Employees' Retirement Board of Rhode Island
Monthly Meeting Minutes
Wednesday, September 9, 2015
9:00 a.m.
2nd Floor Conference Room, 50 Service Avenue

The Monthly Meeting of the Retirement Board was called to order at 9:04 a.m. Wednesday, September 9, 2015, in the 2nd Floor Conference Room, 50 Service Avenue, Warwick, RI.

I. Roll Call of Members

The following members were present at roll call: Treasurer Seth Magaziner; Vice Chair William B. Finelli; Gary R. Alger, Esq.; Daniel L. Beardsley; Roger P. Boudreau; Michael R. Boyce; Mark A. Carruolo; Michael DiBiase; John P. Maguire; John J. Meehan; Thomas A. Mullaney; Claire M. Newell and Jean Rondeau.

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

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

II. Approval of Minutes

On a motion by Jean Rondeau and seconded by Gary R. Alger, Esq., it was unanimously

VOTED: To approve the draft minutes of the July 8, 2015 meeting of the Retirement Board of the Employees' Retirement System of Rhode Island.

III. Chairperson's Report

Treasurer Magaziner asked Chief Investment Officer Anne-Marie Fink to provide the June 30, 2015 quarter's fiscal year update on investments. Ms. Fink said she would be providing a performance update on the Defined Benefit (DB) plan for the second quarter and the longer term, and representatives from TIAA-CREF would discuss the Defined Contribution (DC) plan. Ms. Fink also apprised the Board that she would respond to Mr. Maguire's inquiry at the May 13, 2015 Board meeting of how the State Investment Commission's returns compare to peers. Ms. Fink also said she would provide a brief preview of more recent activity in the markets.

Ms. Fink said for the quarter, the portfolio was up 4/10 of a percent and compared well with the bottom up benchmark which is up 3/10 of a percent and particularly well with the basic 60% equity/40% fixed income basic allocation which was down 0.45% for the quarter. She said the markets were difficult as equities were up only 1/2% and bonds down 2.5% and stated in that environment, diversification is important and private equity and equity hedge funds were the outperformers. However, the publicly traded infrastructure and core bonds underperformed.

Ms. Fink said for the fiscal year the portfolio was up 2.2% comparing to a 2.5% benchmark and 1.3% for the 60% equity/40% fixed income basic allocation and noted equity markets leveled off for FY2015 after a 5-year upside. In that environment non-

US equities and publicly traded infrastructure were the worst performers which were down 5% for the year, and real estate and US equities were the best performers 11% and 7%, respectively. Ms. Fink praised the diversification method and said it helped outperform what the markets were providing with the 60% equity/40% fixed income basic allocation.

Mr. Maguire asked if the 2.2% rate of return ending 6/30/2015 did not include the private equity/equity hedge funds, what the rate of return would have been. Ms. Fink said the rate of return would have been flat as the two mentioned funds combined would reach that percentage.

Mr. Beardsley asked if there is any possibility that GRS might suggest lowering the assumed rate of return for the upcoming valuation which would result in an increase in contributions despite using the 5-year smoothing. Ms. Fink said 7.68% is the average around the country and is decreasing, and noted that it is highly unlikely to increase. She also noted that what is projected by GRS appears to be on target.

Ms. Fink then discussed Mr. Maguire's previous inquiry of the comparison with peers and said she collected some numbers from the Wilshire Trust Universe Comparison Service (TUCS) which measures returns for over 2,000 institutional investors. She said for FY2015 the ERSRI return was 2.22%, the TUCS total universe (meaning all the different categories) was 2.85% and for public plans it was 3.43% (based on the fiscal year). She said the ERSRI 3-year return was 9.33% while the TUCS total universe was 9.94%. The ERSRI 5-year return was 9.77% and the TUCS total universe was 10.34%. Ms. Fink noted that all of TUCS returns outperformed the State Investment Commissions' numbers. Mr. Boudreau asked about the analysis of the total universe to the other public pension funds, but Ms. Fink said that such comparisons are costly and require a data service. Mr. Maguire asked if there is a concern for the slight difference between the 3-year and the 5-year return, and Ms. Fink responded that it is a reasonable difference and cited the three reasons why the SIC underperformed:

1) Less exposure to private equity and real estate comparison than the average fund;
2) Over the last 5 years US equities (up 16%) have outperformed non-US equities (up 5.5%) and ERSRI maintains a 50/50 ratio of US to non-US equities while other funds are more heavily weighted to US equities.
3) ERSRI has greater liquidity and risk mitigation needs than many of the funds in the comparative service numbers (TUCS) so it carrying a larger cash balance.

