

**MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM  
STATE OF RHODE ISLAND**

ACTUARIAL VALUATION REPORT  
AS OF JUNE 30, 2012

February 13, 2013

Retirement Board  
40 Fountain Street, First Floor  
Providence, RI 02903-1854

Dear Members of the Board:

**Subject: Actuarial Valuation of MERS as of June 30, 2012**

This is the June 30, 2012 actuarial valuation of the Municipal Employees' Retirement System (MERS). This report describes the current actuarial condition of MERS, determines recommended employer contribution rates, and analyzes changes in these contribution rates. Separate liabilities and contribution rates are determined for each of the participating units. Valuations are prepared annually as of June 30, the last day of the plan year.

Under Rhode Island General Laws, the employer contribution rates for the units participating in MERS are certified annually by the State of Rhode Island Retirement Board. These rates are determined actuarially, based on the plan provisions in effect as of the valuation date and the actuarial assumptions and methodology adopted by the Board. Where known, we have also reflected adoption of a COLA provision even if the effective date is after the valuation date. The Board's current policy is that the contribution rates determined by a given actuarial valuation become effective two years after the valuation date. For example, the rates determined by this June 30, 2012 actuarial valuation will be applicable for the year beginning July 1, 2014 and ending June 30, 2015.

**Financing objectives and funding policy**

The actuarial cost method and the amortization periods are set by board policy. Normal cost rate (as a percent of pay) and actuarial accrued liabilities are computed using the Entry Age Normal actuarial cost method. The employer contribution rate is the sum of two pieces: the employer normal cost rate and the amortization rate. The employer normal cost rate is the difference between the normal cost rate and the member contribution rate. The amortization rate, also determined as a level percent of pay, is the amount required to amortize the unfunded actuarial accrued liability over a closed period (23 years remaining as of June 30, 2012). The amortization rate is adjusted for the two-year deferral in contribution rates.

### **Progress toward realization of financing objectives**

The funded ratio (the ratio of the actuarial value of assets to the actuarial accrued liability) is a standard measure of a plan's funded status. In the absence of benefit improvements, it should increase over time, until it reaches 100%. The funded ratio of the average unit in MERS is 82.5%, decreased from 84.3% in the prior valuation.

There are currently 113 units participating in MERS, 68 covering general employees and 45 covering police and/or fire employees. Of these 113 units, two units are new to the valuation, one had no change in contribution rate, 12 had their rate decrease, and 92 had their rate increase. Six units have no required contribution rate. Of the 68 general employee units, 50 had rate increases, while 42 of the 43 continuing police/fire units had rate increases. An analysis of the changes in the employer contribution rates appears on Table 5. Actuarial losses on assets were responsible for most of the increases.

### **Benefit provisions**

The benefit provisions reflected in this valuation are those which were in effect on June 30, 2011. We have also reflected the known adoption of COLA B or COLA C, even if the effective date and/or the adoption date occurred after the valuation date. The benefit provisions are summarized in Appendix B, and each unit's individual election is indicated by a code in column 4 on Table 1. Changes in elections are discussed on page 5.

### **Assumptions and methods**

Except as noted below, and with the exception of certain assumption changes that resulted from the enactment of The Rhode Island Retirement Security Act of 2011 (the Act), the actuarial assumptions are consistent with the assumptions approved by the Board on April 13, 2011 based on the last experience study. This valuation reflects the following assumption changes: the marriage assumption was modified to reflect the expected percentage of members that will be eligible for survivor benefits upon their death, the incidence of disability was lowered to incorporate a continued trend of significantly fewer incidents of disability than anticipated by the current assumption, and the missing data assumption was updated to incorporate an assumption for missing beneficiary data. We believe the assumptions are internally consistent and are reasonable, based on the actual experience of ERSRI.

The method used to determine the actuarial value of assets is the five-year smoothed market method. A small adjustment was made to the method used to smooth investment gains and losses to allow gains and losses to offset each other immediately. This slight modification will reduce future volatility in the actuarial value of assets while ensuring that the actuarial value always trends directly towards the market value of assets.

The results of the actuarial valuation are dependent on the actuarial assumptions used. Actual results can and almost certainly will differ, as actual experience deviates from the assumptions. Even seemingly minor changes in the assumptions can materially change the liabilities and the calculated contribution rates.

All assumptions and methods are described in Appendix A. The actuarial assumptions and methods used in this report comply with the parameters for disclosure that appear in GASB 25.

### **Data**

The System's staff supplied data for retired, active and inactive members as of June 30, 2012. We did not audit this data, but we did apply a number of tests to the data, and we concluded that it was reasonable and consistent with the prior year's data. The System's staff also supplied asset data as of June 30, 2012.

### **Certification**

All of our work conforms with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board. In our opinion, our calculations also comply with the requirements of Rhode Island state law and, where applicable, the Internal Revenue Code, ERISA, and the Statements of the Governmental Accounting Standards Board.

The undersigned are independent actuaries. All are Enrolled Actuaries and Members of the American Academy of Actuaries. They all meet the Qualification Standards of the American Academy of Actuaries and they are experienced in performing valuations for large public retirement systems.

Respectfully submitted,



Joseph P. Newton, FSA, MAAA, EA  
Senior Consultant



Mark R. Randall, MAAA, EA  
Executive Vice President



R. Ryan Falls, FSA, MAAA, EA  
Senior Consultant

## Table of Contents

	<u>Page</u>
Section I	Discussion..... 2
Section II	Tables
	1 – Contribution Rates..... 9-11
	2 – Comparison of Employer Contribution Rates ..... 12-15
	3 – Components Used in Determining Contribution Rates..... 16-20
	4a – Asset Values..... 21-23
	4b – Reconciliation of Market Assets by Unit..... 24-27
	5 – Explanation of Rate Changes ..... 28-31
	6a – Development of Actuarial Value of Assets (All Units in Aggregate) 32
	6b – History of Investment Return Rates..... 33
	7 – Schedule of Funding Progress..... 34-38
	8 – Distribution of Assets at Market Value ..... 39
	9 – Active Member Statistics ..... 40-42
	10 – Retired Member Statistics ..... 43-45
	11 – Distribution of Active Members by Age and by Years of Service (General Employees)..... 46
	12 – Distribution of Active Members by Age and by Years of Service (Police and Fire) ..... 47
	13 – Membership Data (General Employees Units)..... 48
	14 – Membership Data (Police and Fire Units) ..... 49
	15 – Membership Data (All MERS Units) ..... 50
Appendices	Appendix A – Summary of Actuarial Assumptions and Methods ..... 51
	Appendix B – Summary of Benefit Provisions ..... 61
	Glossary ..... 70

## **Contribution Rates**

The employer contribution rates for MERS are determined actuarially. The rates determined in this valuation become effective two years after the valuation date, in this case as of July 1, 2014.

Each rate consists of two pieces: the employer normal cost rate and the amortization rate. The normal cost and actuarial accrued liability are determined using the Entry Age actuarial cost method. The employer normal cost is the difference between (i) the normal cost rate, determined as a level percent of pay, and (ii) the member contribution rate. The unfunded actuarial accrued liability is amortized as a level percent of payroll over a closed period. The period is 25 years as measured from June 30, 2010, or 23 years as of the current valuation date. The amortization rate is adjusted for the fact that the contribution rate set by this valuation is deferred for two years, and other amortization rates may apply for the next two years.

Table 1 shows the member contribution rate, the employer normal cost rate, the amortization rate and the total employer contribution rate. These rates are applicable to the fiscal year ending June 30, 2015. Table 2 compares the total employer contribution rate with those rates determined in the two prior actuarial valuations. Table 3 shows the components used to determine the employer contribution rate in dollar amounts. Finally, Table 5 shows the major components of the rate change for each unit.

## **Financial Data and Experience**

Assets for MERS are held in trust and are commingled with those of several other plans and programs—including the Employees' Retirement System of Rhode Island—for investment purposes. The State Treasurer is responsible for setting the asset allocation policy and for investing the funds. The System's staff determines a reserve for each unit, reflecting that unit's contributions and benefit payments, and reflecting the unit's share of the earnings, determined on a market-value basis.

Table 6a shows the development of actuarial value of assets in aggregate. The actuarial value of assets is determined by recognizing any difference between actual return and expected return (7.50% of market value) over a five-year period, 20% in each year, where gains and losses are allowed to offset each other immediately. The market value for MERS as of June 30, 2012 was \$1,165 million while the actuarial value was \$1,238 million (106.2% of market). Therefore, a cumulative total of \$73 million in actuarial losses related to the investment experience in 2009 and 2012 continues to be deferred and will be recognized in the next four valuations. Recognition of these deferred losses will, all other things being equal, result in contribution rates slightly increasing over the next four years.

Table 4a shows the market and actuarial values of assets for each unit and Table 4b shows the reconciliation of the market value of assets for each unit for the fiscal year ending June 30, 2012. Table 6b shows a historical summary of the return rates. The fund earned 1.5% during the year ending June 30, 2012 on a market value basis and returned 4.7% on an actuarial value basis. The average annual return based on the market value of assets over the last ten years (July 1, 2002 – June 30, 2012) was 6.5%. This is less than the current 7.50% annual investment return assumption used. The average annual return based on the actuarial value of assets over the same period was 4.3%. The returns above are net of both investment and administrative expenses, so may differ from other information provided by the General Treasurer's office or the investment managers and advisors.

Some units have pending asset transfers for members who have moved between units or from other statewide systems. For these transfers, we have reflected the values as a receivable or payable in the market value of assets. Specifically, the market value of assets as of June 30, 2012 for Foster Police includes a pending transfer credit of \$290,326 from the Employees' Retirement System of Rhode Island. Additionally, market value of assets for Central Coventry Fire and Smithfield Fire reflect a pending transfer from Central Coventry Fire to Smithfield Fire of \$518,325.

The System's staff provided all of the financial information used in this report.

## **Member Data**

The System's staff supplied member data as of June 30, 2012. While we did not audit this data, we did perform various tests to ensure that it was internally consistent, consistent with the prior year's data, and was reasonable overall. Information provided for active members includes: name, identification number, sex, a code indicating whether the member was active or inactive, date of birth, service, salary, unit indicator, date of last contribution, accumulated member contributions without interest, accrued benefit multiplier as of June 30, 2012, Final Average Compensation as of June 30, 2012, and the Rhode Island Retirement Security Act Retirement Date. For retired members, data includes: name, an identification number, sex, date of birth, date of retirement, amount of benefit, the amount of adjustment after age 62 for anyone electing the Social Security option, a code indicating the option elected and the type of retiree (service retiree, disabled retiree, beneficiary), and if applicable, the joint pensioner's date of birth and sex. For the special survivor benefit provided to retired police and fire members, we have not been provided demographic information on possible spouses who will be eligible for that benefit. For this valuation, we have assumed 80% of members will be married and 10% of married members will choose option 1 or 2. The 80% was derived from analyzing two other large GRS clients with similar demographics and benefit provisions. One data set showed 84% of retirees with spousal information and the other 77%.

