Employees' Retirement Board of Rhode Island
Monthly Meeting Minutes
Wednesday, June 11, 2008
9:00 a.m.
8th Floor Conference Room, 40 Fountain Street

The Monthly Meeting of the Retirement Board was called to order at 9:00 a.m., Wednesday, June 11, 2008 in the 8th Floor Conference Room, 40 Fountain Street, Providence, RI.

I. Roll Call of Members

The following members were present at roll call: Gary R. Alger; Daniel L. Beardsley; Frank R. Benell Jr.; Rosemary Booth-Gallogly; Michael R. Boyce; General Treasurer Frank T. Caprio; William B. Finelli; M. Carl Heintzelman; John P. Maguire; Louis M. Prata and Susan K. Rodriguez

Also in attendance: Frank J. Karpinski, ERSRI Executive Director; Attorney Michael P. Robinson, Board Counsel.

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

Linda C. Riendeau joined the meeting at 9:10 a.m. and John J. Meehan joined the meeting at 9:15 a.m.

II. Approval of Minutes

On a motion by Gary R. Alger and seconded by Vice Chairman William B. Finelli, it was unanimously

VOTED: To approve the minutes of the May 14, 2008 meeting of the Employees' Retirement System of Rhode Island Board.

III. Chairman's Report

Due to the lengthy nature of some of the items on the agenda, Chairman Caprio told the Board he would provide his report, if time permitted, at the end of the meeting otherwise, he would provide his report at the July meeting. Director Karpinski also told the Board he would provide his report at the conclusion of the meeting.

IV. Presentation of the Actuarial Valuation as of June 30, 2007 by Gabriel, Roeder, Smith & Company for State Employees, Teachers, State Police and Judges.

Treasurer Caprio introduced Mr. Chris Conradi and Mr. Joe Newton of Gabriel, Roeder, Smith & Company (GRS) to present the Actuarial Valuations for the State Employees, Teachers, State Police and Judges Plans for the period ending June 30, 2007.

Mr. Conradi began his presentation explaining the procedure used for the Actuarial Valuations. He said the valuation is prepared as of June 30, 2007, using member data provided by staff, audited financial data, current benefit and contribution provisions and actuarial assumptions and methods previously approved by the Retirement Board. Mr. Conradi reiterated the purpose of the valuation is to measure the actuarial liabilities, determine employer contribution rates for FY 2010, provide other information for reporting and explain changes in actuarial condition of ERSRI.

Mr. Conradi then discussed the active membership with the Board. He said the number of active state employees decreased by 245 from 12,817 to 12,572, a 1.9% decrease. Since 1997, he said the active membership has decreased an average of 0.2% per year but has decreased at 1.8% per year on average for the last five years. Mr. Conradi then said the number of active teachers decreased by 197 from 14,343 to 14,146, a 1.4% decrease. Since 1997, the active membership has increased an average of 1.1% per year.

Mr. Conradi next discussed the retired membership. He told the Board that the number of retired state employees increased by 122, from 10,041 to 10,163 which is a 1.2% increase. He said the number includes service retirees, disabled retirees, and beneficiaries receiving benefits. Mr. Conradi apprised the Board that over the last ten years, the number of state retirees has grown an average of 1.4% per year and that there are 1.2 active state employees for each retiree; this ratio has decreased slightly over the last ten years from 1.4. For teacher retirees, Mr. Conradi said the number of retired teachers increased by 245, from 8,873 to 9,118 which is a 2.8% increase. He said over the last ten years, the number of teacher retirees has grown an average of 5.2% per year and there are 1.6 active teachers for each retiree; this ratio has decreased from 2.3 in 1997.