Treasurer Magaziner articulated what his goal is for investing which is getting to 80% funding as quickly as possible thus providing regular COLA's, making the ARC come down, and being more predictable.

Ms. Fink reiterated that August 2015 was a difficult market, and that the risk mitigation strategy was highly relevant at this time. She said the preliminary indications are that the diversification and risk mitigation strategies by the SIC worked and protection was evident. She said SIC's portfolio will be down much less than the 7% that equity markets were down.

Mr. Maguire thanked Ms. Fink for her presentation and asked that in the months in which she does not present, could she provide a summary of 3-5 bullets of what the Board should specifically be looking at when reviewing the investment reports provided in the monthly Board book. Ms. Fink said she would provide bullets for the board.

Ms. Fink then introduced Messrs. Laurence E. Brown, Director and Institutional Investment Strategist, and David Iden, Relationship Manager, both from TIAA-CREF Financial Services.

Mr. Iden then provided a summary of the 401(a) DC Plan stating that the total plan assets are $404 million as of June 30, 2015, growing approximately $10 million monthly. Mr. Iden did note that this monthly increase may decrease slightly due to the pension reform litigation settlement. He noted that 91% of assets are in Vanguard Lifecycle trusts. The total contributions on a rolling 12-month period were $128,738,898.

Mr. Maguire asked about the 91% of assets being in the Lifecycle trusts and if that is consistent with other plans. Mr. Brown said that it is not unusual in DC plans at startup to have a concentration in the Lifecycle trusts.

Mr. DiBiase asked if investors in the Lifecycle trust are in the age appropriate plan, and Mr. Iden said it defaults with their retirement date.

Mr. Iden then provided a breakdown of participants, noting that a majority of participants (58%) are between mid-career and retirement age. Mr. Iden stated that the total participants, both active and retired, in the plan are 33,975. He mentioned that $36.5 million of the total plan assets are invested outside of the lifecycle product. He discussed the plan assets by investments, which are a mix of active investments and index funds, and noted how participants' average asset balances continue to exceed the $10,000 mark, averaging $12,327.

Mr. Iden noted the continuing increase in secure web identifications and logons is steady and expected the pattern to continue. He also noted the online advice sessions are decreasing; meaning more understanding of the online tool is evident. He said recently a brief one page marketing email was sent to all the participants in their database who opted for marketing emails following the settlement, offering financial services working with the Treasurer's office. Out of 5,000 emails, 1,200 emails were opened and 69 members clicked on the website. He noted that call volume has leveled year over year. He discussed the various counseling tools for Q1 and Q2 prior to the settlement—individual counseling sessions/benefit fairs.

Mr. Boyce asked Mr. Iden if TIAA-CREF is getting any responses (outreach) for non-certified municipalities, which Mr. Iden said is sporadic. Mr. Boyce suggested maybe reaching out to various labor regions to host a seminar since there is a larger pool for labor organizations representing municipalities. Treasurer Magaziner agreed this is a good consideration to partner with unions and retiree groups for availability. Ms. Fink said TIAA-CREF has an open door policy to assist members, and offers a huge benefit for assistance without any commitments.