Any member with a date of last contribution was assumed to have received 27 pay periods during the year and the salary for projecting forward was reduced by 26/27 for liabilities and contribution purposes.

Table 9 shows active member statistics for each unit, and Table 10 shows statistics on retirees and beneficiaries for each unit. Tables 11 and 12 show the distribution of active members by age and service, separately for general employees and for police and fire employees. Tables 13, 14, and 15 show summaries of the total membership data for general employee units (Table 13), for police and fire units (Table 14), and for all MERS units (Table 15).

The total payroll shown on the statistical tables is the amount that was supplied by the System's staff, annualized if necessary. For the cost calculations, the pays were adjusted in accordance with the actuarial assumptions to reflect one year's salary increase.



### **Benefit Provisions**

Appendix B includes a summary of the benefit provisions for MERS. There were no material changes in the benefit provisions since the preceding valuation.

Individual units may elect certain optional provisions, including an annual benefit increase applicable to future retirees only (COLA C), the same increase applicable to both current and future retirees (COLA B). Coventry Fire District has adopted COLA C effective January 1, 2011. There were no other changes reflected in this valuation.

Johnston Police and Smithfield Fire joined MERS since the prior valuation. No units closed, withdrew or subdivided.

There are no ancillary benefits—e.g., cost of living benefits—that are currently provided by a source independent of MERS but that might be deemed a MERS liability if continued beyond the availability of funding by the current funding source.

### **Actuarial Methods and Assumptions**

Appendix A of this report includes a summary of the actuarial assumptions and methods used in this valuation. Costs are determined using the Entry Age Normal actuarial cost method. This method was initially adopted effective June 30, 1999 and was modified, effective June 30, 2011, to be consistent with the Act and the standards outlined in GASB Statement No. 67 exposure draft, which has now been finalized.

The method used to determine the actuarial value of assets is the five-year smoothed market method. A small adjustment was made to this method to allow gains and losses to offset each other immediately. This slight modification will reduce future volatility in the actuarial value of assets while ensuring that the actuarial value always trends directly towards the market value of assets. This technique is further described in Section III of Appendix A. The development of the actuarial value of assets utilizing this method is shown in Table 6a of this report.

Except as noted below, and with the exception of certain assumption changes that resulted from the enactment of The Rhode Island Retirement Security Act of 2011 (the Act), the actuarial assumptions are consistent with the assumptions approved by the Board on April 13, 2011 based on the last experience study. This valuation reflects the following assumption changes: the marriage assumption was modified to reflect the expected percentage of members that will be eligible for survivor benefits upon their death, the incidence of disability was lowered to incorporate a continued trend of significantly fewer incidents of disability than anticipated by the current assumption, and the missing data assumption was updated to incorporate an assumption for missing beneficiary data. We believe the assumptions are internally consistent and are reasonable, based on the actual experience of ERSRI.

### **GASB 25 and Funding Progress**

Accounting requirements for MERS are set by Governmental Accounting Standards Board Statement No. 25 (GASB 25). Table 7 shows a summary of the funded ratios and other information for MERS as of June 30, 2012.

GASB 25 requires that plans calculate an Annual Required Contribution (ARC), and, if actual contributions received are less than the ARC, this must be disclosed. The ARC must be calculated in accordance with certain parameters. In particular, it must include a payment to amortize the unfunded actuarial accrued liability. This amortization payment must be computed using a funding period no greater than 30 years. Further, the amortization payment included in the ARC may be computed as a level amount, or it may be computed as an amount that increases with payroll. However, if payments are computed on a level percent of payroll approach, the payroll growth assumption may not anticipate future membership growth.

For MERS, the calculated contribution rate shown in Table 1 is the ARC. The amortization period was 25 years as of June 30, 2010 and there are 23 years remaining as of June 30, 2012. The period and amortization method comply with the requirements of GASB 25. The payroll growth rate used in the amortization calculations does not include any allowance for membership growth.

### **Other Observations and Comments**

- Scituate Police has no active members, but does have retirees/beneficiaries covered by MERS. The actuarial value of assets is larger than the actuarial liability, so no funding is required.
- Tiogue Fire and Lighting has no active members, but it has an inactive member. The unit's liability is less than the actuarial value of its assets, so no funding is required.
- Albion Fire (Admin) has no active employees but it has inactive members. Its liabilities exceed its assets, and we have calculated a fixed dollar amount of contribution of \$6,445 for the year ending June 30, 2015.
- For Cranston Police (1114) and Cranston Fire (1115), we have estimated, based on information provided by the staff, the amount of longevity and holiday pay received by active members, and we have used these amounts in determining the benefits, liabilities, and the contributions. (Compensation shown in this report for these two units is the compensation that they contribute on, i.e., the base compensation.) Beginning July 1, 2012, these members and the City will begin contributing on the pensionable earnings.
- Two new units have joined MERS since last valuation: Johnston Police Department (no COLA provisions) and Smithfield Fire Department (COLA provisions).
- Other changes made between this valuation and July 1, 2014 such as units adopting new benefits, mergers of units, spin offs from one unit into two units, etc. will also result in revisions of contribution rates.

**Contribution Rates  
 For Fiscal Year Ending June 30, 2015**

Old Unit Number	New Unit Number	Unit	Code(s)	Member Rate	Employer Rate		
					Employer Normal Cost	Amortization Rate	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>General Employee Units</b>							
3002	1012 1019	Bristol	B	2.00%	7.34%	8.01%	15.35%
3003	1032 1033	Burrillville	C	2.00%	8.24%	0.03%	8.27%
3004	1052	Central Falls		1.00%	6.44%	8.09%	14.53%
3005	1082	Charlestown	C	2.00%	7.34%	2.78%	10.12%
3007	1112 1113	Cranston	B	2.00%	8.40%	1.86%	10.26%
3008	1122 1123	Cumberland		1.00%	8.17%	6.17%	14.34%
3009	1152 1153	East Greenwich	C	2.00%	7.77%	(0.91%)	6.86%
3010	1162 1163	East Providence	B	2.00%	7.85%	14.27%	22.12%
3011	1183	Exeter/West Greenwich	B	2.00%	8.37%	3.97%	12.34%
3012	1192 1193	Foster		1.00%	8.17%	2.25%	10.42%
3013	1212 1213	Glocester	C	2.00%	7.71%	2.26%	9.97%
3014	1262	Hopkinton	C	2.00%	7.95%	(2.06%)	5.89%
3015	1272 1273	Jamestown	C	2.00%	7.62%	3.72%	11.34%
3016	1282 1283	Johnston	C	2.00%	7.83%	7.89%	15.72%
3017	1302 1303	Lincoln		1.00%	8.14%	4.86%	13.00%
3019	1322 1323	Middletown	C	2.00%	7.24%	4.15%	11.39%
3021	1352 1353 1354	Newport	B	2.00%	7.60%	13.90%	21.50%
3022	1342 1343	New Shoreham	B	2.00%	8.07%	0.00%	8.07%
3023	1372 1373	North Kingstown	C	2.00%	8.08%	7.07%	15.15%
3024	1382 1383	North Providence		1.00%	8.03%	(0.47%)	7.56%
3025	1392 1393	North Smithfield	B	2.00%	8.03%	(1.85%)	6.18%
3026	1412 1413	Pawtucket	C	2.00%	7.70%	8.69%	16.39%
3027	1515	Union Fire District		1.00%	7.18%	1.09%	8.27%
3029	1452	Richmond		1.00%	8.01%	2.40%	10.41%
3030	1462 1463	Scituate	B	2.00%	8.15%	6.80%	14.95%
3031	1472 1473	Smithfield	C	2.00%	8.22%	0.31%	8.53%
3032	1492 1493	South Kingstown	B	2.00%	8.30%	3.27%	11.57%
3033	1532 1533	Tiverton	C	2.00%	8.07%	(3.67%)	4.40%
3034	1562	Warren	C	2.00%	6.68%	6.09%	12.77%
3036	1622 1623	Westerly		1.00%	8.92%	71.44%	80.36%
3037	1602	West Greenwich	C	2.00%	7.46%	8.73%	16.19%
3039	1632 1633	Woonsocket	B	2.00%	8.10%	1.92%	10.02%
3040	1073	Chariho School District	C	2.00%	7.69%	3.35%	11.04%
3041	1203	Foster/Glocester	B	2.00%	8.46%	3.99%	12.45%
3042	1528	Tiogue Fire & Lighting	C,5	2.00%	0.00%	0.00%	0.00%
3043	1336	Narragansett Housing	C	2.00%	7.24%	(1.23%)	6.01%
3045	1098	Coventry Lighting District	C	2.00%	10.39%	(74.66%)	0.00%
3046	1242	Hope Valley Fire	C	2.00%	8.56%	(3.92%)	4.64%
3050	1156	East Greenwich Housing	C	2.00%	8.56%	0.68%	9.24%
3051	1116	Cranston Housing	C	2.00%	9.72%	(2.03%)	7.69%
3052	1166	East Providence Housing	B	2.00%	8.44%	3.19%	11.63%
3053	1416	Pawtucket Housing	B	2.00%	7.67%	(8.17%)	0.00%
3056	1126	Cumberland Housing	C	2.00%	6.81%	0.45%	7.26%
3057	1306	Lincoln Housing	B	2.00%	8.84%	(0.61%)	8.23%
3059	1016	Bristol Housing		1.00%	7.98%	(10.03%)	0.00%
3065	1036	Burrillville Housing	B	2.00%	6.63%	0.80%	7.43%
3066	1386	North Providence Housing	B	2.00%	7.99%	18.08%	26.07%