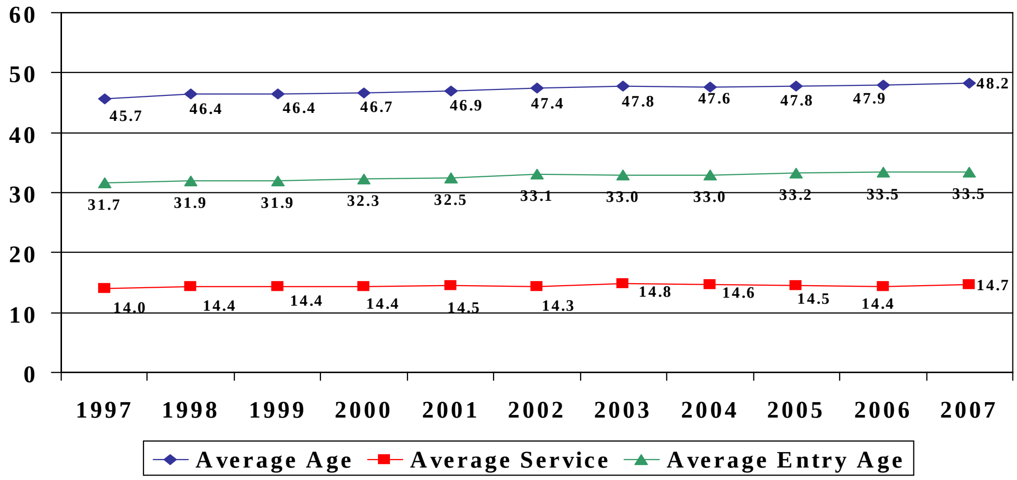
Mr. Conradi said there are also 2,405 inactive state employees and 2,257 inactive teachers. These figures include members who are non-vested and are pending receipt of a refund, and it includes members who are vested and have elected to defer their benefit.

Mr. Conradi then discussed the active payroll for state employees and teachers. He told the Board that payroll for state employees active on June 30, 2007 increased 2.3% to $626 million and has increased an average of 3.9% per year since 1997. For teachers active on June 30, 2007, Mr. Conradi told the Board that payroll increased 5.0% to $902 million and has increased an average of 4.6% per year since 1997.

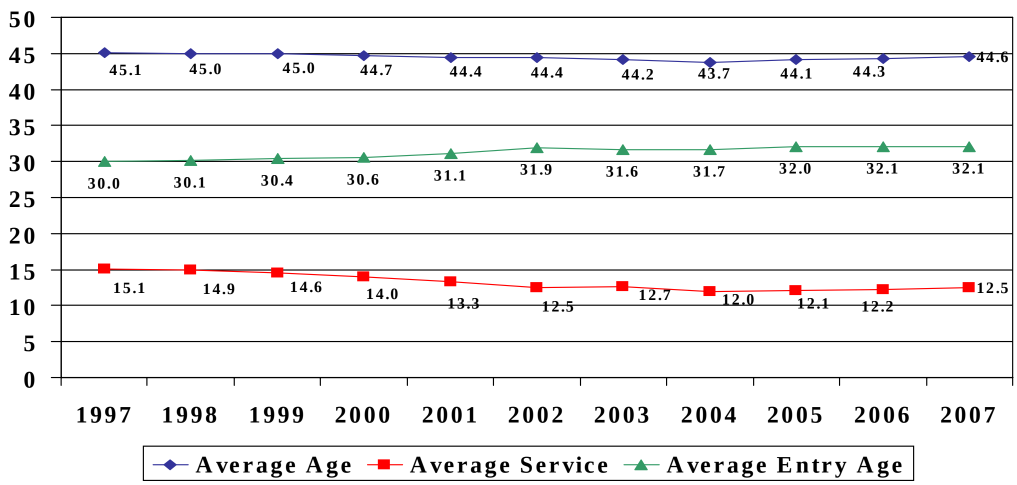
Mr. Conradi discussed average salary and benefits with the Board. He said average pay for state employees increased 4.4% to $49,809, while average pay for teachers increased 6.4% to $63,777. The average annual benefit for a state retiree is $23,781, an increase of 5.7% from last year while the average annual benefit for a retired teacher is $41,341, an increase of 3.0% since last year.

Mr. Conradi then discussed age and service with the Board and provided the following charts:

Age & Service - State Employees



Age & Service - Teachers



Mr. Newton then discussed the assets of the system with the Board. He said the assets' fair market value in total for all plans increased from $7.33 billion to $8.51 billion with a return on market of approximately 18.2% in FY 2007. He said it was 11.6% in FY 2006. Mr. Newton apprised the Board that the average market return for the last ten years was 7.37%, net of all investment and administrative expenses, compared to the 8.25% investment return assumption.

Mr. Newton reminded the Board that all actuarial calculations use the actuarial value of asset's (AVA), not market value. The AVA uses five-year smoothing which consists of 20% of the difference between FY 2007 actual and expected returns on market, 40% of

FY 2006 difference, 60% of FY 2005 difference and 80% of FY 2004 difference. He told the Board that AVA is used for smoother, more consistent contribution rates over time.

Mr. Newton told the Board that the actuarial return was 13.0% in FY 2007 and the actuarial values are about 89.3% of the fair market values. He also said the actuarial value includes deferred asset gains not yet reflected in the employer contribution calculations which will provide protection against future investment losses.

