

STATE OF RHODE ISLAND
PROVIDENCE, SC.

SUPERIOR COURT

In re PENSION CASES	:	C.A. Nos. PC-10-2859
	:	PC-12-3166
	:	PC-12-3167
	:	PC-12-3168
	:	PC-12-3169
	:	PC-12-3579
	:	KC-14-0345
	:	PC-14-4343
	:	PC-14-4768

MASTER'S INTERIM REPORT

Pursuant to Rule 53(e)(1) of the Rhode Island Superior Court Rules of Civil Procedure, your Special Master, Frank J. Williams, Chief Justice, Rhode Island Supreme Court (Ret.), submits this Report to the Honorable Sarah Taft-Carter in connection with the above-referenced consolidated cases.

BACKGROUND

By Order dated March 9, 2015, the Court appointed me to serve as Special Master. Ex.

A. The Court's reference included the following: (a) Addressing all discovery issues; (b) Resolving outstanding and prospective discovery motions, including motions scheduled for hearing on March 6, 2015 and (c) Assisting the parties in narrowing and/or resolving disputed issues by agreement, subject to further approval by the Court. Ex. A.

Beginning with my appointment as Special Master on March 9, 2015, these consolidated cases proceeded on dual tracks – preparation for trial and dispute resolution. Thus, over a three week period, Your Master convened numerous meetings with counsel for the parties and their

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their clients to explore the possibility of a resolution of these cases while simultaneously convening hearings and conferences on the various discovery disputes referred to me.

Over the course of the past three weeks, the following discovery related motions were filed and referred to me:

1. The International Brotherhood of Police Officers, Local 301, AFL-CIO's Motion to Strike Objections and Compel More Responsive Answers to Interrogatories (filed in PC 14-4768); the State Defendants' Objection thereto and the IBPO's Reply Memorandum in further support thereof;
2. The International Brotherhood of Police Officers, Local 301, AFL-CIO's Motion to Strike Objections to Request for Admissions (filed in PC 14-4768); the State Defendants' Objection thereto and the IBPO's Reply Memorandum in further support thereof;
3. Cranston Firefighters, IAFF Local 1363, AFL-CIO's Motion to Strike Objections and Compel More Responsive Answers to Interrogatories (filed in PC 14-4343) and the State Defendants' Objection thereto and the IAFF's Reply Memorandum in further support thereof;
4. Cranston Firefighters, IAFF Local 1363, AFL-CIO's Motion to Strike Objections to Request for Admissions (filed in PC 14-4343); the State Defendants' Objection thereto and the IAFF's Reply Memorandum in further support thereof;
5. Plaintiffs' Motion to Compel More Responsive Answers to Interrogatories (filed in 10-2859, 12-3166, 12-3167, 12-3168, 12-3169, 12-3579);
6. Plaintiffs' Motion to Compel Production of Documents and Requesting Relief to Conduct Depositions after the Close of Discovery (filed in 10-2859, 12-3166, 12-3167, 12-3168, 12-3169, 12-3579);

7. The Municipal Entities' Motion to Compel Plaintiffs to File More Responsive Interrogatory Answers (filed in 12-3579) and Plaintiffs' objection thereto;
8. The Municipal Entities' Motion to Compel Plaintiffs' to Response to Document Requests and Interrogatories (filed in 12-3166, 12-3167, 12-3169); and
9. The State Defendants' Motion to Compel Discovery Responses (filed in all nine cases).

Your Special Master held conferences and/or hearings on each of the above motions on March 16, 2015 and March 27, 2015. Orders with respect to those matters that came before the Master for hearing and decision will enter forthwith.

Over the course of the past three weeks, Your Special Master also assisted the parties in narrowing and/or resolving disputed issues by agreement. To that end, beginning on March 9, 2015, Your Special Master held numerous meetings with the parties and their clients to explore the possibility of a resolution of these cases. Those meetings included (1) plenary sessions with counsel for Plaintiffs, the State Defendants and certain Municipal Defendants; (2) individual meetings with counsel for Plaintiffs, counsel for the State Defendants and counsel for the Municipal Defendants; (3) meetings with Plaintiffs' counsel and the membership of certain of the Plaintiff unions and associations; (4) meetings with union leadership; (5) meetings with various municipalities; (6) meetings with Governor Raimondo; (7) meetings with Treasurer Magaziner and (8) meetings with Senate President M. Teresa Paiva-Weed and with Speaker Nicholas A. Mattiello. In addition, over the course of the past three weeks, your Special Master had numerous conferences (both in-person and telephonically) with the Court concerning the status of my work as Special Master.