**Contribution Rates  
 For Fiscal Year Ending June 30, 2015**

Old Unit Number	New Unit Number	Unit	Code(s)	Member Rate	Employer Rate		
					Employer Normal Cost	Amortization Rate	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
3067	1177	East Smithfield Water	C	2.00%	6.31%	(3.38%)	2.93%
3068	1227	Greenville Water	B	2.00%	7.71%	(6.42%)	1.29%
3069	1356	Newport Housing	C	2.00%	7.99%	10.94%	18.93%
3071	1566	Warren Housing	B	2.00%	10.22%	(4.13%)	6.09%
3072	1286	Johnston Housing		1.00%	8.33%	3.53%	11.86%
3077	1538	Tiverton Local 2670A	C	2.00%	7.75%	1.69%	9.44%
3078	1002 1003 1007 1009	Barrington COLA	C	2.00%	8.01%	0.39%	8.40%
3079	1096	Coventry Housing		1.00%	7.50%	0.16%	7.66%
3080	1496	South Kingstown Housing	C	2.00%	8.60%	(4.77%)	3.83%
3081	1403	N. RI Collaborative Adm. Services	C	2.00%	7.37%	0.98%	8.35%
3083	1616	West Warwick Housing	B	2.00%	8.15%	1.20%	9.35%
3084	1476	Smithfield Housing		1.00%	6.97%	(4.73%)	2.24%
3094	1478	Smithfield COLA	C	2.00%	7.57%	2.48%	10.05%
3096	1056	Central Falls Housing	C	2.00%	6.10%	5.32%	11.42%
3098	1293	Lime Rock Administrative Services		1.00%	6.70%	6.36%	13.06%
3099	1063	Central Falls Schools	C	2.00%	7.51%	1.12%	8.63%
3100	1023	Bristol/Warren Schools	B	2.00%	8.68%	7.26%	15.94%
3101	1157 1158	Town of E. Greenwich-COLA-NCE	C	2.00%	7.77%	(0.91%)	6.86%
3102	1712	Harrisville Fire District (ADMIN)	C	2.00%	7.30%	(0.98%)	6.32%
3103	1702	Albion Fire District (ADMIN)	C,5	2.00%	0.00%	0.00%	0.00%
3150	1159	East Greenwich Fire (ADMIN)	C	2.00%	9.09%	6.96%	16.05%
<b>General Employee Units Averages</b>				1.90%	7.94%	4.67%	12.63%
<b>Police &amp; Fire Units</b>							
4016	1285	Johnston Fire	D	7.00%	8.81%	0.84%	9.65%
4029	1454	Richmond Police	6	7.00%	8.31%	3.88%	12.19%
4031	1474	Smithfield Police	C,D	8.00%	8.34%	(1.25%)	7.09%
4042	1555	Valley Falls Fire	D	7.00%	8.64%	9.40%	18.04%
4047	1395 1435	North Smithfield Voluntary Fire	B,D	8.00%	10.07%	7.92%	17.99%
4050	1155	East Greenwich Fire	C,D	8.00%	8.95%	17.17%	26.12%
4054	1154	East Greenwich Police	C,D	8.00%	10.02%	16.03%	26.05%
4055	1375	North Kingstown Fire	C,D	8.00%	9.52%	18.61%	28.13%
4056	1374	North Kingstown Police	C,D	8.00%	8.77%	18.85%	27.62%
4058	1385	North Providence Fire	D	7.00%	9.70%	15.36%	25.06%
4059	1008	Barrington Fire (25)	C	8.00%	7.74%	1.63%	9.37%
4060	1004	Barrington Police	C,D	8.00%	8.60%	20.86%	29.46%
4061	1005	Barrington Fire (20)	C,D	8.00%	11.95%	53.80%	65.75%
4062	1564 1565	Warren Police & Fire	C,D	8.00%	9.48%	21.03%	30.51%
4063	1494	South Kingstown Police	B,1	8.00%	9.76%	13.03%	22.79%
4073	1464	Scituate Police	5	7.00%	0.00%	0.00%	0.00%
4076	1394	North Smithfield Police	C,D	8.00%	8.80%	10.96%	19.76%
4077	1534	Tiverton Fire	C,D	8.00%	8.52%	6.81%	15.33%
4082	1194	Foster Police	C,D	8.00%	11.07%	21.83%	32.90%
4085	1634	Woonsocket Police	C,D	8.00%	8.77%	14.67%	23.44%
4086	1084	Charlestown Police	C,D	8.00%	8.97%	15.44%	24.41%

**Contribution Rates  
 For Fiscal Year Ending June 30, 2015**

Old Unit Number	New Unit Number	Unit	Code(s)	Member Rate	Employer Rate		
					Employer Normal Cost	Amortization Rate	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
4087	1264	Hopkinton Police	C,D,6	8.00%	10.20%	13.96%	24.16%
4088	1214	Glocester Police	C,D	8.00%	9.70%	8.46%	18.16%
4089	1604	West Greenwich Police/Rescue	C,D	8.00%	11.08%	12.55%	23.63%
4090	1034	Burrillville Police	C,D,6	8.00%	11.26%	13.64%	24.90%
4091	1148	Cumberland Rescue	C,D	8.00%	9.75%	1.18%	10.93%
4093	1635	Woonsocket Fire	C,D	8.00%	9.22%	1.72%	10.94%
4094	1015	Bristol Fire	D	7.00%	14.65%	10.27%	24.92%
4095	1135	Cumberland Hill Fire	C,D	8.00%	8.84%	17.87%	26.71%
4096	1014	Bristol Police	C,D	8.00%	8.24%	(2.51%)	5.73%
4098	1095	Coventry Fire	C,D	7.00%	9.54%	12.42%	21.96%
4099	1505	South Kingstown EMT	C,D	8.00%	9.27%	(3.31%)	5.96%
4101	1365	North Cumberland	C,D	8.00%	10.93%	10.25%	21.18%
4102	1045 1235 1525 1585	Central Coventry Fire	C,D	8.00%	9.39%	8.25%	17.64%
4103	1255	Hopkins Hill Fire	C,D	8.00%	11.46%	1.94%	13.40%
4104	1114	Cranston Police	C,D,4	8.00%	9.07%	1.62%	10.69%
4105	1115	Cranston Fire	C,D,4	8.00%	10.24%	0.20%	10.44%
4106	1125	Cumberland Fire	B,D	8.00%	11.13%	10.87%	22.00%
4107	1305	Lincoln Rescue	C	8.00%	8.30%	11.89%	20.19%
4108	1344	New Shoreham Police	B,D	8.00%	9.89%	15.35%	25.24%
4109	1324	Middletown Police & Fire	C,D	8.00%	8.22%	(1.74%)	6.48%
4110	1715	Harrisville Fire District	C,D	8.00%	9.80%	(1.64%)	8.16%
4111	1705	Albion Fire District	C	8.00%	9.63%	11.02%	20.65%
1284	1284	Johnston Police	2	7.00%	8.25%	1.03%	9.28%
1465	1465	Smithfield Fire	C, 2	8.00%	9.77%	(0.10%)	9.67%
<b>Police &amp; Fire Units Averages</b>				7.88%	9.35%	7.92%	17.26%
<b>All MERS Units Averages</b>				3.53%	8.32%	5.55%	13.89%

B - Municipality has adopted COLA Plan B

C - Municipality has adopted COLA Plan C

D - Municipality has adopted the "20-year" optional Police & Fire Plan

1 - S.Kingstown Police have a unique plan that provides 2.0% of salary for service prior to July 1, 1993, and 2.5% of salary for service on or after July 1, 1993.

2 - New unit in 2012 valuation.

3 - Closed unit.

4 - Historically, Cranston Fire and Police are contributing 10% due to special plan prov 5 - This unit has no active members.

6 - Historically, Special plan provisions apply to this unit.

Municipal Employees' Retirement System  
 State of Rhode Island  
 Actuarial Valuation – June 30, 2012