Next, Mr. Newton discussed the net external cash flow which is contributions less benefit payments and refunds. He told the Board that for state employees the amount was -$52.5 million or -1.9% of the end-of-year market value. For teachers, the comparative amount is -$90.4 million or -2.2% of the end-of-year market value.

Mr. Newton then discussed the actuarial results with the Board. He apprised them that for state employees, the unfunded actuarial accrued liability (UAAL) decreased from $1,874 million to $1,839 million, while for teachers, the UAAL decreased from $3,051 million to $3,012 million. He said the funded ratio (actuarial assets divided by actuarial accrued liability) increased from 54.6% to 57.5% for state employees and from 52.7% to 55.4% for teachers.

Mr. Newton provided the Board the following information on the actuarial results for state employees:

Item	2007	2006
Employer Normal Cost%	1.64%	1.61%
Amortization rate	19.05%	19.52%
Total	**20.69%**	**21.13%**
FY ending June 30,	2010	2009
Payroll Projected 2 Yrs.	$717.3	$701.0
Projected Contribution	$148.4	$148.1

Dollar amounts in millions

And for teachers:

Item	2007	2006
Employer Normal Cost%	2.33%	2.32%
Amortization rate	21.55%	22.71%
Total	**23.88%**	**25.03%**
FY ending June 30,	2010	2009
Payroll Projected 2 Yrs.	$1,042.7	$994.4
Projected Contribution	$249.0	$248.9

Dollar amounts in millions

Mr. Newton provided the Board with the following breakdown of the teacher contribution rates:

FY Ending June 30	2010	2009
State rate	9.71%	10.17%
Local rate	14.17%	14.86%
Total rate	23.88%	25.03%
State contribution	$101.2	$101.1
Local contribution	$147.8	$147.8
Total contribution	$249.0	$248.9

Dollar amounts in millions

Mr. Newton then provided the Board with the following reconciliation of the change in employer contribution rates:

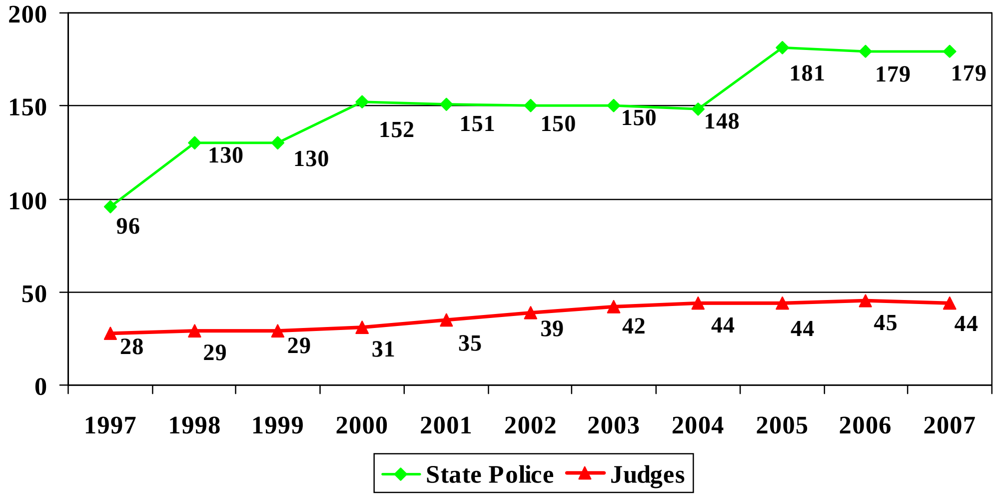
Basis	State Employees	Teachers
1. FY 2009 employer contribution rate	21.13%	25.03%
2. Impact of changes		
a. Non-salary liability (gain)/loss	0.30%	0.02%
b. Salary (gain)/loss	0.08%	0.27%
c. Total payroll growth (gain)/loss	0.43%	(0.15%)
d. Investment experience (gain)/loss	(1.25%)	(1.29%)
e. Changes in assumptions	0.00%	0.00%
f. Changes in benefit provisions	0.00%	0.00%
3. FY 2010 employer contribution rate	20.69%	23.88%

Mr. Newton then apprised the Board of the requirements contained in RIGL §36-10-2(g). He told the Board the law provides that whenever the State's contribution rate decreases, RIGL §36-10-2(g) requires that the Governor include in the budget an appropriation for 20% of that savings as an additional contribution. He told the Board that for fiscal year 2010, these amounts are $631,259 for state employees and $959,240 for teachers (appropriation only applies to State share, not local).

