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Chairman, ERSRI Board

**Para descargar una traducción
al español de este número:**
ersri.org/compas-en-espanol

SEPT/OCT 2026

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EMPLOYEES' RETIREMENT SYSTEM OF RHODE ISLAND

COMPASS

A message from **GENERAL TREASURER JAMES A. DIOSSA**

Dear ERSRI Member,

One of the most important responsibilities as your General Treasurer is ensuring Rhode Island remains financially strong and well-positioned to invest in our future.

Thanks to a strong market and a disciplined long-term investment strategy, Rhode Island's pension fund earned a 14.02% return in FY26, doubling our 7% assumed rate of return and bringing the Employees' Retirement System of Rhode Island (ERSRI) to a record \$13.5 billion in assets.

The state's Other Post-Employment Benefit (OPEB) fund also delivered strong results, closing the year with \$839 million in assets and a 13.11% return, far exceeding its 5% benchmark. Strong returns help us meet our commitments to public employees and retirees while responsibly managing taxpayer resources.

This strong investment performance followed another important sign of Rhode Island's financial health: Fitch, Moody's and S&P all affirmed the State's strong bond ratings with Stable Outlooks.

These results matter because maintaining strong ratings and attracting investors helps Rhode Island borrow at competitive rates, save taxpayer dollars, and continue investing in priorities that strengthen our communities, from housing and infrastructure to other critical needs across our state.

None of this work happens alone. I want to thank the dedicated employees at Rhode Island Treasury and ERSRI, our State Investment Commission and Retirement Board members, our investment partners and advisors, and everyone who works each day to safeguard Rhode Island's financial future. Your expertise, diligence, and commitment to public service are essential to the progress we continue to make together.

As Treasurer, I remain focused on responsibly managing our state's finances, protecting taxpayer dollars, and ensuring our Ocean State has the financial foundation to invest in its people and future.

Sincerely,
Treasurer Diossa



ERSRI News:

WELCOME OUR NEWEST BOARD MEMBER



John R. Monse, Jr. is sworn in

Please help us welcome John R. Monse, Jr. who was sworn in on August 17, 2026 as an Active State Employee Representative on the ERSRI Retirement Board. The Employees' Retirement System of Rhode Island is overseen by a 15-member Retirement Board chosen in accordance with Title 36 of the Rhode Island General Laws. The Board approves disability pensions, votes on the target investment rate of return and other assumptions, and certifies employer contribution rates.

SUMMARY OF 2026 PENSION PROVISIONS

Members of Employees' Retirement System of Rhode Island (ERSRI) can be directly impacted by laws passed by the Rhode Island General Assembly.

State Police Benefits – 2026-H 7127

Incorporated as part of the state budget, this legislation amends the final average salary formula from the highest five years to the highest three years for members of the state police, mirroring changes made for state employees in 2024. This change is retroactive to July 1, 2024. The accrual rate will increase from 2% to 3% after 20 years of service for members hired before July 1, 2007, and to 3% after 25 years of service for members hired on or after July 1, 2027 (while retaining the maximum benefit of 65%).

Teachers' Survivor Benefits (TSB) – 2026-H 7683/2026-S 2678

This bill increases and indexes the minimum benefit under the Teachers' Survivor Benefit Plan (the "TSB" plan). The annual index is based on the annual social security adjustment. The TSB Plan is for teachers in participating school districts who contribute to the fund, in lieu of Social Security, to provide benefits for their survivors in the event of their death.

Post-Retirement Police Details 2026-H 8253/2026-S 2935

This new law allows police officers who retired from units in the Municipal Employees' Retirement System to work state-funded details without forfeiture of their pension benefit. Retired police officers will be eligible to work up to 75 days postretirement, regardless of funding source.

Central Falls Legacy Plans 2026-H 8506/2026-S 3252

This bill amends provisions of the Central Falls pension plan for police officers and firefighters in active service prior to August 31, 2019. By its language, this bill would incorporate retirement benefits included in the "respective collective bargaining agreement in effect on July 1, 2026." Hereafter, legacy police officers are provided benefits similar to

MERS units. Legacy firefighters will now accrue 2% annually after 25 years of service, up to 70% or age 65, and will contribute 10% (previously 11.7%).