Table 2

				Comparison of Employer Contribution Rates			Projected Payroll, Projected from Actual FY2012 Payroll			Estimated Contributions		
Old Unit Number	New Unit Number	Unit	Code(s)	Contribution Rates			Projected Payroll, Projected from Actual FY2012 Payroll			Estimated Contributions		
				June 30, 2012 Actuarial Valuation, for FY2015	June 30, 2011 Actuarial Valuation, for FY2014	June 30, 2010 Actuarial Valuation, for FY2013	For FY2015	For FY2014	For FY2013	June 30, 2012 Actuarial Valuation, for FY2015	June 30, 2011 Actuarial Valuation, for FY2014	June 30, 2010 Actuarial Valuation, for FY2013
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<b>General Employee Units</b>												
3002	1012 1019	Bristol	B	15.35%	15.27%	14.44%	\$ 4,936,162	\$ 4,757,746	\$ 4,585,780	\$ 757,701	\$ 726,508	\$ 662,187
3003	1032 1033	Burrillville	C	8.27%	7.86%	7.33%	6,306,397	6,078,455	5,858,752	521,539	477,767	429,447
3004	1052	Central Falls		14.53%	10.70%	11.78%	1,872,826	1,805,133	1,739,888	272,122	193,149	204,959
3005	1082	Charlestown	C	10.12%	10.08%	10.49%	2,100,073	2,024,167	1,951,004	212,527	204,036	204,660
3007	1112 1113	Cranston	B	10.26%	9.66%	9.24%	26,681,358	25,716,971	24,787,442	2,737,507	2,484,259	2,290,360
3008	1122 1123	Cumberland		14.34%	13.26%	13.07%	8,962,229	8,638,293	8,326,066	1,285,184	1,145,438	1,088,217
3009	1152 1153	East Greenwich	C	6.86%	5.77%	5.74%	1,279,461	1,233,215	1,188,641	87,824	71,203	68,265
3010	1162 1163	East Providence	B	22.12%	20.45%	18.92%	19,477,598	18,773,588	18,095,025	4,308,445	3,839,199	3,423,579
3011	1183	Exeter/West Greenwich	B	12.34%	11.06%	12.58%	2,853,287	2,750,156	2,650,753	352,096	304,167	333,465
3012	1192 1193	Foster		10.42%	10.91%	10.84%	1,293,965	1,247,195	1,202,116	134,831	136,069	130,309
3013	1212 1213	Glocester	C	9.97%	9.87%	9.56%	2,621,940	2,527,171	2,435,828	261,407	249,432	232,865
3014	1262	Hopkinton	C	5.89%	5.77%	6.01%	1,757,941	1,694,401	1,633,158	103,543	97,767	98,153
3015	1272 1273	Jamestown	C	11.34%	11.13%	11.46%	3,868,209	3,728,394	3,593,633	438,655	414,970	411,830
3016	1282 1283	Johnston	C	15.72%	15.02%	12.96%	8,898,930	8,577,282	8,267,260	1,398,912	1,288,308	1,071,437
3017	1302 1303	Lincoln		13.00%	11.15%	10.04%	920,201	886,941	854,883	119,626	98,894	85,830
3019	1322 1323	Middletown	C	11.39%	11.41%	11.11%	5,895,776	5,682,676	5,477,278	671,529	648,393	608,526
3021	1352 1353 1354	Newport	B	21.50%	19.88%	17.84%	11,804,026	11,377,375	10,966,144	2,537,866	2,261,822	1,956,360
3022	1342 1343	New Shoreham	B	8.07%	8.08%	8.38%	2,322,267	2,238,329	2,157,426	187,407	180,857	180,792
3023	1372 1373	North Kingstown	C	15.15%	15.23%	14.64%	13,508,330	13,020,077	12,549,472	2,046,512	1,982,958	1,837,243
3024	1382 1383	North Providence		7.56%	7.40%	6.47%	7,920,732	7,634,440	7,358,496	598,807	564,949	476,095
3025	1392 1393	North Smithfield	B	6.18%	5.92%	6.12%	3,646,707	3,514,898	3,387,853	225,366	208,082	207,337
3026	1412 1413	Pawtucket	C	16.39%	14.67%	13.24%	21,223,196	20,456,092	19,716,715	3,478,482	3,000,909	2,610,493
3027	1515	Union Fire District		8.27%	7.43%	8.56%	287,905	277,499	267,469	23,810	20,618	22,895
3029	1452	Richmond		10.41%	9.88%	11.36%	934,626	900,844	868,284	97,295	89,003	98,637
3030	1462 1463	Scituate	B	14.95%	14.46%	13.73%	2,910,817	2,805,607	2,704,199	435,167	405,691	371,287
3031	1472 1473	Smithfield	C	8.53%	7.53%	8.60%	3,458,244	3,333,247	3,212,769	294,988	250,994	276,298
3032	1492 1493	South Kingstown	B	11.57%	10.75%	10.41%	13,351,849	12,869,252	12,404,098	1,544,809	1,383,445	1,291,267
3033	1532 1533	Tiverton	C	4.40%	4.00%	4.27%	3,291,381	3,172,415	3,057,750	144,821	126,897	130,566
3034	1562	Warren	C	12.77%	13.41%	13.78%	1,929,669	1,859,922	1,792,696	246,419	249,416	247,034
3036	1622 1623	Westerly		80.36%	76.88%	69.82%	75,171	72,454	69,835	60,408	55,703	48,759
3037	1602	West Greenwich	C	16.19%	13.74%	15.14%	908,675	875,831	844,175	147,114	120,339	127,808
3039	1632 1633	Woonsocket	B	10.02%	9.03%	7.34%	12,307,369	11,862,524	11,433,758	1,233,198	1,071,186	839,238
3040	1073	Charlho School District	C	11.04%	10.26%	10.83%	5,909,939	5,696,326	5,490,435	652,457	584,443	594,614
3041	1203	Foster/Glocester	B	12.45%	13.11%	14.24%	1,740,313	1,677,410	1,616,781	216,669	219,908	230,230
3042	1528	Tiogue Fire & Lighting	C,5	0.00%	0.00%	0.00%	-	-	-	-	-	-
3043	1336	Naragansett Housing	C	6.01%	5.81%	5.20%	192,314	185,363	178,663	11,558	10,770	9,290
3045	1098	Coventry Lighting District	C	0.00%	0.00%	0.00%	40,405	38,944	37,537	-	-	-
3046	1242	Hope Valley Fire	C	4.64%	5.73%	7.41%	150,317	144,884	139,648	6,975	8,302	10,348
3050	1156	East Greenwich Housing	C	9.24%	8.91%	9.74%	495,655	477,740	460,472	45,799	42,567	44,850
3051	1116	Cranston Housing	C	7.69%	7.46%	8.04%	1,158,662	1,116,782	1,076,417	89,101	83,312	86,544
3052	1166	East Providence Housing	B	11.63%	9.64%	7.06%	688,385	663,504	639,522	80,059	63,962	45,150



Municipal Employees' Retirement System  
 State of Rhode Island  
 Actuarial Valuation – June 30, 2012

Table 2

				Comparison of Employer Contribution Rates			Projected Payroll, Projected from Actual FY2012 Payroll			Estimated Contributions		
Old Unit Number	New Unit Number	Unit	Code(s)	Contribution Rates			Projected Payroll, Projected from Actual FY2012 Payroll			Estimated Contributions		
				June 30, 2012 Actuarial Valuation, for FY2015	June 30, 2011 Actuarial Valuation, for FY2014	June 30, 2010 Actuarial Valuation, for FY2013	For FY2015	For FY2014	For FY2013	June 30, 2012 Actuarial Valuation, for FY2015	June 30, 2011 Actuarial Valuation, for FY2014	June 30, 2010 Actuarial Valuation, for FY2013
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
3053	1416	Pawtucket Housing	B	0.00%	0.00%	0.00%	3,096,444	2,984,524	2,876,650	-	-	-
3056	1126	Cumberland Housing	C	7.26%	6.71%	6.87%	581,013	560,013	539,771	42,182	37,577	37,082
3057	1306	Lincoln Housing	B	8.23%	11.84%	10.17%	523,141	504,232	486,007	43,054	59,701	49,427
3059	1016	Bristol Housing		0.00%	0.00%	0.00%	411,278	396,412	382,084	-	-	-
3065	1036	Burrillville Housing	B	7.43%	6.29%	5.96%	189,211	182,372	175,780	14,058	11,471	10,476
3066	1386	North Providence Housing	B	26.07%	22.80%	22.21%	276,449	266,457	256,826	72,070	60,752	57,041
3067	1177	East Smithfield Water	C	2.93%	1.66%	0.79%	204,433	197,044	189,922	5,990	3,271	1,500
3068	1227	Greenville Water	B	1.29%	0.78%	0.00%	262,425	252,940	243,798	3,385	1,973	-
3069	1356	Newport Housing	C	18.93%	18.94%	17.60%	1,529,291	1,474,015	1,420,738	289,495	279,179	250,050
3071	1566	Warren Housing	B	6.09%	5.83%	9.91%	304,233	293,237	282,638	18,528	17,096	28,009
3072	1286	Johnston Housing		11.86%	10.50%	8.57%	444,825	428,747	413,250	52,756	45,018	35,416
3077	1538	Tiverton Local 2670A	C	9.44%	9.85%	9.23%	1,066,469	1,027,922	990,768	100,675	101,250	91,448
3078	1002 1003 1007 1009	Barrington COLA	C	8.40%	7.92%	7.16%	8,140,626	7,846,386	7,562,782	683,813	621,434	541,495
3079	1096	Coventry Housing		7.66%	6.32%	6.77%	584,395	563,272	542,913	44,765	35,599	36,755
3080	1496	South Kingstown Housing	C	3.83%	3.83%	5.14%	189,257	182,416	175,823	7,249	6,987	9,037
3081	1403	N. RI Collaborative Adm. Services	C	8.35%	7.93%	9.71%	1,060,981	1,022,633	985,670	88,592	81,095	95,709
3083	1616	West Warwick Housing	B	9.35%	11.07%	12.93%	533,403	514,124	495,541	49,873	56,913	64,073
3084	1476	Smithfield Housing		2.24%	2.72%	2.02%	142,707	137,549	132,577	3,197	3,741	2,678
3094	1478	Smithfield COLA	C	10.05%	8.67%	8.63%	3,724,650	3,590,024	3,460,265	374,327	311,255	298,621
3096	1056	Central Falls Housing	C	11.42%	9.11%	8.20%	979,987	944,566	910,425	111,915	86,050	74,655
3098	1293	Lime Rock Administrative Services		13.06%	10.39%	10.29%	83,183	80,176	77,278	10,864	8,330	7,952
3099	1063	Central Falls Schools	C	8.63%	7.32%	8.89%	4,880,930	4,704,510	4,534,468	421,224	344,370	403,114
3100	1023	Bristol/Warren Schools	B	15.94%	14.58%	13.41%	4,744,986	4,573,481	4,408,174	756,351	666,813	591,136
3101	1157 1158	Town of E. Greenwich-COLA-NCE	C	6.86%	5.77%	5.74%	5,771,068	5,562,476	5,361,422	396,134	321,166	307,915
3102	1712	Harrisville Fire District (ADMIN)	C	6.32%	4.90%	7.24%	242,597	233,828	225,377	15,332	11,458	16,317
3103	1702	Albion Fire District (ADMIN)	C,S	0.00%	0.00%	0.00%	-	-	-	6,445	7,590	11,812
3150	1159	East Greenwich Fire (ADMIN)	C	16.05%	13.30%	19.00%	100,815	97,171	93,659	16,181	12,924	17,795
<b>General Employee Units Average</b>				12.63%	11.85%	11.28%	\$ 250,052,104	\$ 241,014,076	\$ 232,302,724	\$ 31,696,988	\$ 28,558,702	\$ 26,126,736
<b>Police &amp; Fire Units</b>												
4016	1285	Johnston Fire	D	9.65%	7.70%	7.35%	\$ 2,877,683	\$ 2,773,670	\$ 2,673,417	\$ 277,696	\$ 213,573	\$ 196,496
4029	1454	Richmond Police	6	12.19%	8.69%	8.20%	712,468	686,716	661,895	86,850	59,676	54,275
4031	1474	Smithfield Police	C,D	7.09%	4.71%	5.49%	2,837,731	2,735,162	2,636,301	201,195	128,826	144,733
4042	1555	Valley Falls Fire	D	18.04%	13.99%	11.78%	813,843	784,427	756,074	146,817	109,741	89,066
4047	1395 1435	North Smithfield Voluntary Fire	B,D	17.99%	13.36%	14.64%	1,167,142	1,124,956	1,084,295	209,969	150,294	158,741
4050	1155	East Greenwich Fire	C,D	26.12%	20.65%	19.00%	2,492,905	2,402,800	2,315,952	651,147	496,178	440,031
4054	1154	East Greenwich Police	C,D	26.05%	20.02%	17.44%	2,157,833	2,079,839	2,004,664	562,116	416,384	349,613

Municipal Employees' Retirement System  
 State of Rhode Island  
 Actuarial Valuation – June 30, 2012