Mr. Conradi and Mr. Newton concluded their presentation by discussing what may happen next year. They discussed 30 year projections that were provided to the Board. Given the tenor of the market, they discussed the potential impacts for probable poor returns for fiscal year 2008. Also, given the impact of layoffs, privatizing and reduction by attrition coupled with the impact of Article 4, Mr. Conradi and Mr. Newton said a reexamination of payroll after October would be necessary to evaluate a possible increase to the State's contribution rate for state employees.

Mr. Newton began his presentation for the State Police and Judges plans. He provided the Board with the following graph that accounted for the active membership since 1997.

Active Membership



6.4% average increase for State Police since 1997
4.6% average increase for Judges since 1997

Mr. Newton said that the inactive membership consisted of one retiree and two disabled retirees in the State Police plan and two retirees and three beneficiaries in the Judicial plan.

He then discussed the payrolls of both plans. Mr. Newton said based on salary used for benefits, there was an 11.4% average increase for State Police since 1997. For Judges, there was an 8.6% average increase since 1997.

Mr. Newton provided the Board with asset values for both the Judges and State Police. The State Police Trust had a market value of $50.4 million with an actuarial value of assets of $46 million, while for Judges the market value was $32.5 million with actuarial value of assets at $29.6 million.

Mr. Newton then discussed the actuarial results of both the plans. He told the Board the unfunded actuarial accrued liability (UAAL) decreased from $5.9 million to $5.0 million and the funded ratio (actuarial assets divided by actuarial accrued liability) increased from 86.0% to 90.2% for the State Police. For Judges, Mr. Newton said the unfunded actuarial accrued liability (UAAL) decreased from $3.6 million to $2.8 million and the funded ratio increased from 86.8% to 91.3%.

Mr. Newton provided the Board the following information on the actuarial results for State Police

Item	2007	2006
Employer Normal Cost%	27.00%	26.65%
Amortization rate	2.72%	3.41%
Total	**29.72%**	**30.06%**
FY ending June 30,	2010	2009
Payroll Projected 2 Yrs.	$13.0	$11.7
Projected Contribution	$3.9	$3.5

Dollar amounts in millions

And for Judges:

Item	2007	2006
Employer Normal Cost%	28.38%	28.99%
Amortization rate	2.66%	3.36%
Total	**31.04%**	**32.35%**
FY ending June 30,	2010	2009
Payroll Projected 2 Yrs.	$7.4	$7.2
Projected Contribution	$2.3	$2.3

Dollar amounts in millions

Mr. Newton then concluded his presentation and provided the Board with the following reconciliation of the change in employer contribution rates for State Police and Judges:

Basis	**State Police**	**Judges**
1. FY 2009 employer contribution rate	30.06%	32.35%
2. Impact of changes		
a. Non-salary liability (gain)/loss	0.16%	(0.32%)
b. Salary (gain)/loss	0.74%	0.06%
c. Total payroll growth (gain)/loss	(0.25%)	0.09%
d. Investment experience (gain)/loss	(0.99%)	(1.14%)
e. Changes in assumptions	0.00%	0.00%
f. Changes in benefit provisions	0.00%	0.00%
3. FY 2010 employer contribution rate	29.72%	31.04%

Rosemary Booth-Gallogy asked Mr. Conradi whether the unfunded liability, the component in the equation to be amortized, is a fixed number and as such, is it a number that must be paid regardless of the number of employees. Mr. Conradi answered in the affirmative and pointed out that there is an amortization payment calculated. He said the report shows the dollar amount of the amortization payment for the unfunded liability for state employees as $136.6 million dollars. He told the Board that he set the amortization portion of the contribution rate at 19.05 % in order to collect $136.6 million dollars. Mr. Conradi said that if it turns out that payroll is not $717 million dollars in fiscal year 2010, but rather $617 million dollars, for example, the system will not have enough money and therefore, there will be a need to adjust the rate upward.

Ms. Booth-Gallogly expressed some concern that some may get the impression that the reduction in the number of FTEs may cost money when in fact the cost remains unchanged regardless of the number of employees it is spread over.

Daniel L. Beardsley asked Mr. Conradi about his comment on GRS' projection that there will probably be a poor rate of return in 2008. He asked Mr. Conradi if there are other systems experiencing comparable rates of return considering a change in their assumed rates of return. Mr. Conradi answered by stating that the 8.25% is on the high side with 8% being the average. Mr. Conradi said ERSRI is not excessively high, however it is still considered to be high. Since 1999/2000 he said GRS has seen a slow movement of systems towards lower return rates. Mr. Conradi said out of the 50 states, approximately eight to ten systems have revised their return assumptions down during the past seven to eight years from 8% to 7.75% or 7.5%.

