard introduced herself and officially called the meeting to order at approximately 4:10 p.m. Chairwoman Goddard then invited Ms. Ventura to proceed with the roll call of Commissioners in attendance.

Ms. Ventura conducted a roll call of Commissioners participating in the meeting. Commissioners participating were: Deborah Goddard, Secretary of the Executive Office of Housing, Robert Craven, Designee for General Treasurer James Dioassa; and Rebecca Webber, Designee for Jonathan Womer, Director of the Department of Administration. Stephen P. McAllister was absent.

RIHousing staff participating were: Carol Ventura, Executive Director; James Comer, Deputy Executive Director; Kara Lachapelle, Chief Financial Officer; Whitley Werts, Chief Human Resources Director; Nelia Krugar, Director of Accounting; Kelly Kenyon LeValley, Deputy General Counsel; and Terry Lehane, Director of Information Technology.

Members of the public were also present.

The Committee then discussed the following matters.

1. Approval of Minutes of the Management Committee Meeting Held on June 9, 2025.

Chairwoman Goddard asked for a motion and a second for the approval of the minutes of the Management Committee meeting held on June 9, 2025. A motion was made by Commissioner Designee Webber and seconded by Commissioner Designee Craven.

There being no discussion, Chairwoman Goddard requested a voice vote of the Commissioners for the approval of the minutes of the Management Committee Meeting held on June 9, 2025.

The Commissioners unanimously voted to approve the minutes.

Chairwoman Goddard then officially stated for the record that the following was adopted:

VOTED: That the minutes of the Management Committee Meeting held on June 9, 2025, are hereby approved.

2. Recommendation for Approval of Fiscal Year (FY) 2026 Operating Budget

Chairwoman Goddard invited Carol Ventura, Executive Director, to report on the FY 2026 operating budget.

Summarizing a document from the Management Committee package, Ms. Ventura said that she was pleased to provide the proposed FY 2026 Operating Budget detailing projected revenue and expenses for the upcoming year. A detailed presentation of the FY 2026 operating budget was included as part of the August 12, 2025, Management Committee packet.

Next, the Executive Director stated that she was happy to report that, despite some market challenges, the budget demonstrates the corporation's continued financial strength and commitment to housing, with net revenue over expenditures (Net Income) projected at \$18.7 million. That is an increase from the FY 2025 budget of \$10.9 million.

Net interest income for the projected year, FY 2026, is an increase of \$10.6 million over the prior year. RIHousing is achieving that amount through low prepayment speeds and issuing bonds for single-family lending.

Single-family production is estimated at \$600 million, with 75% funded through bond financing and 25% through direct sales to Freddie/Fannie or the TBA market.

For multifamily rental development, staff anticipate continued increased activity due to new housing development programs created by the State from ARPA funds as well as other federal programs that the Corporation administers. Multi-family Development will continue to work on the disbursement of SFRF funding awards and estimate mortgage production of \$156 million for construction, permanent, and conduit debt lending.

Ms. Ventura acknowledged the tremendous work being done by the Development staff in partnership with the Executive Office of Housing and thanked everyone for their efforts.

Next, the Executive Director stated that fee income reflects a \$2.7 million increase relating to Loan Servicing fees based on an increasing multi- and single-family portfolio.

In addition, RIHousing will continue to fund critical housing programs that include rental assistance, community development programs, and downpayment assistance. A few of those programs, such as NOP and State Rental Assistance, are legacy state programs, created by the state and then administered by RIHousing. Staff have added a budget line of \$1 million for a program to assist holders of Federal Emergency Housing Vouchers transition to stable housing as the Federal program ends. Staff will work one-on-one with the 100+ families impacted to address those needs.

RIHousing proposes to continue to support LISC through the Organization's NDF program that provides capacity support for non-profit developers. Also, the agency proposes to support community development initiatives and continued investment in healthy housing to link services with affordable rental opportunities.

RIHousing expects continued strong execution of homeownership programs and will continue to fund the Down Payment Assistance and the Home Secure programs. Staff will continue to use the most effective financing strategies to achieve low interest rates, such as tax-exempt, taxable, and variable rate bonding and selling in the TBA market if appropriate.