Table 2

				Comparison of Employer Contribution Rates			Projected Payroll, Projected from Actual FY2012 Payroll			Estimated Contributions		
Old Unit Number	New Unit Number	Unit	Code(s)	Contribution Rates			Projected Payroll, Projected from Actual FY2012 Payroll			Estimated Contributions		
				June 30, 2012 Actuarial Valuation, for FY2015	June 30, 2011 Actuarial Valuation, for FY2014	June 30, 2010 Actuarial Valuation, for FY2013	For FY2015	For FY2014	For FY2013	June 30, 2012 Actuarial Valuation, for FY2015	June 30, 2011 Actuarial Valuation, for FY2014	June 30, 2010 Actuarial Valuation, for FY2013
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
4055	1375	North Kingstown Fire	C,D	28.13%	21.02%	19.43%	3,953,582	3,810,681	3,672,946	1,112,143	801,005	713,653
4056	1374	North Kingstown Police	C,D	27.62%	22.85%	18.78%	3,147,993	3,034,210	2,924,540	869,476	693,317	549,229
4058	1385	North Providence Fire	D	25.06%	19.72%	17.02%	5,207,414	5,019,194	4,837,778	1,304,978	989,785	823,390
4059	1008	Barrington Fire (25)	C	9.37%	8.88%	9.87%	1,029,663	992,447	956,575	96,479	88,129	94,414
4060	1004	Barrington Police	C,D	29.46%	26.45%	24.45%	1,605,756	1,547,717	1,491,775	473,056	409,371	364,739
4061	1005	Barrington Fire (20)	C,D	65.75%	32.73%	25.76%	345,430	332,944	320,910	227,120	108,973	82,666
4062	1564 1565	Warren Police & Fire	C,D	30.51%	24.62%	23.11%	1,571,645	1,514,838	1,460,085	479,509	372,953	337,426
4063	1494	South Kingstown Police	B,1	22.79%	15.02%	14.79%	3,058,333	2,947,791	2,841,245	696,994	442,758	420,220
4073	1464	Scituate Police	5	0.00%	0.00%	0.00%	-	-	-	-	-	-
4076	1394	North Smithfield Police	C,D	19.76%	13.96%	11.56%	1,341,516	1,293,028	1,246,292	265,084	180,507	144,071
4077	1534	Tiverton Fire	C,D	15.33%	10.19%	7.25%	1,906,825	1,837,904	1,771,474	292,316	187,282	128,432
4082	1194	Foster Police	C,D	32.90%	11.69%	16.62%	436,843	421,054	405,835	143,721	49,221	67,450
4085	1634	Woonsocket Police	C,D	23.44%	18.35%	16.76%	6,166,937	5,944,035	5,729,191	1,445,530	1,090,730	960,212
4086	1084	Charlestown Police	C,D	24.41%	19.16%	19.25%	1,426,370	1,374,815	1,325,123	348,177	263,414	255,086
4087	1264	Hopkinton Police	C,D,6	24.16%	14.67%	14.17%	1,001,003	964,822	929,949	241,842	141,539	131,774
4088	1214	Glocester Police	C,D	18.16%	15.60%	13.46%	1,046,266	1,008,449	971,999	190,002	157,318	130,831
4089	1604	West Greenwich Police/Rescue	C,D	23.63%	17.90%	14.13%	763,505	735,908	709,309	180,416	131,728	100,225
4090	1034	Burnillville Police	C,D,6	24.90%	12.55%	12.03%	1,279,919	1,233,657	1,189,067	318,700	154,824	143,045
4091	1148	Cumberland Rescue	C,D	10.93%	7.18%	5.59%	1,063,291	1,024,858	987,815	116,218	73,585	55,219
4093	1635	Woonsocket Fire	C,D	10.94%	7.50%	8.26%	7,659,969	7,383,102	7,116,243	838,001	553,733	587,802
4094	1015	Bristol Fire	D	24.92%	15.66%	7.18%	55,085	53,094	51,175	13,727	8,314	3,674
4095	1135	Cumberland Hill Fire	C,D	26.71%	10.85%	16.19%	722,227	696,122	670,961	192,907	75,529	108,629
4096	1014	Bristol Police	C,D	5.73%	3.93%	1.61%	2,103,737	2,027,698	1,954,408	120,544	79,689	31,466
4098	1095	Coventry Fire	C,D	21.96%	16.43%	17.15%	1,092,482	1,052,994	1,014,934	239,909	173,007	174,061
4099	1505	South Kingstown EMT	C,D	5.96%	4.16%	2.74%	866,159	834,852	804,676	51,623	34,730	22,048
4101	1365	North Cumberland	C,D	21.18%	15.85%	16.19%	794,525	765,807	738,127	168,280	121,380	119,503
4102	1045 1235 1525 1585	Central Coventry Fire	C,D	17.64%	14.68%	16.34%	2,878,250	2,774,217	2,673,944	507,723	407,255	436,922
4103	1255	Hopkins Hill Fire	C,D	13.40%	10.39%	10.72%	645,126	621,808	599,333	86,447	64,606	64,249
4104	1114	Cranston Police	C,D,4	10.69%	8.89%	7.74%	9,391,037	9,051,602	8,724,435	1,003,902	804,687	675,271
4105	1115	Cranston Fire	C,D,4	10.44%	8.63%	10.11%	11,404,629	10,992,413	10,595,097	1,190,643	948,645	1,071,164
4106	1125	Cumberland Fire	B,D	22.00%	14.88%	17.63%	744,048	717,155	691,233	163,691	106,713	121,864
4107	1305	Lincoln Rescue	C	20.19%	15.73%	16.50%	858,714	827,676	797,760	173,374	130,193	131,630
4108	1344	New Shoreham Police	B,D	25.24%	18.64%	17.90%	260,177	250,773	241,709	65,669	46,744	43,266
4109	1324	Middletown Police & Fire	C,D	6.48%	3.59%	4.03%	2,884,335	2,780,082	2,679,597	186,905	99,805	107,988

Municipal Employees' Retirement System  
 State of Rhode Island  
 Actuarial Valuation – June 30, 2012

Table 2

Comparison of Employer Contribution Rates												
Old Unit Number	New Unit Number	Unit	Code(s)	Contribution Rates			Projected Payroll, Projected from Actual FY2012 Payroll			Estimated Contributions		
				June 30, 2012 Actuarial Valuation, for FY2015	June 30, 2011 Actuarial Valuation, for FY2014	June 30, 2010 Actuarial Valuation, for FY2013	For FY2015	For FY2014	For FY2013	June 30, 2012 Actuarial Valuation, for FY2015	June 30, 2011 Actuarial Valuation, for FY2014	June 30, 2010 Actuarial Valuation, for FY2013
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
4110	1715	Harrisville Fire District	C,D	8.16%	6.74%	9.42%	300,350	289,494	279,030	24,509	19,512	26,285
4111	1705	Albion Fire District	C	20.65%	17.25%	18.56%	208,711	201,167	193,896	43,099	34,701	35,987
1284	1284	Johnston Police	2	9.28%	7.00%	7.00%	231,664	223,291	215,220	21,498	15,630	15,065
1465	1465	Smithfield Fire	C, 2	9.67%	8.00%	8.00%	227,804	219,570	211,633	22,029	17,566	16,931
<b>Police &amp; Fire Units Average</b>				17.26%	13.27%	12.81%	\$ 92,740,923	\$ 89,388,842	\$ 86,157,920	\$ 16,052,030	\$ 11,653,553	\$ 10,728,843
<b>All MERS Units Average</b>				13.89%	12.21%	11.67%	\$ 342,793,027	\$ 330,402,918	\$ 318,460,644	\$ 47,749,017	\$ 40,212,255	\$ 36,855,579

B - Municipality has adopted COLA Plan B

C - Municipality has adopted COLA Plan C

D - Municipality has adopted the "20-year" optional Police & Fire Plan

1 - S.Kingstown Police have a unique plan that provides 2.0% of salary for service prior to July 1, 1993, and 2.5% of salary for service on or after July 1, 1993.

2 - New unit in 2012 valuation.

3 - Closed unit.

4 - Historically, Cranston Fire and Police are contributing 10% due to special plan provis 5 - This unit has no active members.

6 - Historically, Special plan provisions apply to this unit.

**Components Used in Determining Contribution Rates**

Old Unit Number	New Unit Number	Unit	Code(s)	Adjusted Compensation	Normal Cost (Total)	Actuarial Accrued Liability	Actuarial Value of Assets
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
3002	1012 1019	Bristol	B	4,485,441	421,026	20,807,483	15,184,159
3003	1032 1033	Burrillville	C	5,692,303	584,721	23,889,151	23,934,744
3004	1052	Central Falls		1,731,773	128,706	6,979,395	4,915,692
3005	1082	Charlestown	C	1,890,875	176,527	6,134,811	5,290,691
3007	1112 1113	Cranston	B	23,622,162	2,456,461	130,449,361	123,713,685
3008	1122 1123	Cumberland		8,097,688	743,623	27,951,593	20,203,280
3009	1152 1153	East Greenwich	C	1,185,062	109,579	6,500,407	7,436,954
3010	1162 1163	East Providence	B	16,469,751	1,646,584	99,418,570	60,407,753
3011	1183	Exeter/West Greenwich	B	2,594,034	272,524	9,066,049	7,468,105
3012	1192 1193	Foster		1,060,801	96,991	3,520,649	3,093,180
3013	1212 1213	Glocester	C	2,440,024	239,311	8,002,560	7,166,323
3014	1262	Hopkinton	C	1,546,023	154,647	3,855,774	4,374,065
3015	1272 1273	Jamestown	C	3,448,946	330,901	12,310,741	10,250,062
3016	1282 1283	Johnston	C	7,981,662	796,875	38,710,838	28,915,706
3017	1302 1303	Lincoln		846,470	78,823	1,931,318	1,329,087
3019	1322 1323	Middletown	C	5,584,068	521,265	18,169,600	14,674,442
3021	1352 1353 1354	Newport	B	10,681,628	1,036,706	67,347,521	44,368,246
3022	1342 1343	New Shoreham	B	2,099,553	211,488	5,459,677	5,452,997
3023	1372 1373	North Kingstown	C	11,659,844	1,174,712	55,565,110	41,923,245
3024	1382 1383	North Providence		7,046,020	640,617	25,511,034	26,129,381
3025	1392 1393	North Smithfield	B	3,354,622	337,540	11,878,920	12,856,790
3026	1412 1413	Pawtucket	C	18,826,110	1,842,669	112,749,974	87,216,852
3027	1515	Union Fire District		255,730	19,750	535,882	492,408
3029	1452	Richmond		800,941	71,067	2,010,261	1,685,108
3030	1462 1463	Scituate	B	2,696,855	269,934	12,346,123	9,552,928
3031	1472 1473	Smithfield	C	3,073,616	317,338	11,533,859	11,406,136
3032	1492 1493	South Kingstown	B	11,883,378	1,232,458	51,041,274	45,016,206
3033	1532 1533	Tiverton	C	2,933,659	299,056	9,707,374	11,454,688