At a conference on March 30, 2015, the parties and your Special Master orally reported to the Court that the Plaintiffs in the following cases had approved the State Defendants'

settlement proposal: PC-10-2859, PC-12-3166, PC-12-3167, PC-12-3168 and PC-12-3579. All cities and towns that are parties to these consolidated cases are in support of the settlement proposal, with the exception of two municipalities. Approval is expected from these two. The proposed resolution of these cases impacts 58,901 employees and resolves all of the State's financial liability. *See* Ex. B. The only parties that are not in agreement with the settlement proposal are the police unions that are Plaintiffs in PC-12-3169, Cranston Firefighters, IAFF Local 1363, AFL-CIO (PC-14-4343) and International Brotherhood of Police Officers, Local 301, AFL-CIO (PC-14-4768), which represent approximately 733 employees. *See* Ex. B.

Senate President Pavia-Weed and House Speaker Mattiello have represented to Your Master, as well as Governor Raimondo, that they support the proposed settlement subject to review of the proposed legislation and subject to passage of the proposed legislation by the General Assembly.

At the Court's conference on March 30, 2015, the Court, the parties and the Special Master discussed the mechanism by which the proposed settlement could be implemented and a corresponding schedule.

The proposed settlement was a result of the cooperation and excellent efforts of counsel for the parties, Governor Raimondo and her staff, Treasurer Magaziner and his staff (who provided the assistance of the actuary for the Employees' Retirement System of Rhode Island in determining the costs associated with the proposed settlement), union leadership and membership, municipal leaders, Senate President Paiva-Weed and Speaker Mattiello. This was truly a team effort! Your Special Master has no hesitancy by endorsing and enthusiastically recommending the proposed settlement.

Your Special Master anticipates issuing interim invoices to each of the parties, continuing to assist the implementation of the proposed settlement and perform whatever additional duties the Court may assign to him.

Respectfully submitted,

April 2, 2015

A handwritten signature in black ink, appearing to read "Frank J. Williams". The signature is written in a cursive, flowing style.

FRANK J. WILLIAMS
Chief Justice, Rhode Island Supreme Court (Ret.)
Special Master

EXHIBIT A

SUPERIOR COURT

PC-10-2859
PC-12-3166
PC-12-3167
PC-12-3168
PC-12-3169
PC-12-3579
KC-14-0345
PC-14-4343
PC-14-4768

Pursuant to Rules 16 and 53, Super.R.Civ.P., the Court enters the following:

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c. Assist the parties in narrowing and/or resolving disputed issues by agreement, subject to further approval by the Court.

4. The Master shall be vested with all powers set forth in Rule 53 necessary to fulfill the reference stated above.

5. The Master shall submit his report on or before April 15, 2015.

ENTERED as the Order of the Court this 9th day of MARCH, 2015.

Enter:

T. G. Carter, Jr.
Associate Justice

By-Order,

Justin M. Dwyer
Supervising Clerk

EXHIBIT B

Class group	total in class*				
ERS Active					
state	11,301				
teachers	13,266				
TOTAL ERS	24,567				
MERS Active					
General	5813				
Net Fire	717				
TOTAL MERS now	6530				
Retirees					
state	11103				
teacher	10839				
MERS	5129				
TOTAL Retirees	27071				
		% of total			
Total NOW approved	58,168	98.76%			
Total outside	733	1.24%	[all police and Cranston Fire]		
	58,901				
Calculation of Public Safety Components					
Fire total (approximate)	876				
Cranston Fire	159				
Net Fire approved	717				
Police total (approximate)	574				
Cranston Police	138				
Net Police	436				
Cranston Police and Fire combined total	297				
Class Group Not approving					
Cranston Fire	159				
Police	574				
Total Not approving	733				
* numbers developed from 2014 Actuarial Valuation Report with data as of 6/30/14					

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ORDER

These matters having come before the Court on April 2, 2015, in the above-captioned cases with respect to the entry of an Order modifying the Order of March 17, 2015. It is hereby

ORDERED, ADJUDGED AND DECREED:

1. The Order of March 17, 2015 requiring confidentiality is hereby superseded as follows
 - a. All Plaintiffs and Defendants, and all persons participating in any phase of the dispute resolution process facilitated by the Master shall continue to be required to maintain the confidentiality of the process, including, without limitation, the substance and progress of negotiations and any and all information disclosed in the course of the process.
 - b. The continued requirement of confidentiality does not prohibit any party from making any other statements with respect to their positions and views including, without limitation, the positions and views regarding the outcome of the dispute resolution process.
 - c. The requirement of confidentiality of the dispute resolution process as set forth in paragraph 1(a) shall remain in place until the termination of all litigation in the above-captioned actions or further order of the Court.

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ENTERED as an Order of this Honorable Court this __ day of April, 2015.

ENTER:

ORDERED:

Taft Carter J

Sarah Taft-Carter, J.

Brian Taylor

Clerk
2015 *4/2/15*

AGREED AS TO FORM:

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