

COMPASS

EMPLOYEES' RETIREMENT SYSTEM OF RHODE ISLAND

A MESSAGE FROM GENERAL TREASURER SETH MAGAZINER

I believe that our members, who have spent their careers serving the community, deserve a secure and comfortable retirement. Over the past four years, my team and I have been working to strengthen the pension system so that our members can enjoy their retirement with dignity.

Since the implementation of the Back to Basics investment strategy, under which a majority of the pension fund is invested in traditional strategies like low-fee index funds, the pension system has earned more than \$1.5 billion in investment gains, and our total assets now stand at \$8.3 billion.

As I meet with public servants and retirees around the State, you have told me about the need for better member services. With the addition of two new retirement counselors, as well as the launch of a multi-year, and system-wide, data validation project, ERSRI is taking important steps to improving service to our members. Our team is working to reduce the time it takes us to provide active members with pension estimates for members and process paperwork for our retiring members.

In this issue, you'll read an update on the pension system, find information on how to meet with a representative from TIAA, learn what steps to take to protect your identity, and meet Bill Patenaude, who has been working to protect Rhode Island's water for over his three decades as an employee with the Department of Environmental Management.



Thank you for your service to the people of Rhode Island,

Seth Magaziner

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RETIREMENT SYSTEM UPDATE

Serving Those Who Serve

The Employees' Retirement System of Rhode Island (ERSRI) administers retirement, disability and survivor benefits for approximately 32,000 active and 28,000 retiree members across five retirement plans: State Employees; Public School Teachers; Municipal Employees; Judicial; and State Police.

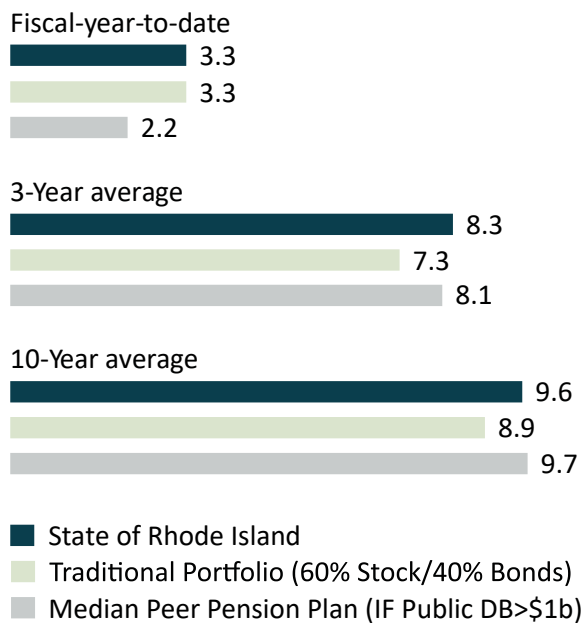
For more information visit www.ERSRI.org or call our member service center at (401) 462-7600 Monday - Friday from 8:30 a.m. until 4:00 p.m. ✦

Investment Performance

Most of the pension fund is invested in strategies for growth, like index funds, while about 40 percent is defensively positioned for added stability.

Over both a short- and long-term time horizon, Rhode Island's pension system continues to outperform a traditional 60% stock / 40% bond investment portfolio.

Investment performance for the pension fund exceeds our median pension fund peers in recent years. ✦



*Periods end March 31, 2019; fiscal year begins July 1.
Performance is net of fees and expenses.*

By-the-Numbers

State Employees

Active members:	10,978
Average salary:	\$62,519
Average active member age:	49
Average length of service:	14 years
Retirees & beneficiaries:	11,260
Average annual benefit:	\$32,680
Average retiree age:	74

Public Safety

Active members:	1,552
Average salary:	\$68,648
Average active member age:	41
Average length of service:	13 years
Retirees & beneficiaries:	824
Average annual benefit:	\$36,364
Average retiree age:	62

Teachers

Active members:	13,297
Average salary:	\$77,581
Average active member age:	46
Average length of service:	15 years
Retirees & beneficiaries:	11,320
Average annual benefit:	\$44,457
Average retiree age:	73

Municipal Employees

Active members:	5,946
Average salary:	\$41,803
Average active member age:	52
Average length of service:	12 years
Retirees & beneficiaries:	4,732
Average annual benefit:	\$15,907
Average retiree age:	74

PROTECTING YOUR IDENTITY

Steps to help protect yourself from identity theft

Thieves can use your information to apply for credit cards, open bank accounts, file taxes, or get a job. Identity theft can damage your credit and cost both time and money to resolve the fraud.

These simple steps may help protect your identity:

- Ask the Post Office to put a hold on your mail if you are going out of town;
- Don't give your credit card or bank account number to anyone unless you are buying something;
- Don't share personal information with people or companies you don't know. This includes your address, Social Security number, and telephone number;
- Beware of impostor e-mails. Cyber-criminals send fake emails that are meant scare you into giving them private information - to steal from you. When in doubt, call the company or visit its website directly;
- Keep your personal information, including passwords and PIN numbers in a safe place, where others won't have easy access to them;
- Don't carry your social security card in your wallet or purse;
- Review your bank and credit card statements monthly, report suspicious activity to your bank or credit card provider.