**Components Used in Determining Contribution Rates**

Old Unit Number	New Unit Number	Unit	Code(s)	Adjusted Compensation	Normal Cost (Total)	Actuarial Accrued Liability	Actuarial Value of Assets
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
3034	1562	Warren	C	1,708,040	150,678	6,170,834	4,457,641
3036	1622 1623	Westerly		67,306	5,889	965,739	205,065
3037	1602	West Greenwich	C	712,426	67,715	3,422,124	2,311,987
3039	1632 1633	Woonsocket	B	11,045,665	1,127,384	61,981,018	58,988,191
3040	1073	Charlho School District	C	5,335,447	525,286	17,200,124	14,409,949
3041	1203	Foster/Glocester	B	1,684,702	177,301	6,326,023	5,292,895
3042	1528	Tiogue Fire & Lighting	C,5	-	-	5,314	44,159
3043	1336	Narragansett Housing	C	172,211	16,347	371,509	407,237
3045	1098	Coventry Lighting District	C	36,182	4,168	836,291	1,223,111
3046	1242	Hope Valley Fire	C	134,600	11,304	384,975	464,296
3050	1156	East Greenwich Housing	C	437,247	46,627	1,131,684	1,082,370
3051	1116	Cranston Housing	C	1,037,517	119,879	3,773,419	4,109,652
3052	1166	East Providence Housing	B	638,388	66,818	2,882,707	2,607,644
3053	1416	Pawtucket Housing	B	2,723,906	264,475	8,524,802	12,125,589
3056	1126	Cumberland Housing	C	518,216	46,157	1,184,877	1,152,125
3057	1306	Lincoln Housing	B	466,006	49,543	1,453,114	1,473,438
3059	1016	Bristol Housing		361,838	32,827	1,304,329	1,881,173
3065	1036	Burrillville Housing	B	169,421	14,957	888,799	871,563
3066	1386	North Providence Housing	B	227,922	22,970	1,495,061	795,764
3067	1177	East Smithfield Water	C	218,876	18,556	778,590	883,911
3068	1227	Greenville Water	B	249,445	24,802	803,021	1,048,881
3069	1356	Newport Housing	C	1,386,172	139,309	8,421,167	6,040,468
3071	1566	Warren Housing	B	272,423	32,095	1,035,745	1,206,018
3072	1286	Johnston Housing		412,555	38,508	1,257,174	1,050,239
3077	1538	Tiverton Local 2670A	C	965,654	94,051	3,714,289	3,454,681
3078	1002 1003 1007 1009	Barrington COLA	C	7,261,593	731,749	29,818,966	29,492,310
3079	1096	Coventry Housing		543,848	47,172	899,740	898,002
3080	1496	South Kingstown Housing	C	169,457	18,399	154,803	281,925
3081	1403	N. RI Collaborative Adm. Services	C	882,116	84,406	2,747,550	2,589,491
3083	1616	West Warwick Housing	B	491,356	48,774	1,568,451	1,451,454

**Components Used in Determining Contribution Rates**

Old Unit Number	New Unit Number	Unit	Code(s)	Adjusted Compensation	Normal Cost (Total)	Actuarial Accrued Liability	Actuarial Value of Assets
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
3084	1476	Smithfield Housing		127,790	10,506	254,855	351,388
3094	1478	Smithfield COLA	C	3,467,181	336,260	13,571,767	12,338,621
3096	1056	Central Falls Housing	C	868,460	71,751	2,525,784	1,825,558
3098	1293	Lime Rock Administrative Services		72,187	5,700	311,721	239,810
3099	1063	Central Falls Schools	C	4,434,256	427,099	13,547,023	12,807,859
3100	1023	Bristol/Warren Schools	B	4,226,659	455,020	19,608,181	14,830,575
3101	1157 1158	Town of E. Greenwich-COLA-NCE	C	5,242,174	524,387	18,036,610	18,157,992
3102	1712	Harrisville Fire District (ADMIN)	C	217,223	20,824	464,620	499,785
3103	1702	Albion Fire District (ADMIN)	C,5	-	-	98,945	83,800
3150	1159	East Greenwich Fire (ADMIN)	C	90,274	9,947	261,734	166,054
<b>General Employee Units Subtotal</b>				<b>\$ 223,065,778</b>	<b>\$ 22,101,539</b>	<b>\$ 1,023,568,790</b>	<b>\$ 859,515,584</b>
<b>Police &amp; Fire Units</b>							
4016	1285	Johnston Fire	D	2,640,103	433,314	3,800,520	3,563,110
4029	1454	Richmond Police	6	637,976	100,762	1,377,140	1,028,214
4031	1474	Smithfield Police	C,D	2,582,148	432,847	9,503,865	10,112,417
4042	1555	Valley Falls Fire	D	767,187	123,249	4,023,878	3,001,619
4047	1395 1435	North Smithfield Voluntary Fire	B,D	1,103,983	185,973	6,748,750	5,504,829
4050	1155	East Greenwich Fire	C,D	2,232,243	391,271	16,028,667	10,169,176
4054	1154	East Greenwich Police	C,D	1,856,181	341,681	17,185,092	12,504,590
4055	1375	North Kingstown Fire	C,D	3,472,694	612,666	36,305,785	26,307,305
4056	1374	North Kingstown Police	C,D	2,863,669	490,944	25,114,717	16,984,513
4058	1385	North Providence Fire	D	4,780,910	805,156	38,109,873	27,253,970
4059	1008	Barrington Fire (25)	C	909,184	148,609	1,759,131	1,518,607
4060	1004	Barrington Police	C,D	1,437,854	244,930	11,879,714	7,191,331
4061	1005	Barrington Fire (20)	C,D	332,263	61,271	9,842,051	7,399,951
4062	1564 1565	Warren Police & Fire	C,D	1,414,717	244,279	12,527,880	7,972,189
4063	1494	South Kingstown Police	B,1	2,742,094	484,669	25,813,485	20,524,828

**Components Used in Determining Contribution Rates**

Old Unit Number	New Unit Number	Unit	Code(s)	Adjusted Compensation	Normal Cost (Total)	Actuarial Accrued Liability	Actuarial Value of Assets
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
4073	1464	Scituate Police	5	-	-	22,848	175,958
4076	1394	North Smithfield Police	C,D	1,310,742	225,365	10,007,964	8,065,603
4077	1534	Tiverton Fire	C,D	1,616,619	277,616	10,431,958	8,793,531
4082	1194	Foster Police	C,D	382,545	77,359	3,691,408	2,467,819
4085	1634	Woonsocket Police	C,D	5,290,653	910,855	43,234,302	30,903,156
4086	1084	Charlestown Police	C,D	1,304,912	223,430	9,579,279	6,552,757
4087	1264	Hopkinton Police	C,D,6	896,032	169,548	6,592,207	4,760,429
4088	1214	Glocester Police	C,D	917,582	167,002	6,008,455	4,807,013
4089	1604	West Greenwich Police/Rescue	C,D	705,296	137,148	4,260,469	2,989,460
4090	1034	Burrillville Police	C,D,6	1,034,588	200,975	10,281,233	8,062,286
4091	1148	Cumberland Rescue	C,D	987,517	179,351	4,593,597	4,499,034
4093	1635	Woonsocket Fire	C,D	6,473,479	1,133,164	35,114,936	33,638,777
4094	1015	Bristol Fire	D	49,330	10,955	306,187	238,239
4095	1135	Cumberland Hill Fire	C,D	625,704	109,031	5,430,649	3,747,572
4096	1014	Bristol Police	C,D	1,965,609	331,178	3,479,280	4,347,815
4098	1095	Coventry Fire	C,D	964,720	165,695	4,612,478	2,765,828
4099	1505	South Kingstown EMT	C,D	778,204	139,209	2,507,988	2,957,953
4101	1365	North Cumberland	C,D	678,097	127,589	4,729,107	3,633,251
4102	1045 1235 1525 1585	Central Coventry Fire	C,D	2,484,851	442,811	10,544,021	7,245,288
4103	1255	Hopkins Hill Fire	C,D	577,666	111,801	1,667,414	1,519,903
4104	1114	Cranston Police	C,D,4	8,491,607	1,497,964	26,092,141	24,303,359
4105	1115	Cranston Fire	C,D,4	10,551,891	1,960,351	39,418,778	39,308,000
4106	1125	Cumberland Fire	B,D	655,780	128,320	4,299,807	3,215,071
4107	1305	Lincoln Rescue	C	895,422	140,826	3,958,072	2,555,784
4108	1344	New Shoreham Police	B,D	227,275	41,759	1,488,538	947,945
4109	1324	Middletown Police & Fire	C,D	2,657,659	453,012	2,275,546	3,129,072
4110	1715	Harrisville Fire District	C,D	268,943	48,884	823,400	894,151
4111	1705	Albion Fire District	C	186,884	34,082	839,175	519,559

**Components Used in Determining Contribution Rates**

Old Unit Number	New Unit Number	Unit	Code(s)	Adjusted Compensation	Normal Cost (Total)	Actuarial Accrued Liability	Actuarial Value of Assets
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1284	1284	Johnston Police	2	207,441	34,019	44,009	18,961
1465	1465	Smithfield Fire	C, 2	203,984	37,465	549,797	559,741
<b>Police &amp; Fire Units Subtotal</b>				<u>\$ 83,164,238</u>	<u>\$ 14,618,385</u>	<u>\$ 476,905,589</u>	<u>\$ 378,659,964</u>
<b>All MERS Units Total</b>				\$ 306,230,016	\$ 36,719,924	\$ 1,500,474,379	\$ 1,238,175,548

B - Municipality has adopted COLA Plan B

C - Municipality has adopted COLA Plan C

D - Municipality has adopted the "20-year" optional Police & Fire Plan

1 - S.Kingstown Police have a unique plan that provides 2.0% of salary for service prior to July 1, 1993, and 2.5% of salary for service on or after July 1, 1993.

2 - New unit in 2012 valuation.

3 - Closed unit.

4 - Historically, Cranston Fire and Police are contributing 10% due to special plan pt 5 - This unit has no active members.

6 - Historically, Special plan provisions apply to this unit.