Note: Teachers Post-Retirement Employment

Previous legislation that temporarily allowed teachers to exceed statutory post-retirement employment caps and work up to 180 full days was not renewed and expired following the 2026 school year. Hereafter, retired teachers will only be eligible to work 90 days postretirement without interruption of pension benefits.

ERSRI PENSION VALUATION

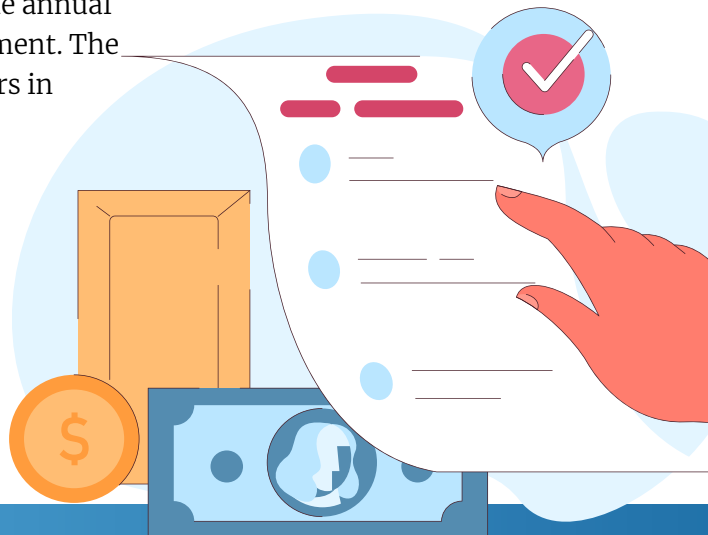
Funded Ratio
(as of June 30, 2025)

RI Employees: 63.9%

Teachers: 67.9%

MERS: 90.4%

For detailed investment information, follow this link: <https://treasury.ri.gov/about/returns-vs-benchmarks> or scan the QR code below.



ARE YOU PREPARED TO LIVE TO 100?

Plan now for a longer retirement—many Americans are underestimating their lifespans.

Living to 100 may sound far off, but it's becoming more possible every day. Thanks to advances in healthcare, technology and access to better resources, life expectancy continues to rise. In fact, since Social Security began, life expectancy in the United States has increased by 17 years and continues to rise.

Living longer can offer more time to enjoy retirement—but it also means you may need to adjust your planning to ensure long-term financial security. If you're nearing retirement, now is a smart time to revisit your goals and check your financial readiness for the years ahead.

A recent study conducted by the TIAA Institute and the Global Financial Literacy Excellence Center (GFLEC) reveals that only 32% of adults know how long people tend to live upon reaching retirement age. This can lead to underestimating lifespan and misjudging how much retirement savings they need.

Knowing how long you might live in retirement is only one part of the equation. Equally important is the quality of those years. A fulfilling retirement often depends on social connection, physical and mental wellness, as well as financial confidence.

Understanding longevity can better prepare you to make thoughtful decisions not only about your finances, but about your health and lifestyle too.

Three factors affecting your longevity planning

Happiness – Studies suggest that strong social connection may contribute to longer life. People with close relationships tend to experience lower rates of anxiety and depression, stronger immune systems, and greater self-esteem. Even small actions—checking in on a friend, calling a loved one, or volunteering—can help foster a greater sense of connection and belonging.

Health – It's probably no surprise that eating well and staying physically active are important for longevity, but so is keeping your brain engaged. Mental stimulation plays a big role in long-term wellness. This can include activities like learning a new skill, doing crossword puzzles, or practicing mindfulness to keep your mind sharp and energized.

Financial Readiness – Today's retirees often spend twice as long in retirement as previous generations. Understanding how long you may live—and planning accordingly—can help you stay ahead of expenses and avoid financial surprises. Don't overlook major expenses, like retirement healthcare costs and housing, which can significantly impact your budget.

That's why understanding your potential lifespan and how to support it is crucial—especially early in your career when you may be laying the foundation for future financial security. The earlier you begin retirement planning and saving, the better positioned you'll be to manage long-term costs and maintain your quality of life.

Prepare for the future

You can't predict how long you will live, but you can prepare for it. A financial tool, like an annuity, which offers guaranteed retirement income, could be a way to replace your salary in retirement for as long as you live. If you're considering this option or just want to learn more, a financial professional at TIAA can help.



Set an appointment by calling 800 732-8353, going to www.tiaa.org/schedulenow; or by scanning the QR code on the left with your phone.