

**Employees' Retirement Board
Of Rhode Island
Monthly Meeting Minutes
Date of Meeting: September 13, 2006**

The Monthly Meeting of the Retirement Board was called to order at 9:00 a.m., Wednesday, September 13, 2006 in the 8th Floor Conference Room, 40 Fountain Street, Providence, RI.

I. Roll Call of Members

The following members were present at roll call: Daniel L. Beardsley; Rosemary Booth Gallogly; Michael R. Boyce; William B. Finelli; M. Carl Heintzelman; John P. Maguire; John J. Meehan; Louis M. Prata; Linda C. Riendeau; General Treasurer Paul J. Tavares and Jerome F. Williams, designee for the Director of Administration and James P. Yancy.

Also in attendance: Frank J. Karpinski, ERSRI Executive Director and Attorney William E. O'Gara, Board Counsel.

Recognizing a quorum, Treasurer Tavares called the meeting to order.

II. Approval of Minutes

On a motion by Jerome F. Williams and seconded by John J. Meehan, it was

VOTED: To approve the minutes of the July 12, 2006 meeting of the Employees' Retirement System of Rhode Island Board.

III. Chairman's Report

Treasurer Tavares updated the Board regarding the passage of legislation he submitted concerning the Separation of Powers amendment. He indicated that an election must be held for one additional retired member to serve on the Board. The Board of Elections informed the System that they could only accommodate an election in January 2007, or thereafter, due to this year's primary election and upcoming November general election.

Given the drafting of the statute, Treasurer Tavares voiced concerns about having a separate election for one new member. He felt it would not be a prudent on-going expense to have a different election cycle for one member when all the other elected members share the same election cycle.

The Treasurer indicated that he would convene the elections subcommittee to analyze the election process and determine if the term of the new member can be synchronized

with the remaining elected members. He also indicated that his staff and legal counsel to the board would conduct some legal research on the matter.

Mr. Boyce felt that the new member would fill the remaining term with the current elected members. Then it would be synchronized with the remaining elected members. The Treasurer did not feel the language was that explicit and was concerned about the legality of such an interpretation. He agreed that other statutes define vacancies, but this may not be considered as one.

Ms. Booth Gallogly suggested legislation be introduced to make the elections concurrent. Treasurer Tavares asked when the next election would take place for current board members. Director Karpinski indicated the mailing and procedural components would begin in August of 2007. The newly elected members would take their seats in March of 2008.

IV. Executive Director's Report

Director Karpinski apprised the Board on a federal matter. The Subcommittee on Employer-Employee Relations of the U.S. House Committee on Education and the Workforce held a field hearing in Springfield, Illinois on Wednesday, August 30, 2006 for the purpose of "examining the retirement security of state and local government employees." As expected, the hearing centered on funding issues, particularly those that have become the focus of attention in the Illinois gubernatorial race. Both NCTR and NASRA were present to assist with the media, as were other public plan representatives. The chairman of the hearing, Minnesota Republican John Kline, offered assurances that Congress was not prepared to begin regulating public pension plans. However, a Committee press release issued after the hearing clearly suggests that the foundation for such a federal role is being prepared. Mr. Yancy asked that the Board be kept apprised of developments on this matter.

The Director then provided the Board with a copy of the new retirement handbook. It includes the changes made by Article 7, including examples of Schedule B calculations. The handbook is also available on the web.

Mr. Boyce inquired about the status of the number of outstanding Full Time Equivalent (FTE) in the retirement division. Director Karpinski said one position was vacant because the person has moved to another position in state government.

The Board was informed that the Rules and Regulations Subcommittee would need to convene to approve the discussions from the Disability Subcommittee Meeting of August 28, 2006. The Treasurer said he would select new members as some of the prior members were removed due to Separation of Powers.

The Board was provided the pension application processing report for the month of June 2006

V. Administrative Decisions

Disability Appeals

None this month

Hearing Officer Decisions

Katherine M. Callaghan v. ERSRI

Attorney O’Gara provided the Board with a synopsis of the hearing officer’s decision on Ms. Callaghan’s application to change the benefit type.