Municipal Employees' Retirement System  
 State of Rhode Island  
 Actuarial Valuation – June 30, 2012

Table 4a

Asset Values

Old Unit Number	New Unit Number	Unit	Code	Market Value of Assets	Actuarial Value of Assets
(1)	(2)	(3)	(4)	(5)	(6)
<b>General Employee Units</b>					
3002	1012 1019	Bristol	B	\$ 14,291,780	\$ 15,184,159
3003	1032 1033	Burrillville	C	22,528,090	23,934,744
3004	1052	Central Falls		4,626,795	4,915,692
3005	1082	Charlestown	C	4,979,755	5,290,691
3007	1112 1113	Cranston	B	116,442,985	123,713,685
3008	1122 1123	Cumberland		19,015,926	20,203,280
3009	1152 1153	East Greenwich	C	6,999,882	7,436,954
3010	1162 1163	East Providence	B	56,857,567	60,407,753
3011	1183	Exeter/West Greenwich	B	7,029,202	7,468,105
3012	1192 1193	Foster		2,911,393	3,093,180
3013	1212 1213	Glocester	C	6,745,155	7,166,323
3014	1262	Hopkinton	C	4,117,000	4,374,065
3015	1272 1273	Jamestown	C	9,647,662	10,250,062
3016	1282 1283	Johnston	C	27,216,320	28,915,706
3017	1302 1303	Lincoln		1,250,976	1,329,087
3019	1322 1323	Middletown	C	13,812,019	14,674,442
3021	1352 1353 1354	Newport	B	41,760,708	44,368,246
3022	1342 1343	New Shoreham	B	5,132,522	5,452,997
3023	1372 1373	North Kingstown	C	39,459,400	41,923,245
3024	1382 1383	North Providence		24,593,747	26,129,381
3025	1392 1393	North Smithfield	B	12,101,191	12,856,790
3026	1412 1413	Pawtucket	C	82,091,085	87,216,852
3027	1515	Union Fire District		463,469	492,408
3029	1452	Richmond		1,586,073	1,685,108
3030	1462 1463	Scituate	B	8,991,499	9,552,928
3031	1472 1473	Smithfield	C	10,735,793	11,406,136
3032	1492 1493	South Kingstown	B	42,370,587	45,016,206
3033	1532 1533	Tiverton	C	10,781,491	11,454,688
3034	1562	Warren	C	4,195,664	4,457,641
3036	1622 1623	Westerly		193,013	205,065
3037	1602	West Greenwich	C	2,176,110	2,311,987
3039	1632 1633	Woonsocket	B	55,521,433	58,988,191
3040	1073	Chariho School District	C	13,563,071	14,409,949
3041	1203	Foster/Glocester	B	4,981,830	5,292,895
3042	1528	Tiogue Fire & Lighting	C,5	41,564	44,159
3043	1336	Narragansett Housing	C	383,303	407,237
3045	1098	Coventry Lighting District	C	1,151,229	1,223,111
3046	1242	Hope Valley Fire	C	437,010	464,296
3050	1156	East Greenwich Housing	C	1,018,759	1,082,370
3051	1116	Cranston Housing	C	3,868,126	4,109,652
3052	1166	East Providence Housing	B	2,454,392	2,607,644
3053	1416	Pawtucket Housing	B	11,412,964	12,125,589
3056	1126	Cumberland Housing	C	1,084,414	1,152,125

Municipal Employees' Retirement System  
 State of Rhode Island  
 Actuarial Valuation – June 30, 2012

Table 4a

**Asset Values**

Old Unit Number	New Unit Number	Unit	Code	Market Value of Assets	Actuarial Value of Assets
(1)	(2)	(3)	(4)	(5)	(6)
3057	1306	Lincoln Housing	B	1,386,843	1,473,438
3059	1016	Bristol Housing		1,770,616	1,881,173
3065	1036	Burrillville Housing	B	820,341	871,563
3066	1386	North Providence Housing	B	748,997	795,764
3067	1177	East Smithfield Water	C	831,963	883,911
3068	1227	Greenville Water	B	987,237	1,048,881
3069	1356	Newport Housing	C	5,685,467	6,040,468
3071	1566	Warren Housing	B	1,135,140	1,206,018
3072	1286	Johnston Housing		988,516	1,050,239
3077	1538	Tiverton Local 2670A	C	3,251,648	3,454,681
3078	1002 1003 1007 1009	Barrington COLA	C	27,759,036	29,492,310
3079	1096	Coventry Housing		845,226	898,002
3080	1496	South Kingstown Housing	C	265,356	281,925
3081	1403	N. RI Collaborative Adm. Services	C	2,437,305	2,589,491
3083	1616	West Warwick Housing	B	1,366,151	1,451,454
3084	1476	Smithfield Housing		330,737	351,388
3094	1478	Smithfield COLA	C	11,613,476	12,338,621
3096	1056	Central Falls Housing	C	1,718,270	1,825,558
3098	1293	Lime Rock Administrative Services		225,716	239,810
3099	1063	Central Falls Schools	C	12,055,137	12,807,859
3100	1023	Bristol/Warren Schools	B	13,958,977	14,830,575
3101	1157 1158	Town of E. Greenwich-COLA-NCE	C	17,090,840	18,157,992
3102	1712	Harrisville Fire District (ADMIN)	C	470,413	499,785
3103	1702	Albion Fire District (ADMIN)	C,5	78,875	83,800
3150	1159	East Greenwich Fire (ADMIN)	C	156,295	166,054
<b>General Employee Units Subtotal</b>				<b>\$ 809,001,532</b>	<b>\$ 859,515,584</b>
<b>Police &amp; Fire Units</b>					
4016	1285	Johnston Fire	D	\$ 3,353,705	\$ 3,563,110
4029	1454	Richmond Police	6	967,786	1,028,214
4031	1474	Smithfield Police	C,D	9,518,106	10,112,417
4042	1555	Valley Falls Fire	D	2,825,213	3,001,619
4047	1395 1435	North Smithfield Voluntary Fire	B,D	5,181,308	5,504,829
4050	1155	East Greenwich Fire	C,D	9,571,529	10,169,176
4054	1154	East Greenwich Police	C,D	11,769,690	12,504,590
4055	1375	North Kingstown Fire	C,D	24,761,215	26,307,305
4056	1374	North Kingstown Police	C,D	15,986,327	16,984,513
4058	1385	North Providence Fire	D	25,652,244	27,253,970
4059	1008	Barrington Fire (25)	C	1,429,358	1,518,607
4060	1004	Barrington Police	C,D	6,768,694	7,191,331
4061	1005	Barrington Fire (20)	C,D	6,965,053	7,399,951
4062	1564 1565	Warren Police & Fire	C,D	7,503,661	7,972,189
4063	1494	South Kingstown Police	B,1	19,318,576	20,524,828

Municipal Employees' Retirement System  
 State of Rhode Island  
 Actuarial Valuation – June 30, 2012

Table 4a

**Asset Values**

Old Unit Number	New Unit Number	Unit	Code	Market Value of Assets	Actuarial Value of Assets
(1)	(2)	(3)	(4)	(5)	(6)
4073	1464	Scituate Police	5	165,617	175,958
4076	1394	North Smithfield Police	C,D	7,591,585	8,065,603
4077	1534	Tiverton Fire	C,D	8,276,731	8,793,531
4082	1194	Foster Police	C,D	2,322,784	2,467,819
4085	1634	Woonsocket Police	C,D	29,086,966	30,903,156
4086	1084	Charlestown Police	C,D	6,167,649	6,552,757
4087	1264	Hopkinton Police	C,D,6	4,480,657	4,760,429
4088	1214	Glocester Police	C,D	4,524,503	4,807,013
4089	1604	West Greenwich Police/Rescue	C,D	2,813,768	2,989,460
4090	1034	Burrillville Police	C,D,6	7,588,463	8,062,286
4091	1148	Cumberland Rescue	C,D	4,234,624	4,499,034
4093	1635	Woonsocket Fire	C,D	31,661,814	33,638,777
4094	1015	Bristol Fire	D	224,238	238,239
4095	1135	Cumberland Hill Fire	C,D	3,527,326	3,747,572
4096	1014	Bristol Police	C,D	4,092,293	4,347,815
4098	1095	Coventry Fire	C,D	2,603,279	2,765,828
4099	1505	South Kingstown EMT	C,D	2,784,113	2,957,953
4101	1365	North Cumberland	C,D	3,419,724	3,633,251
4102	1045 1235 1525 1585	Central Coventry Fire	C,D	6,819,480	7,245,288
4103	1255	Hopkins Hill Fire	C,D	1,430,577	1,519,903
4104	1114	Cranston Police	C,D,4	22,875,041	24,303,359
4105	1115	Cranston Fire	C,D,4	36,997,855	39,308,000
4106	1125	Cumberland Fire	B,D	3,026,120	3,215,071
4107	1305	Lincoln Rescue	C	2,405,580	2,555,784
4108	1344	New Shoreham Police	B,D	892,234	947,945
4109	1324	Middletown Police & Fire	C,D	2,945,176	3,129,072
4110	1715	Harrisville Fire District	C,D	841,601	894,151
4111	1705	Albion Fire District	C	489,024	519,559
1284	1284	Johnston Police	2	17,846	18,961
1465	1465	Smithfield Fire	C, 2	526,845	559,741
<b>Police &amp; Fire Units Subtotal</b>				<b>\$ 356,405,978</b>	<b>\$ 378,659,964</b>
<b>All MERS Units Total</b>				<b>\$ 1,165,407,510</b>	<b>\$ 1,238,175,548</b>

B - Municipality has adopted COLA Plan B

C - Municipality has adopted COLA Plan C

D - Municipality has adopted the "20-year" optional Police & Fire Plan

1 - S.Kingstown Police have a unique plan that provides 2.0% of salary for service prior to July 1, 1993, and 2.5% of salary for service on or after July 1, 1993.

2 - New unit in 2012 valuation.

3 - Closed unit.

4 - Historically, Cranston Fire and Police are contributing 10% due to special plan prov 5 - This unit has no active members.

6 - Historically, Special plan provisions apply to this unit.