John P. Maguire then asked whether there was any way to determine the Employer's normal cost rate separately for schedule A and B members. Mr. Conradi said he needed to review calculations done when the legislation was implemented. He believed it was possible but told Mr. Maguire that given the studies currently being requested, he would need a few months to complete the analysis.

Treasurer Caprio thanked Mr. Conradi and Mr. Newton for their presentations. There being no further questions, on a motion by Gary R. Alger and William B. Finelli and seconded by Rosemary Booth Gallogly it was unanimously

VOTED: To accept the valuation as of June 30, 2007 and the fiscal 2010 contribution rates for the State Employees, Teachers, State Police and Judges as presented by Gabriel, Roeder, Smith And Company.

V. Administrative Decisions

Disability Appeals

<u>*Michael E. Marcello vs. ERSRI*</u>

Included in the Board Members' books was the decision, exhibits and supporting information in the matter of *Michael E. Marcello vs. ERSRI*. Attorney Robinson reminded the Board that the matter was an appeal from the Disability Subcommittee and had been continued from the prior meeting of the Board on May 14, 2008. He said Attorney Gary Gentile requested that copies of the transcript be made available for the Board's review. Mr. Robinson confirmed that the transcripts were presently included in the members' board books. Attorney Gentile was present representing Mr. Marcello. There being a stenographer present, the parties presented their cases.

At the conclusion of the discussion, a motion was made by Gary R. Alger and seconded by Frank R. Benell, Jr. to uphold the decsion of the Disability Subcommittee and it was unanimously.

VOTED: To uphold the decision of the Disability Subcommittee and deny the application for accidental disability in the matter of *Michael E. Marcello vs. ERSRI.*

John P. Maguire recused himself from the matter.

At 11:05 am, Chairman Caprio apprised the Board that he needed to leave the meeting and turned the chair over to Vice Chairman William B. Finelli.

William Souza vs. ERSRI

Attorney Robinson apprised the Board that the matter of *William Souza vs. ERSRI* was an appeal from an adverse recommendation from the Disability Subcommittee. He also informed the Board that the subcommittee concluded that Mr. Souza's injuries were not the result of any particular injury which the law requires. Mr. Souza appeared pro se. There being a stenographer present, the parties presented their cases.

At the conclusion of the discussion, a motion was made by Daniel L. Beardsley and seconded by Gary R. Alger to uphold the decision of the Disability Subcommittee and it was unanimously.

VOTED: To uphold the decision of the Disability Subcommittee and deny the application for accidental disability in the matter of *William Souza vs. ERSRI*.

Louis M. Prata recused himself from the matter.

At 11:35 a.m. Daniel L. Beardsley left the meeting.

VI. Presentation of Benchmarking Study by Cost Effective Measurement Incorporated (CEM).

Vice Chairman Finelli then introduced Mr. Bruce H. Hopkins of CEM Benchmarking Incorporated to present the report of the benchmarking study performed by CEM.

Mr. Hopkins began his presentation by telling the Board that what gets measured gets managed. He said the focus of the report is to provide a management tool that can be used to:

Improve customer service levels

– Learn from the best in the pension community

– Learn what others are doing that you are not

Better understand your business

– Managers: Step back and take stock in what you do

– Employees: Provides point of reference for service level

Measure and manage performance

– Identify what is important

– Keeps operations "front & center"

– Monitor your annual progress using an outside benchmark

– Serves as a catalyst for change

Mr. Hopkins told the Board that CEM performs analysis for 74 leading global pension systems that participate in the benchmarking service. Mr. Hopkins apprised the Board that when evaluating costs and performance, the most relevant comparisons are to systems similar to ERSRI in membership and nationality. He provided the following list of the peer group used in ERSRI's analysis:

Custom Peer Group for ERS of Rhode Island	Membership (000s)		
	Annuitants	Active Members	Total
Delaware PERS	22	43	64
ERS of Rhode Island	**23**	**36**	**59**
Idaho PERS	30	66	95
Indiana State TRF	42	73	116
LACERA	51	89	139
MOSERS	29	55	84
Nevada PERS	36	104	140
New Hampshire RS	22	56	77
South Dakota RS	19	37	56
TRS Louisiana	60	90	149
Average	33	65	98
Median	29	61	90

Mr. Hopkins then discussed ERSRI's total adjusted administrations cost using the following breakdown:

Total Adjusted Administration Cost for ERS of Rhode Island		
Activity	$000s	%
1 Paying Annuity Pensions	577	8.6%
2 Annuity Pension Inceptions (non-disability)	548	8.2%
3 Pension Benefit Estimates	0	0.0%
4A 1-on-1 Member Counseling	542	8.1%
4B Group Retirement Counseling	0	0.0%
5 Member Contacts: Calls, Emails, Letters	502	7.5%
6 Mass Communication to Members and Annuitants	371	5.5%
7A-C Collections and Data Maintenance	1,009	15.0%
7D Service to Employers	267	4.0%
8 Refunds, Transfers-out, Terminating Payments	326	4.8%
9 Purchases and Transfers-in	561	8.4%
10 Disability	608	9.1%
11A-D Financial Control and Governance	1,084	16.1%
12A-C Plan Design and Rules Development	323	4.8%
13 Major Projects	0	0.0%
Total Adjusted Administration Cost	$6,718	100.0%

Mr. Hopkins told the Board that CEM measures and compares 5 factors that impact costs. Economies of Scale, Transaction Volumes and Cost Environment have the largest impact. He said the factors that impact costs are:

1. Economies of Scale

2. Transaction Volumes

3. Cost Environment

4. Plan Complexity

5. Service Level

Mr. Hopkins told the Board that a scale measure is ERSRI's total volume, which is 58,500 Active Members and Annuitants. This compared to a peer median of 89,700. Mr. Hopkins then apprised the Board that ERSRI has an economy of scale disadvantage relative to the largest peers. He said total volume matters most for systems with 100,000 or fewer active members and annuitants and these smaller systems have a scale disadvantage.

Mr. Hopkins told the Board that ERSRI's transaction volume score was 38% above the peer median. He said this suggests that ERSRI does more transactions and/or a more costly mix of transactions per active member and annuitant. The transaction volume score summarizes in a single number the 80 different pension administration transaction types compared in the report. It is higher cost to do more transactions per member. Therefore, he said it is important to understand how and why ERSRI's transaction volumes differ.

Mr. Hopkins provided the Board with the following examples of where ERSRI does more volume that its peers:

- Disability
  - ERSRI had 3 disability applications for every 1000 active members and annuitants versus a peer average of 1.
  - ERSRI had more independent medical examinations. Independent medical examinations paid for by ERSRI equaled 300% of ERSRI disability applications versus a peer average of 74%.
  - ERSRI had more appeals. Appeals equaled 60% of disability applications versus a peer average of 12%.
- Data from Employers transactions, such as retroactive changes. ERSRI changed 17,480 member records because of retroactive transactions which equals 491 retroactive changes per 1000 active members versus a peer average of 52 retroactive changes per 1000.
- Governance transactions such as actuarial analyses. ERSRI did 118 actuarial analyses for funding or billing purposes which was more than the peer average of 14.
- Paying pensions transactions such as payment advice mailings. ERSRI mailed 12.8 payment advices per annum per annuitant receiving EFT last year versus a peer average of 7.4. ERSRI paid 14.5% of payments by check versus a peer average of 11.7%.
- More calls, emails and letters. ERSRI had 1,562 calls, emails and letters for every 1000 active members and annuitants versus a peer average of 1,356.

Mr. Hopkins then apprised the Board that ERSRI cost environment is 11.4% higher cost than the peer median.

Next, he discussed plan complexity and said it is not a good predictor of costs because defined benefit plans are already extremely complex. Thus, additional incremental differences cause only a relatively minor impact. However, Mr. Hopkins told the Board that ERSRI's complexity was above the peer median and provided the following chart for review:

Relative Complexity Ratings by Cause			
		Complexity: 0 least - 100 most	
Weight	Underlying Cause	Your	Peer Avg
15.0%	A. Pension Payment Options	63	53
20.0%	B. Customization Choices	13	3
10.0%	C. Multiple Plan Types and Overlays	0	18
16.0%	D. Multiple Benefit Formula	54	30
3.0%	E. External Reciprocity	0	17
4.0%	F. COLA Rules	15	32
3.0%	G. Contribution Rates	77	38
4.0%	H. Variable Compensation	15	61
3.0%	I. Service Credit Rules	26	44
3.0%	J. Divorce Rules	55	54
5.5%	K. Purchase Rules	71	52
4.0%	L. Refund Rules	58	45
6.0%	M. Disability Rules	82	67
0.5%	N. Translation	0	8
3.0%	O. Defined Contribution Plan Rules	0	12
100.0%	Weighted Average (before scaling)	38	33
	Scaled Total Complexity	45	35

Mr. Hopkins next discussed ERSRI's service level. He said ERSRI's total service score was 61 and was below the peer median of 79. Mr. Hopkins said service scores are not a good predictor of costs because costs are driven much more by the volume of service transactions (i.e., the number of calls, number of counseling sessions, etc.) than they are by their timeliness, availability or quality. Additionally, high cost activities such as collections and data maintenance, governance and financial control, plan policy / design and major projects do not have service measures.