Mr. Laurence Brown then discussed the 2015 year-to-date performance for the first quarter ending July 31, 2015. Mr. Brown said TIAA-CREF offers 12 options and noted the options permit participants to fully participate in the market. Mr. Brown talked about the stable value which was up 1.84% year to date and money market fund options (fee being waived since 0% return) which are heavily influenced by the bond market. He said the PIMCO Real Return is actively managed; despite a lack of inflation over the last few years it has still obtained a 0.67% rate of return, slightly lower due to nonparticipation in non US inflation protected securities. He noted that this PIMCO fund is the only purely active managed option and has outperformed 98% of the other inflation-protected funds, and long term it has performed well. Next he noted the small, medium and large cap blends were 3.91%, 4.34% and 3.35% respectively, and US equities were down 3% to 6% through August, but in line with each one's respective benchmark. Mr. Brown mentioned the 8.26% year-to-date return as of July 31, 2015 on the international equity index institutional option was wiped off in August 2015 since this is an index that matches the developed countries (emerging markets where commodities have suffered). Mr. Brown said the TIAA-CREF Real Estate Account was up 5.60% for the quarter. Lastly, Mr. Brown said the target-date returns range from 1.50% (conservative) to slightly above 3% (more aggressive) on the Vanguard Target Retirement funds.

Treasurer Magaziner thanked Ms. Fink, Messrs. Brown and Iden for their presentation.

Treasurer Magaziner said that now that we are in the post-settlement environment, the pension plan has encountered many changes and the system has become very difficult for participants. He stressed his goal of wanting to be sure that members can get quick answers to their inquiries, the excellent team of retirement counselors at ERSRI under Director Karpinski and Assistant Director Bourne, and TIAA-CREF's services. He noted that the members' main issue tends to be the accessibility of information, second in line to any complaints regarding the pension reform itself. The Treasurer said that he has commissioned a survey to be sent to members of the system in relation to their communication with ERSRI and what could be done to better enhance their experience. The Treasurer said he identified a Brown University professor specializing in statistics, and the professor agreed to design a survey with a total cost of $3,000. Mr. Maguire agreed and said the major issue from members is the delay in response time either by phone or email. Treasurer Magaziner said doing some testing via the survey to determine the needs of the membership will help identify the dominant areas which may be able to be solved by off hour calls, adding staff or on-line chat boxes. The Treasurer said he is hopeful to get some statistics back for the October meeting.

IV. Executive Director's Report

Director Karpinski apprised the Board that they were in possession of the Disability Subcommittee Reports dated August 7, 2015 and September 4, 2015 as well as the July and August 2015 *Pension Application Report*, a memo regarding the Retirement Board elections, a Municipal re-amortization selection sheet, an updated Employees' Retirement System of Rhode Island Report of Contributions report and lastly ERSRI's COMPASS Summer 2015 Newsletter which has begun circulating to ERSRI's members.

The Director updated the Board on the *Employees' Retirement System of Rhode Island Report of Contributions* report noting a larger than usual delinquency. He said the increased delinquency is a result of the necessary computer system changes required for wage and contribution processing as a result of the pension settlement. Director Karpinski said given the short implementation time of the settlement, ERSRI, MERS and Teacher groups had some challenges coding their systems in enough time for posting pay periods after July 1 (which are due August 15th) and were not able to pay or post contributions.

Director Karpinski said a retirement board election will be conducted during the month of January 2016, which will seat two active state employees (or state employee union representatives) to be elected by the state membership, two active teachers (or teacher union representatives) to be elected by the teacher membership, one municipal employee (or municipal union representative) elected by the municipal membership and two retired members elected by the ERSRI retiree membership. All elected members serve four-year terms.

The Director apprised the Board that there is an Election Subcommittee to review the retirement board election rules, which consists of Gary R. Alger Esq., Chair; Daniel L. Beardsley, Mark A. Carruolo; Bea Lanzi (designee of the General Treasurer) and Jean Rondeau. He said the official notice is in the newsletter and will be received by the 15th of this month as required by regulation.

Director Karpinski then provided the Board with a list of those cities and towns opting to stay with the 21-year amortization or electing the 25-year re-amortization consistent with the pension settlement. The Director noted that those employers who opted for the 25-year re-amortization were not required to respond back and were confirmed by Ms. Donoyan via individual phone calls. Director Karpinski said the additional sheet for the housing authorities and fire districts are in the process of being contacted to confirm their intentions as well. The Director said in December 2015 the Board will need to approve the fiscal year 2015 valuation, which determines the fiscal year 2018 contribution rates. During that meeting, the Board will then approve the revised 2017 rates for those employers who opted for the 25 year re-amortization.