Attorney Neil Galvin, representing Ms. Callaghan, called the Employees’ Retirement System and left a voicemail message for Chief Legal Counsel Kerry Walsh that he would not be attending the hearing and was withdrawing the application on behalf of Ms. Katherine M. Callaghan.

There being a stenographer present, a motion was made by James P. Yancy and seconded by Rosemary Booth-Gallogly and it was unanimously

VOTED: To uphold the hearing officer’s decision.

Ronald Archer, et. als v. ERSRI

Attorney O’Gara provided the Board with a synopsis of the hearing officer’s decision on the matter. Attorney Vincent J. Piccirilli was representing Ronald Archer, et. als.

There being a stenographer present, the parties presented their issues. Attorney Vincent J. Piccirilli disagreed with the hearing officer’s position and would continue his matter at Superior Court.

At the conclusion of the presentations and discussion, a motion was made by Jerome F. Williams, seconded by John P. Maguire and it was

VOTED: To uphold the hearing officer’s decision.

Treasurer Tavares indicated that Mr. Boyce voted nay on the matter of Ronald Archer, et. als v. ERSRI.

VI. Approval of July and August pensions as presented by ERSRI

On a motion by Michael R. Boyce and seconded by Linda C. Riendeau, it was unanimously

VOTED: To approve the July and August pensions as presented by ERSRI.

VII. Legal Counsel Report

Attorney William O’Gara informed the Board that the July and August legal report was included in their board book. Attorney O’Gara indicated he would update the legal counsel report for next month including the matter of *Ronald Archer, et. als v. ERSRI*.

VIII. Committee Reports

Disability Subcommittee: As the result of its September 8, 2006 meeting, the Disability Subcommittee recommended the following actions on disability applications for approval by the full Board:

	Name	Membership Group	Type	Action
1.	Carol Campbell	Teacher	Ordinary	Approve
2.	Gary Fagundes	State	Ordinary	Approve
3.	Linda Hazel	Teacher	Ordinary	Approve
4.	Wallace Neff	Municipal	Ordinary	Approve
5.	Barbara Shaw	Teacher	Ordinary	Approve
6.	Robert Snow	Teacher	Ordinary	Approve
7.	Marie Tanguay	Teacher	Ordinary	Approve
8.	Lisa Tortolani	State	Ordinary	Approve
9.	Normand Vadenais	Municipal	Ordinary	Approve
10.	Carol Andrews	Teacher	Accidental	Approve
11.	Christine Barbato	Municipal	Accidental	Approve
12.	Carolyn Chicon	Teacher	Accidental	Deny
13.	Jennifer Edwards	State	Accidental	Table
14.	Lianne Fleury	Teacher	Accidental	Approve
15.	Linda Grenier	Teacher	Accidental	Table
16.	Gary Grossi	State	Accidental	Table
17.	Stephen Isherwood	Municipal	Accidental	Approve
18.	Joseph Knight	State	Accidental	Approve
19.	Robert Leduc	Municipal	Accidental	Approve
20.	Sherry Roberts	State	Ordinary	Approve
21.	Dennis Kraus	Teacher	Accidental	Deny

On a motion by William B. Finelli and seconded by Jerome F. Williams it was unanimously

VOTED: To approve the recommendation of the Disability Subcommittee meeting on Friday, September 8, 2006 on items 2, 4, 6, 8, 9, 11, 12, 13, 16, 17, 19, 20.

On a motion by William B. Finelli and seconded by Louis M. Prata it was unanimously
VOTED: To approve the recommendation of the Disability Subcommittee meeting on Friday, September 8, 2006 on items 1, 3, 5, 7, 10, 14, 15, and 21.

Mr. Maguire recused himself from items 1, 3, 5, 7, 10, 14, 15, and 21.

On a motion by William B. Finelli and seconded by Daniel L. Beardsley it was unanimously

VOTED: To approve the recommendation of the Disability Subcommittee meeting on Friday, September 8, 2006 on item 18.

Mr. Meehan recused himself from item 18.

IX. New Business

None

X. Adjournment

There being no other business to come before the Board, on a motion by John P. Maguire and seconded by William B. Finelli the meeting adjourned at 10:35 a.m.

Respectfully submitted,

Frank J. Karpinski

Executive Director