Mr. Hopkins concluded his presentation discussing some key take aways from the report as well as some examples of changes ERSRI could make that would improve the total service score by 19.8 points.

Vice Chairman Finelli thanked Mr. Hopkins for his presentation and the work done by his firm. Director Karpinski then told the Board that he anticipates convening the Board outside of the regular meeting to discuss the recommendations and determine which items they recommend he implements.

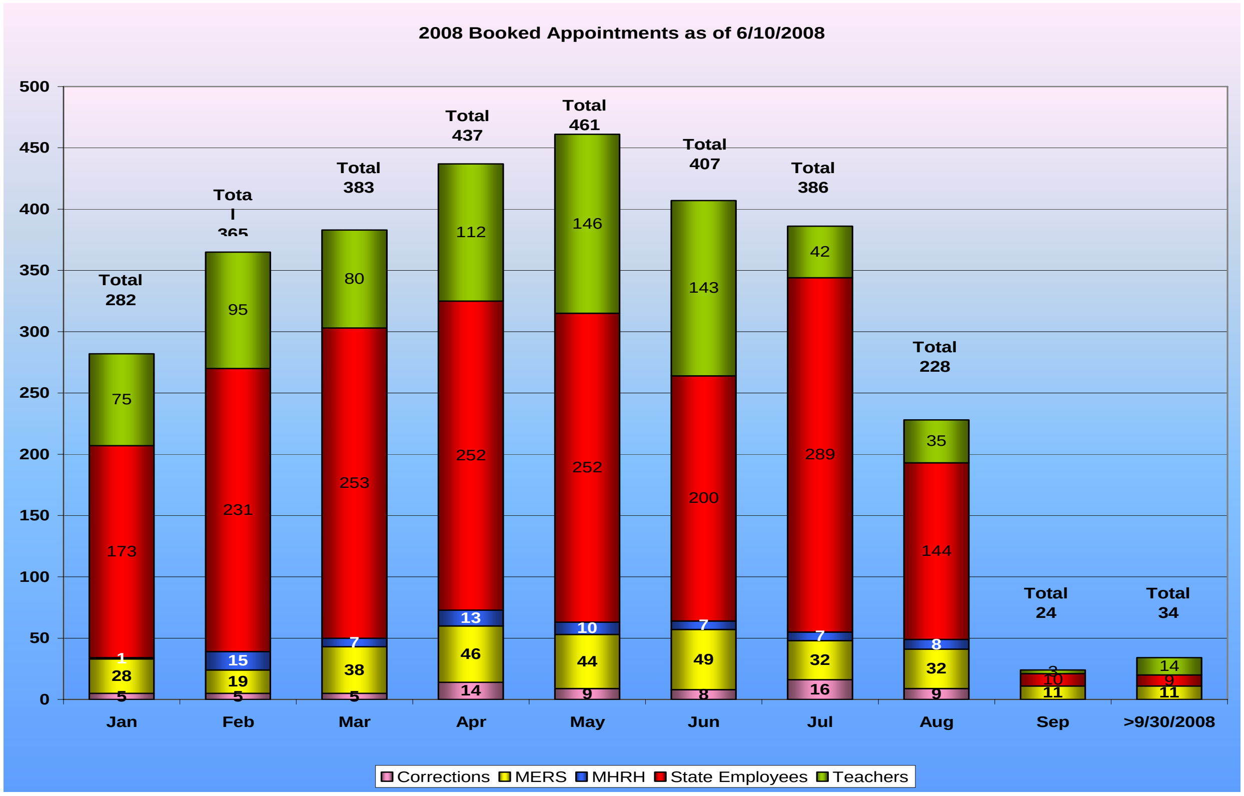
Rosemary Booth-Gallogly asked how the issue of complexity could be addressed and how the Board could link the benchmarks to customer service. Mr. Hopkins replied that although complexity is often out of a system's hands because it is legislative, complexity is often resolved through automation.

VII. Executive Director's Report

Director Karpinski informed the Board that the independent Auditor's Report, included as part of the hand-outs for the meeting, will include new standards in the future. The Director explained that the Audit Subcommittee will play a more significant role in the audit process wherein the subcommittee will have more discussion and more communication with the auditors including meetings during which neither the Director of Finance nor the Executive Director will be in attendance.