Operating expenses reflect an increase of \$4.1 million over FY25 relating to building maintenance, consulting for lean initiatives, software, and technology costs. Personnel expenses also include an increase in medical expenses and a merit increase for eligible staff.

Ms. Ventura paused at this point in the meeting and invited Kara Lachapelle, Chief Financial Officer, to report on some of the details of the budget.

Ms. Lachapelle referred to page 5 of the report, which was the summary of revenue and expenses. She spoke to the larger line items of the budget. Ms. Lachapelle stated that Net Interest Income for FY26 (the spread between our mortgage rates and our borrowing rates) reflects an increase of \$10.6 million from the FY25 budget. This is due to low prepayment speeds and financing of Homeownership loans through the issuance of bonds over the past several years, providing an ongoing annuity. That annuity is used to subsidize the rates for new borrowers.

RIHousing earns fees for originating loans and servicing fees. In addition, the Agency earns fees for administering federal grant programs.

The last line was for gains on loans that are generated through direct sales to Freddie/Fannie or the TBA market. In the present high-interest rate market, it's not advantageous to sell the loans, but staff routinely review those options.

The loan loss and expense line item showed an estimated increase in RIHousing's volume of loans; therefore, staff have anticipated an increase in losses.

Operating expenses showcase an increase in information technology costs, security, and deferred office maintenance expenses. The Corporation had some larger capital items in the past year that are starting to wrap up. Those included HVAC systems for the Earle building and roof repairs.

Ms. Ventura announced that Brett Pelletier, Chief Administrative Officer, has been doing a great job of moving those projects to completion. Tony A'Vant, Assistant Director of Design and Construction, was also instrumental in coordinating those efforts.

Merit increases are included in the budget as well as increases in medical expenses. Ms. Lachapelle said that the estimate for medical expenses will increase approximately 12%. The budget also reflects a few new full-time positions in Loan Servicing and Information Technology.

Commissioner Designee Webber inquired if the FY 2025 forecast is for informational purposes only and not relevant to the FY 2026 budget. Ms. Lachapelle confirmed that fact. She mentioned that the auditors are finishing their audit and that the amount will be verified.

Chairwoman Goddard mentioned that there has been some criticism that all of the 4% credits are not leveraged, but acknowledged that RIHousing utilizes the lion's share of the credits. Ms. Lachapelle agreed, noting that the Corporation has never turned back a development for volume cap. RIHousing has always had enough for the deals that are ready in that particular year. The issue is usually the soft funds. Ms. Ventura said that it's the Section 8 deals that can use the volume cap. The 4% credit deals without subsidy do not work.

Chairwoman Goddard announced that she, Ms. Ventura and Ms. Lachapelle have conversed about having a conversation regarding 5-year projection on income, expenses, the delta and how the Agency wants to program that delta for housing uses.

Finally, Ms. Lachapelle noted that the balance of the report presents charts and graphs that exhibit revenue and expenses by division and a five-year historical trend by categories. She invited the Committee to review those pages at their convenience.

Following the presentation, Chairwoman Goddard asked for a motion and a second to recommend to the Board of Commissioners Approval of Fiscal Year (FY) 2026 Operating Budget.

A motion was duly made by Commissioner Designee Craven and seconded by Commissioner Designee Webber.

There being no other questions, Chairwoman Goddard then conducted a voice vote of the Commissioners for Recommendation for Approval of Fiscal Year (FY) 2026 Operating Budget.

The Commissioners unanimously voted to approve the motion.

Chairwoman Goddard then officially stated that the recommendation for Approval of Fiscal Year (FY) 2026 Operating Budget was unanimously approved.

3. Discussion:

a. Regarding Vacation and Sick Carryover Policy

Chairwoman Goddard informed the Committee that during Ms. Ventura's contract renewal, a question was posed on how the Corporation's vacation policy compared to the state's policy. Therefore, Ms. Ventura has provided some details on that matter.