- **Review and discussion of impact of Settlement Agreement on Anchor replacement project and Consideration of revised Implementation Schedule with Morneau Shepell.**

Director Karpinski then provided the Board with an update on the current IT system upgrade. He was joined by the Treasurer's Chief Operating Officer, Mr. Patrick Marr.

Director Karpinski began the presentation by discussing RIRSA and the Settlement timing. He noted that when RIRSA was enacted, there was 7 months to implement the changes. Conversely, when the Settlement was enacted, the changes were effective immediately. He noted that the immediate impacts included development, reconciliation and testing of code to apply a 2.00% COLA for members who retired prior to June 30, 2012, which was applied in the July 2015 pension check, and the first $500 stipend for members retired prior to July 1, 2015, which was included in August 2015 pension check.

The Director said in addition to the COLA and stipend changes, the system was required to facilitate the new Defined Contribution (DC) features, namely creating cohorts of active members of 10-15, 15-20 and 20 + years of service to facilitate correct participation in the DC plan, as well as wage and contribution changes to the defined Benefit (DB) plan to collect additional contributions from 20+ years of service members.

Director Karpinski also noted that the system worked on program scripts to address the fee waiver on those earning $35,000 or less in salary in order to provide that information to TIAA-CREF, and prepared and mailed information to MERS employers for the re-amortization option.

Mr. Marr then apprised the Board that phase 1 of the project was completed in July 2014 and included the Dynamics AX Accounting System. Phase 2 was successfully completed in January 2015 and included the retiree payroll being converted to Ceridian HCM. Phase 3, scheduled for November 2015, and would include the Benefit Calculation Engine (Ariel), Dynamics CRM workflows and Employer remittance. Mr. Marr noted that phase 3 would be on time and on budget if launched with pre-settlement configuration.

Mr. Marr told the Board that the Pension Settlement requires additional modifications not within the scope of the original contract, which were introduced mid-project. He said ERSRI resources will need to support the settlement and the changes simultaneously (i.e. in two systems). Mr. Marr apprised the Board that in order to fully code, test, and reconcile changes required by the settlement, Morneau Shepell estimates a new go-live date of February 29, 2016.

Mr. Marr told the Board that the extended implementation for the settlement modifications presents an opportunity. He said it allows an ability to negotiate for better price on other features we have already agreed we would want to pursue in the future. Introducing functionalities after go-live generally incurs start-up costs. Instead, Mr. Marr noted that we can take advantage of the expertise of the existing project team which is fully immersed in the project. Morneau Shepell (MS) can be more efficient, and thereby reduce implementation costs using the project team currently in place. Also, it is much more efficient for ERSRI staff, since key Subject Matter Experts are fully engaged in the project.

Director Karpinski and Mr. Marr then apprised the Board of the items being considered for enhancement. They noted extra efforts for the Department of Administration (DOA) Retiree Health and Insurance Data feeds, Disability Management and the DC Plan Integration and Member Portal Enhancements.

Mr. Marr told the Board that DOA administers health insurance benefits for retirees, and requires additional reports (for under 65 retirees) not in the original scope of work, as well as reports on life insurance deductions which were not originally anticipated to be calculated by the Ariel® solution. Director Karpinski noted the solution for disability management was listed as an optional component of the RFP and was included as part of the contract between ERSRI and Morneau Shepell, but not scoped. He said ERSRI and MS agreed to analyze and implement these components after the "main" project is implemented. ERSRI staff and MS business analysts have conducted extensive scoping sessions and are now ready to move forward.

Mr. Marr said for many ERSRI members, the Defined Contribution Plan (DC) will provide a substantial amount of their retirement income, and members should be able to see their post retirement pension income holistically, including both their DB and DC component. Director Karpinski and Mr. Marr apprised the Board that ERSRI and MS are discussing an option to enhance the Employee Web Portal with a tool that will show members their DC balance, their projected DB pension and an estimate of Social Security benefits. The updated Employee Portal would import employee DC contribution balances from TIAA-CREF on a monthly basis.