The Director also informed the Board that the Municipal Valuation will be presented at July board meeting.

Mr. Karpinski then directed the Board to view the chart below of the 2008 Booked Appointments of 6/10/2008 and read it in conjunction with the Pension Application Processing Report of 5/31/2008.



The Director noted that in the month of May there were 452 outstanding applications that are less than zero. This means, the Director explained, that there are people who have a retirement date sometime in June, have also received an application, and that there was a termination date. Director Karpinski told the Board that people should be conscious that it is difficult to determine how many people are actually going to take the final step and retire.

Director Karpinski then directed the Board's attention to two military purchases in the board book. He said the matters of Mr. Mark Sheridan and Mr. Armand Frechette involved military purchases based on bills generated prior to the promulgation of Regulation 6 and RIGL §36-9-31, 16-16-7.1 and 45-21-53. The Director told the Board that the enclosed invoices and fact patterns are similar to those of Messrs. Nixon and Soscia and under those conditions, in the past, the Board has voted to allow the members to purchase the credit at the old invoices. The Director apprised the Board that the bill for Mr. Sheridan stated "payable upon receipt" while Mr. Frechette's bill was marked "on or before retirement." John P. Maguire expressed concern that the statement date on the Sheridan purchase was 10/31/97 while the law was changed in July of that year. The Director explained that 10/31/97 reflected the statement preparation date while the request was probably made prior to the law's having been changed. Mr. Maguire then stated that prior to his approving the statement, he would like to see documentation that Mr. Sheridan actually filed an application prior to July 3, 1997. Director Karpinski said he would provide information on the matter during the next meeting. On a motion by Michael R. Boyce and seconded by Rosemary Booth Gallogly, it was unanimously

VOTED: To allow Mr. Mr. Armand Frechette to purchase his military credit at the old invoice.

VIII. Approval of the May Pensions as Presented by ERSRI

On a motion by Linda C. Riendeau and seconded by Rosemary Booth-Gallogly it was unanimously

VOTED: To approve the May pensions as presented.

IX. Legal Counsel Report

Attorney Michael P. Robinson informed the Board that the May litigation report was enclosed in their books. John P. Maguire queried Attorney Robinson about a matter involving a refund of a member's contribution. Attorney Robinson said he was collecting information on the matter and would be prepared to discuss it in executive session at the July meeting.

X. Committee Reports

The Disability Subcommittee recommended the following actions on disability applications as a result of its June 6, 2008 meeting for approval by the full Board.

	Name	Membership Group	Type	Action
1.	Thomas Schiavitti	State	Accidental	Approve
2.	Carrie Pariseau	Municipal	Accidental	Approve
3.	Alan Barth	State	Accidental	Deny
4.	Virginia Lewis	State	Accidental	Approve
5.	Donna Ciafrei	State	Accidental	Table
6.	William Ferreira	State	Accidental	Approve
7.	Min-Young Lee	State	Accidental	Table
8.	Louis Supino	State	Accidental	Table
9.	Eugene Matera	State	Accidental	Table
10.	Omer Boucher	Municipal	Accidental	Table
11.	James Suzman	Municipal	Ordinary	Approve
12.	Manette Jungles	Teacher	Ordinary	Approve
13.	Linda Harnois	Teacher	Ordinary	Approve
14.	Christopher Durigan	Teacher	Ordinary	Approve
15.	Brian Castro	State	Accidental	Table

On a motion by Michael R. Boyce and seconded by Susan K. Rodriguez, it was unanimously

VOTED: To approve the recommendation of the Disability Subcommittee meeting of Friday, June 6, 2008 on items 3 and 7.

John J. Meehan recused himself from items 3 and 7.

On a motion by Michael R. Boyce and seconded by Susan K. Rodriguez, it was unanimously

VOTED: To approve the recommendation of the Disability Subcommittee meeting of Friday, June 6, 2008 on item 12.

John P. Maguire recused himself from item 12

On a motion by Michael R. Boyce and seconded by Susan K. Rodriguez, it was unanimously

VOTED: To approve the recommendation of the Disability Subcommittee meeting of Friday, March 9, 2008 on items 1, 2, 4, 5, 6, 8, 9, 10, 11, 13, 14 and 15.

XI. New Business

None this month

XII. Adjournment

There being no other business to come before the Board, on a motion by Frank R. Benell Jr. and seconded by Louis M. Prata, the meeting adjourned at 12:40 p.m.

Respectfully submitted,

Frank J. Karpinski
Executive Director