Ms. Ventura said that as the Chairwoman mentioned, the benefits issue came up during the renewal of her contract, compensation, and leave. Ms. Ventura referred to the information previously circulated regarding a summary of the state's benefit policy for the state's 40-hour per week employees. She noted that the State

has several different policies. RIHousing employees work a standard 40 hours across the board. The report provided a comparison of the benefits for 40-hour employees.

Ms. Ventura stated that the State of Rhode Island offers a progressive number of vacation hours per year of service. RIHousing employees earn vacation hours more rapidly in the early years of employment compared to state employees. With 10 years of service, RIHousing employees cap out at 200 hours per year. State employees continue to accrue vacation hours, where in year 25, they receive 224 hours per year. Additionally, state employees in year 20 can request five (5) additional days. RIHousing staff can carry over only 15 days of vacation per year.

The state's sick leave policy is more liberal, with employees accruing five (5) hours of sick leave every two (2) weeks, accruing 130 hours per year, and are paid out a maximum of 1000 sick hours at separation. RIHousing employees accrue 72 hours of sick days or 9 days per year. At the time of separation, the Corporation's employees receive a graduated payout of sick time for a maximum of 780 hours. There are differences between the policies, and Ms. Ventura noted that the state offers a very competitive sick and vacation program.

Commissioner Designee Webber asked if the comparison was for union employees. Ms. Ventura did not know, saying that there was nothing in the state's outline addressing that category.

Chairwoman Goddard remarked that there are certain positions in the state that are comparable. Chairwoman Goddard wondered what the state's rollover is for sick and vacation time. Ms. Lachapelle said that she believed that it was a full year's carryover. In another piece of the policy, it stated that one could roll over 2 full years of sick and vacation time. Ms. Lachapelle did say that the policy was unclear on which classification of jobs that pertained to.

Commissioner Designee Webber remarked that the benefits of flexibility of vacation and sick time are a great incentive when recruiting and retaining staff. Whitley Werts, Chief Human Resources Officer, agreed, saying that the vacation time is one of the reasons that RIHousing employees remain at the Corporation and turnover is minimal.

Ms. Ventura asked if there was anything else the Committee wanted to explore. Chairwoman Goddard said that she will do further research and review what the state's policy is for 35-hour employees.

No votes were taken regarding this item.

b. Executive Director's Goals

Chairwoman Goddard stated that during the Executive Session of the June 30, 2025, board meeting regarding Ms. Ventura's employment contract, the Board examined and reviewed the Director's performance goals. A copy of the goals was included as part of the August 12, 2025, Management Committee package.

Chairwoman Goddard noted that the goals were discussed with the Commissioners and the Executive Director, where they developed eight (8) performance goals for the current fiscal year. In essence, the goals are to address enhancing collaboration with the Executive Office of Housing, program improvement, targeted review of internal organization, and investment/cost efficiency.

The Chairwoman stated that even though the goals were examined during the Executive Session, some were not finalized. Those included goal number 5, which was evaluating the processes to increase nimbleness and efficiency, the addition of goal number 7 to work with the Executive Office of Housing to evaluate the potential to implement Restore Rebuild with eligible housing authorities, and finally goal number 8 to conduct a cost containment analysis on housing production.

Chairwoman Goddard then asked if anyone had any questions and/or suggestions on the goals. Commissioner Designee Webber declared that goal number 8 would be very helpful from a communication standpoint. Ms. Ventura agreed.

The Chairwoman then announced that the Executive Director's performance goals will be presented for approval at the August 21, 2025, board meeting.

In closing, Ms. Ventura was pleased to share that RIHousing has engaged a new Director for the Real Estate Development division, and the candidate will start on August 26.

No votes were taken regarding this item.

Adjournment

There being no further business to discuss, Chairwoman Goddard asked for a motion to adjourn the meeting. A motion was duly made by Commissioner Designee Webber and seconded by Commissioner Designee Craven to adjourn the meeting.

Chairwoman Goddard then conducted a voice vote of the Commissioners. The Commissioners unanimously voted to adjourn the meeting.

The meeting was adjourned at approximately 4:40 p.m.

In closing, Chairwoman Goddard thanked everyone for participating.

Respectfully submitted,

Carol Ventura
Secretary and Executive Director