Given the changes required by the settlement and additional options proposed, Director Karpinski told the Board of the revised schedule noting that phase 3 of the project including the Benefit Calculation Engine (Ariel), Dynamics CRM workflows and Employer remittance enhancements would be February 2016. Mr. Marr said in April 2016, the remaining Disability CRM workflow, Retiree Health module for DOA, the DC data and enhanced member portal would be implemented.

Director Karpinski noted that the system would need to run the current ANCHOR system with Hewlett Packard for 4 to 6 more months and will therefore need to extend their contract that expires in December. He also said he would need additional project management support from LRWL for 5 more months.

Mr. Marr noted that the overall project status is on-time and on-budget based on the original project scope, and that the change order will encompass all settlement modifications, and bundle other enhancements into a single change to the go-live date. He stressed that bundling these changes together affords opportunity to enhance the system, save money, and provide a better experience for members of the system.

Director Karpinski concluded by providing the next steps, which are that Staff is negotiating the scope of the proposed change order, and he will convene the Procurement Sub-Committee to review the proposed change order. Upon their consideration, he will seek consideration and potential approval of the change order from the Board next month.

- **Consideration of Method of Administration for RIGL §36-10.3-13. Waiver of administrative fees.**

Director Karpinski discussed one of the newly enacted provisions of the Settlement, namely RIGL §36-10.3-13, which provides a waiver of administrative fees for certain participants in the TIAA-CREF DC plan. He said §36-10.3-13 provides that a "*member whose annual compensation*" is thirty-five thousand ($35,000) or less not be charged the annual fee of forty dollars ($40). This fee is charged quarterly by TIAA-CREF (i.e. $10 per quarter). He said the matter to be considered is the definition of the term "annual compensation" to be provided to TIAA-CREF on a quarterly basis to exclude those members making $35,000 or less. Director Karpinski recommended a fixed point in time method to be consistent with the actuarial valuation timing. He noted this method was confirmed with TIAA-CREF. He said the fixed point in time salary would be used for the prospective four quarters of billing, for example, TIAA-CREF would use the salaries as of June 30, 2015, which are also the salaries used for the annual valuation, to determine the fees for (Q3 2015) July, August and September; (Q4 2015) October, November and December; (Q1 2016) January, February and March; and (Q2 2016) April, May and June.

Director Karpinski said if a rolling 12 month salary is used, it would need to begin the prior quarter, as wage and contributions are due the month following their effective date, e.g. payrolls paid in August are required to be submitted by September 15th. As a result, data may not be available for the last quarter should there be delays or errors/adjustments in posting. He noted that this method may also skew some of the salaries for Teachers as the system collects all remaining contributions in June for those who are paid on a 26 week basis (i.e. paid during the summer months).

On a motion by Roger P. Boudreau and seconded by William B. Finelli, it was then

VOTED: To use a fixed point in time method to be consistent with the actuarial valuation timing and that salary will be used for the prospective four quarters of billing.

The Board then discussed what would be done if a member terminated service or became an inactive member. Director Karpinski recommended that the final salary be annualized based on the salary paid at the time of becoming inactive and fees be charged where appropriate.

On a motion by Michael DiBiase and seconded by Gary R. Alger, Esq., it was then

VOTED: If a member terminated service or became an inactive member, that the final salary (based on the annual valuation) be annualized and fees be charged where appropriate.

V. Administrative Decisions

None this month

VI. Approval of the July and August Pensions as Presented by ERSRI

On a motion by Roger P. Boudreau and seconded by William B. Finelli, it was unanimously

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

VII. Legal Counsel Report

Attorney Robinson then updated the Board about a Warwick Teacher matter relating to child pornography. He noted that the case is still pending, and the member has not been convicted or plead guilty or nolo contendere. Attorney Robinson apprised the Board that the member has asked for a return of contributions. Attorney Robinson communicated with the prosecuting attorney and reviewed the criminal file, and noted it did not appear the criminal conduct was related to the member's employment. He said Director Karpinski is going to commence the process of the return of contributions.