If you suspect your identity has been stolen

For any accounts that have been fraudulently opened, contact customer service as soon as possible to freeze or close the account. Be sure to **create new passwords for every account**. Then:

- Contact your local police department to file a report
- Contact the Federal Trade Commission's ID Theft Hotline at 1-877-IDTHEFT (1-877-438-4338)
- Contact the **three major credit bureaus** to report that your identity has been stolen:
 - Equifax - 1-800-525-6285
 - Experian - 1-888-EXPERIAN (397-3742)
 - Trans Union - 1-800-680-7289
 - *Ask that a "fraud alert" be placed on your file and that no new credit be granted without your approval.*

Visit www.consumer.gov/idtheft for step-by-step advice about what to do if you're a victim of ID theft.

Additional Tips

1. To remove your information from marketing lists, call:

1-888-5-OPTOUT
(1-888-567-8688)

2. You can request a free copy of your credit reports call:

1-877-322-8228 or visit:
AnnualCreditReport.com

MEMBER SPOTLIGHT

Meet: Bill Patenaude, Operations & Maintenance, DEM

Over his three decades with RI's Department of Environmental Management, Bill Patenaude has seen a growing public understanding of the importance of protecting the waters of the Ocean State. On an average day in Rhode Island, 120 million gallons of sewage is produced in our homes and businesses. It's collected, treated, and the purified before being allowed to return back to the state's rivers and bays.

"I work in the Operations and Maintenance Section, which oversees, licenses, and regulates wastewater treatment facilities in Rhode Island. We also provide training for the teams who run those facilities. The vast majority of the people I work with across the state, who operate our waste water treatment facilities, are dedicated to making sure that our bay, and inland waters stay healthy and beautiful."



The Operation & Maintenance program also approves and enforces operation and maintenance manuals, and reviews operational failures that result in violations.

"This is Civilization 101," says Bill. "Throughout the last century, we dealt with the impact of not cleaning up our dirty water, before it goes back to nature, whether that's Rhode Island's lakes, rivers and streams, or Narragansett Bay."

Even though wastewater treatment plants are typically tucked away out of sight, Rhode Islanders understand the value and benefit of clean water. And while operators of wastewater treatment facilities in Rhode Island must be licensed, DEM's relationship

with wastewater plants and their operators goes beyond just being a regulatory agency.

"Rhode Island launched the first state-wide ongoing professional development program for plant operators in the country. DEM's 'Boot Camp' is a year-long series of twelve workshops. To participate, plant operators must have a recommendation from their supervisor, and make a commitment to attend all the workshops. Many of the courses are highly technical, but we also teach writing, communications, and other professional development skills," Bill explained.

Over the past 30 years, Bill has seen a continuous strengthening of the requirements for how wastewater is treated, which has been mirrored by the skill level needed to operate these technology-heavy plants.

"The men and women who operate the nineteen wastewater treatment plants in the state understand that their work is usually unseen. They also understand that the work they do affects every single person in Rhode Island. And they take that responsibility seriously," Bill concluded. ✦

MEMBER NEWS

Treasurer Magaziner releases 2018 Annual Report

The Office of the General Treasurer has released its 2018 Annual Report, which highlights work to support small businesses, make a once-in-a-generation investment in schools across Rhode Island, and how the office is returning millions of dollars in unclaimed property back to its rightful owners.

“Over the past four years, we have found new and innovative ways to use the Treasurer’s office to grow our economy,” said Treasurer Magaziner. “I hope this report will give Rhode Islanders a glimpse into the work our team does every day to strengthen the finances of our state and make a meaningful difference in peoples’ lives.”

Among the accomplishments highlighted in the 2018 Annual Report are an overview of actions taken to strengthen the pension system, and how Treasury’s BankLOCAL program is helping hundreds of small businesses get the financing they need to expand and hire new employees.

The report also provides information on Treasurer Magaziner’s YOUR MONEY program, which last year reunited nearly 50,000 Rhode Islanders with their unclaimed property. ✦

Schedule a no-cost financial consultation today

No matter where you are in your career, whether you’re just getting started or planning for your retirement, ERSRI members can meet with a financial consultant to discuss your Defined Contribution investments.

Meeting with a financial consultant can help provide a holistic view of your retirement readiness by reviewing outside assets and Social Security projections. During your one-on-one meetings, a consultant will take time to understand your unique personal financial needs.

You’ll have a chance to address questions such as:

- *Am I invested in the right mix of investments to help meet my goals?*
- *Am I saving enough to create the retirement income I need?*
- *How do I take income from my retirement account once I stop working?*

For members who want a hands-off approach to managing their defined contribution retirement account, the State offers Target Date funds. These funds automatically adjust your investments over time, becoming less aggressive as you move nearer to retirement age.

For members who want to more actively manage their investments, the State offers investment options including a variety of equity investments including a social choice fund which allows members to invest in companies that have been screened for positive social and environmental impact.

To set up your free financial consultation please call TIAA at 800-732-8353 or sign up online at: www.TIAA.org/schedulenow



Available Now at:
treasury.ri.gov/annualreport

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IN THE SPRING 2019 COMPASS NEWSLETTER

➤ **Member Profile:**
Bill Patenaude

➤ **Protecting Yourself from**
Identity Theft

➤ **Retirement System**
By-the-Numbers

➤ **2018 Annual Report**
Available Now Online

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Seth Magaziner, General Treasurer
Chairman, ERSRI Board