Mr. Maguire asked for an update about the costs paid by the Attorney General's office regarding the 2011 pension reform litigation (for the Governor and the Treasurer). Mr. Mullaney said there was not an outside legal firm and will verify that as he believes internal staff (Attorney General's staff) was used, but the amount of time devoted for the salaries needs to be verified.

Attorney Robinson then said a motion to convene into executive session would be in order pursuant to Rhode Island General Laws section §42-46-5 (a) (2) to discuss the specific cases identified on the agenda as listed below:

- *Linda S. Resnick vs. ERSRI;* Claim for legal fees pursuant to the Rhode Island Equal Access to Justice Act (R.I.G.L §42-92-1)
- *United States of America v. Kevin Maynard; 1:15-cr-00064-S-PAS-1; Consideration of potential pension revocation action pursuant to* R.I.G.L. §36-10.1-1, *et seq*., the Public Employee Pension Revocation and Reduction Act
- *Kevin J. Lang vs. ERSRI* (WCC No. 201504163)*; Ret. Bd. v. Lang* (PC-2015-3380); Update and Discussion

A motion was made by John P. Maguire and seconded by Claire M. Newell to convene the Board in Executive Session to discuss the identified litigation matters listed on the agenda.

A roll call vote was taken to enter into Executive Session, the following members were present and voted Yea: General Treasurer Seth Magaziner; Vice Chair William B. Finelli; Gary R. Alger, Esq.; Daniel L. Beardsley; Roger P. Boudreau; Michael R. Boyce; Mark A. Carruolo; Michael DiBiase; John P. Maguire; John J. Meehan; Thomas A. Mullaney; Claire M. Newell and Jean Rondeau. It was unanimously

VOTED: To convene the Board in Executive Session pursuant to Rhode Island General Laws section §42-46-5 (a) (2) to discuss specific matters identified on the agenda

[Executive Session]

The Board thereafter convened in executive session.

[Return to Open Session]

Upon returning to open session, Board Counsel Michael P. Robinson noted for the record that three unanimous votes had been taken in executive session.

He said a motion was made by Daniel L. Beardsley and seconded by Gary R. Alger, Esq., and it was

VOTED: To authorize Legal Counsel to bring an action against Kevin Maynard pursuant to R.I.G.L. §36-10.1-1, et seq., the Public Employee Pension Revocation and Reduction Act (PEPRRA)

A motion was made by Roger P. Boudreau and seconded by John P. Maguire to seal the Executive Session minutes pursuant to R.I.G.L. §42-46-5(a)(2).

A roll call was taken to seal the Executive Session minutes, the following members were present and voted Yea: General Treasurer Seth Magaziner; Vice Chair William B. Finelli; Gary R. Alger, Esq.; Daniel L. Beardsley; Roger P. Boudreau; Michael R. Boyce; Mark A. Carruolo; Michael DiBiase; John P. Maguire; John J. Meehan; Thomas A. Mullaney; Claire M. Newell and Jean Rondeau. It was unanimously

VOTED: To seal the executive session minutes consistent with Rhode Island General Laws §42-46-5 (a) (2)

Lastly, a motion was then made by Jean Rondeau and seconded by William B. Finelli, where all members voted and it was unanimously

VOTED: To exit executive session and return to open session.

VIII. Committee Reports

Disability Subcommittee:

The Disability Subcommittee recommended the following actions on disability applications for approval by the full Board as a result of its meeting on Friday, August 7, 2015:

Name	Membership Group	Type	Action
1. William Kerwin	State	Accidental	Request for continuance granted
2. Audrey Williams	State	Accidental	Previous approval of 50% was overturned. Approved for 66 2/3%

Name	Membership Group	Type	Action
3. Elisabeth Stephenson	State	Accidental	The Board's 9/17/14 decision to deny Ms. Stephenson an accidental disability pension was overturned. Approved for 50%
4. Micheal Ray	Municipal	Accidental	Approved @ 66 2/3%
5. Albert Turcotte	State	Accidental	Postpone
6. Jennifer Csizmesia	Municipal	Accidental	Deny
7. Peter Souza	Municipal	Accidental	Postpone
8. Joseph Nascenzi	State	Accidental —Deny	Ordinary— Approve
9. Emanuel Rodrigues	Municipal	Accidental	Postpone
10. Ronald Letellier	State	Ordinary	Approve
11. Janet Sheehan	Teacher	Ordinary	Approve

On a motion by William B. Finelli and seconded by Michael R. Boyce, it was unanimously

VOTED: To approve the recommendation of the Disability Subcommittee meeting of Friday, August 7, 2015 on items 1 and 10.

John J. Meehan recused himself from the vote on numbers 1 and 10.

On a motion by William B. Finelli and seconded by Michael R. Boyce, it was unanimously

VOTED: To approve the recommendation of the Disability Subcommittee meeting of Friday August 7, 2015 on items 2, 3 and 8.

Claire M. Newell recused herself from the vote on numbers 2, 3 and 8.

On a motion by William B. Finelli and seconded by Michael R. Boyce, it was unanimously

VOTED: To approve the recommendation of the Disability Subcommittee meeting of Friday, August 7, 2015 on items 4, 5, 6, 7, 9 and 11.

The Disability Subcommittee recommended the following actions on disability applications for approval by the full Board as a result of its meeting on Friday, September 4, 2015:

Name	Membership Group	Type	Action
1. Emile Ziadeh	State	Accidental	Request for continuance granted
2. Jacqueline Lee	Teacher	Ordinary	Postpone
3. Joseph Cuozzo	State	Accidental	Approved at 50%
4. Damon Borrelli	Municipal	Accidental	The Board's October 8, 2014 decision to deny Mr. Borrelli an accidental disability pension was reaffirmed
5. Paulo Cordeiro	Municipal	Accidental	Postpone
6. Carmen Ortiz	State	Accidental	Deny
7. Lillian Kizekai	State	Accidental	Postpone
8. Kathleen Meehan	Municipal	Ordinary	Approve
9. Kim Silva	Teacher	Ordinary	Approve
10. Todd Ethier	Municipal	Ordinary	Approve
11. Denise Dvorak	Teacher	Ordinary	Approve
12. Patricia Lamb	State	Ordinary	Approve
13. Jodana Brown	State	Ordinary	Approve

On a motion by William B. Finelli and seconded by Michael R. Boyce, it was unanimously

VOTED: To approve the recommendation of the Disability Subcommittee meeting of Friday, September 4, 2015 on item 13.

John J. Meehan recused himself from the vote on number 13.

On a motion by William B. Finelli and seconded by Michael R. Boyce, it was unanimously

VOTED: To approve the recommendation of the Disability Subcommittee meeting of Friday September 4, 2015 on items 2 and 9.

John P. Maguire recused himself from the vote on numbers 2, 3 and 8.

On a motion by William B. Finelli and seconded by Michael R. Boyce, it was unanimously

VOTED: To approve the recommendation of the Disability Subcommittee meeting of Friday, September 4, 2015 on items 3, 6 and 7.

Claire M. Newell recused herself from the vote on numbers 3, 6 and 7.

On a motion by William B. Finelli and seconded by Michael R. Boyce, it was unanimously

VOTED: To approve the recommendation of the Disability Subcommittee meeting of Friday, September 4, 2015 on items 1, 4, 5, 8, 10, 11 and 12.

Mr. Boudreau acknowledged Treasurer Magaziner and Director Karpinski on the summer 2015 COMPASS newsletter. Mr. Boudreau said he was aware of many questions from members regarding the implementation of the settlement agreement and felt the *"Frequently Asked Question/Answers"* was very helpful to resolve questions on the agreement from the retirees. Treasurer Magaziner welcomed input for inserts to the newsletter at all times from the Board members.

Director Karpinski provided the revised Board meeting dates for the October and November 2015 meeting, and confirmed October 16, 2015 and November 10, 2015. The Director said a confirmation email is to follow.

IX. Adjournment

There being no other business to come before the Board, on a motion by William B. Finelli and seconded by Claire M. Newell, the meeting adjourned at 11:45 a.m.

Respectfully submitted,

Frank J. Karpinski

Executive Director