Municipal Employees' Retirement System  
 State of Rhode Island  
 Actuarial Valuation – June 30, 2012

Table 4b

Reconciliation of Market Assets by Unit

Old Unit Number	New Unit Number	Unit	Code (s)	Beginning of Year Account Balance	Member Contributions	Employer Contributions	Service Purchases and Others*	Benefit Payments	Refunds	Net Investment Return	End of Year Account Balance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
<b>General Employee Units</b>											
3002	1012 1019	Bristol	B	\$ 14,391,826	\$ 309,402	\$ 637,367	\$ 4,745	\$ (1,250,966)	\$ (18,238)	\$ 217,644	\$ 14,291,780
3003	1032 1033	Burrillville	C	22,634,562	395,437	290,753	17,441	(1,152,872)	(303)	343,072	22,528,090
3004	1052	Central Falls		4,878,013	100,620	151,765	(32,842)	(412,002)	(129,218)	70,459	4,626,795
3005	1082	Charlestown	C	4,767,296	131,634	234,684	245	(213,801)	(16,138)	75,835	4,979,755
3007	1112 1113	Cranston	B	119,589,020	1,727,008	1,455,695	24,186	(7,759,177)	(367,016)	1,773,269	116,442,985
3008	1122 1123	Cumberland		19,150,247	486,917	785,334	(13,022)	(1,577,534)	(105,603)	289,587	19,015,926
3009	1152 1153	East Greenwich	C	7,245,275	83,282	44,139	2,047	(481,459)	0	106,598	6,999,882
3010	1162 1163	East Providence	B	58,336,846	1,265,659	3,262,498	25,343	(6,835,855)	(62,788)	865,864	56,857,567
3011	1183	Exeter/West Greenwich	B	6,888,464	178,846	275,933	(505)	(369,347)	(51,234)	107,045	7,029,202
3012	1192 1193	Foster		2,878,711	71,414	96,050	1	(179,119)	0	44,336	2,911,393
3013	1212 1213	Glocester	C	6,529,434	164,345	242,525	66,964	(350,079)	(10,754)	102,720	6,745,155
3014	1262	Hopkinton	C	4,128,637	114,427	81,469	1,028	(200,207)	(71,051)	62,697	4,117,000
3015	1272 1273	Jamestown	C	9,406,759	242,462	395,080	2,507	(498,136)	(47,930)	146,920	9,647,662
3016	1282 1283	Johnston	C	28,181,784	567,746	1,055,103	(291,323)	(2,674,265)	(37,193)	414,468	27,216,320
3017	1302 1303	Lincoln		1,234,433	49,439	52,982	0	(102,758)	(2,172)	19,052	1,250,976
3019	1322 1323	Middletown	C	13,404,774	369,927	624,045	33,731	(829,479)	(1,318)	210,339	13,812,019
3021	1352 1353 1354	Newport	B	42,962,113	764,652	1,865,746	310,169	(4,695,321)	(82,611)	635,960	41,760,708
3022	1342 1343	New Shoreham	B	4,885,934	150,052	164,887	12,530	(154,075)	(4,967)	78,161	5,132,522
3023	1372 1373	North Kingstown	C	39,674,853	864,662	1,571,665	92,854	(3,113,565)	(231,983)	600,914	39,459,400
3024	1382 1383	North Providence		25,129,893	438,447	71,481	2,576	(1,359,989)	(63,190)	374,529	24,593,747
3025	1392 1393	North Smithfield	B	12,211,055	232,324	97,320	108,764	(722,674)	(9,882)	184,284	12,101,191
3026	1412 1413	Pawtucket	C	85,037,601	1,371,204	2,313,377	21,933	(7,721,065)	(182,100)	1,250,135	82,091,085
3027	1515	Union Fire District		437,903	16,063	14,531	0	(12,086)	0	7,058	463,469
3029	1452	Richmond		1,538,994	50,214	64,443	5,062	(96,794)	0	24,154	1,586,073
3030	1462 1463	Scituate	B	9,068,925	182,452	354,270	2	(746,953)	(4,125)	136,928	8,991,499
3031	1472 1473	Smithfield	C	10,890,406	221,549	203,193	(8,575)	(716,822)	(17,449)	163,491	10,735,793
3032	1492 1493	South Kingstown	B	42,407,005	868,701	1,042,929	3,602	(2,471,884)	(125,014)	645,248	42,370,587
3033	1532 1533	Tiverton	C	10,894,740	206,306	78,917	4,170	(515,591)	(51,239)	164,188	10,781,491
3034	1562	Warren	C	4,207,158	120,953	254,354	1	(450,696)	0	63,894	4,195,664
3036	1622 1623	Westerly		256,873	4,194	40,286	0	(111,279)	0	2,939	193,013
3037	1602	West Greenwich	C	2,219,770	59,147	122,181	1	(227,434)	(30,694)	33,139	2,176,110
3039	1632 1633	Woonsocket	B	58,073,751	785,015	385,640	(71,293)	(4,327,294)	(169,902)	845,516	55,521,433
3040	1073	Charlho School District	C	13,150,341	370,439	578,941	510	(743,398)	(309)	206,547	13,563,071
3041	1203	Foster/Glocester	B	4,908,980	109,084	206,480	1	(318,581)	0	75,866	4,981,830
3042	1528	Tiogue Fire & Lighting	C,5	40,931	0	0	0	0	0	633	41,564
3043	1336	Narragansett Housing	C	355,842	12,518	14,343	0	(5,237)	0	5,837	383,303
3045	1098	Coventry Lighting District	C	1,234,157	2,630	0	0	(103,090)	0	17,532	1,151,229
3046	1242	Hope Valley Fire	C	417,363	9,422	3,567	0	2	0	6,656	437,010
3050	1156	East Greenwich Housing	C	973,683	31,068	50,242	0	(51,749)	0	15,515	1,018,759
3051	1116	Cranston Housing	C	3,793,081	75,419	46,329	1	(105,611)	0	58,907	3,868,126

Reconciliation of Market Assets by Unit

Old Unit Number	New Unit Number	Unit	Code (s)	Beginning of Year Account Balance	Member Contributions	Employer Contributions	Service Purchases and Others*	Benefit Payments	Refunds	Net Investment Return	End of Year Account Balance								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)								
3052	1166	East Providence Housing	B	2,561,172	44,808	16,259	0	(184,220)	(21,006)	37,379	2,454,392								
3053	1416	Pawtucket Housing	B	11,474,283	201,171	0	123	(362,777)	(73,641)	173,805	11,412,964								
3056	1126	Cumberland Housing	C	1,064,822	37,819	40,143	15	(68,654)	(6,245)	16,514	1,084,414								
3057	1306	Lincoln Housing	B	1,399,642	34,052	41,348	(15,180)	(84,900)	(9,238)	21,119	1,386,843								
3059	1016	Bristol Housing		1,784,878	22,876	0	0	(64,102)	0	26,964	1,770,616								
3065	1036	Burrillville Housing	B	845,237	12,316	6,510	0	(56,214)	0	12,492	820,341								
3066	1386	North Providence Housing	B	765,670	17,328	62,951	0	(108,100)	(258)	11,406	748,997								
3067	1177	East Smithfield Water	C	841,868	12,814	0	(65)	(35,324)	0	12,670	831,963								
3068	1227	Greenville Water	B	991,020	16,449	0	0	(35,265)	0	15,033	987,237								
3069	1356	Newport Housing	C	5,858,457	95,857	195,034	16,178	(566,641)	0	86,582	5,685,467								
3071	1566	Warren Housing	B	1,163,568	19,803	5,684	0	(71,202)	0	17,287	1,135,140								
3072	1286	Johnston Housing		999,722	24,818	16,753	0	(67,831)	0	15,054	988,516								
3077	1538	Tiverton Local 2670A	C	3,279,374	66,847	68,567	(572)	(200,807)	(11,279)	49,518	3,251,648								
3078	1002 1003 1007 1009	Barrington COLA	C	28,002,343	510,260	368,850	8,915	(1,546,597)	(7,467)	422,732	27,759,036								
3079	1096	Coventry Housing		827,473	32,540	23,682	0	(51,341)	0	12,872	845,226								
3080	1496	South Kingstown Housing	C	241,869	12,319	7,126	0	1	0	4,041	265,356								
3081	1403	N. RI Collaborative Adm. Services	C	2,556,886	66,645	101,013	(85,543)	(157,264)	(81,549)	37,117	2,437,305								
3083	1616	West Warwick Housing	B	1,317,676	34,720	43,213	0	(50,262)	0	20,804	1,366,151								
3084	1476	Smithfield Housing		316,962	7,962	775	0	2	0	5,036	330,737								
3094	1478	Smithfield COLA	C	11,463,319	242,443	257,337	141,407	(663,533)	(4,354)	176,857	11,613,476								
3096	1056	Central Falls Housing	C	1,698,831	63,766	96,561	3,678	(149,405)	(21,329)	26,168	1,718,270								
3098	1293	Lime Rock Administrative Services		223,791	4,641	5,739	1,514	(13,406)	0	3,437	225,716								
3099	1063	Central Falls Schools	C	12,016,100	305,940	410,405	(23,285)	(701,452)	(136,154)	183,583	12,055,137								
3100	1023	Bristol/Warren Schools	B	14,064,981	297,882	515,329	(4,053)	(1,120,465)	(7,274)	212,577	13,958,977								
3101	1157 1158	Town of E. Greenwich-COLA-NCE	C	17,097,046	371,331	196,431	36	(809,527)	(24,747)	260,270	17,090,840								
3102	1712	Harrisville Fire District (ADMIN)	C	426,162	15,791	21,295	0	2	0	7,163	470,413								
3103	1702	Albion Fire District (ADMIN)	C,5	70,280	0	7,394	0	0	0	1,201	78,875								
3150	1159	East Greenwich Fire (ADMIN)	C	165,010	8,125	17,820	(37,144)	0	0	2,484	156,295								
<b>General Employee Units Subtotal</b>				\$	821,935,875	\$	15,786,403	\$	21,756,763	\$	328,878	\$	(60,827,526)	\$	(2,298,962)	\$	12,320,101	\$	809,001,532
<b>Police &amp; Fire Units</b>																			
4016	1285	Johnston Fire	D	\$	2,927,046	\$	206,143	\$	241,390	\$	1	\$	(71,947)	\$	0	\$	51,072	\$	3,353,705
4029	1454	Richmond Police	6		869,493		44,658		65,247		37		(26,388)		0		14,739		967,786
4031	1474	Smithfield Police	C,D		8,845,662		237,487		537,775		1,800		(158,157)		(91,409)		144,948		9,518,106
4042	1555	Valley Falls Fire	D		2,870,887		60,542		71,515		1		(220,756)		0		43,024		2,825,213
4047	1395 1435	North Smithfield Voluntary Fire	B,D		5,076,469		97,677		170,109		(8,139)		(233,712)		0		78,904		5,181,308
4050	1155	East Greenwich Fire	C,D		9,675,717		210,001		460,602		43,122		(963,570)		0		145,657		9,571,529
4054	1154	East Greenwich Police	C,D		11,961,015		180,587		332,486		2		(883,637)		0		179,237		11,769,690
4055	1375	North Kingstown Fire	C,D		25,158,695		318,617		625,462		56,750		(1,775,390)		0		377,081		24,761,215
4056	1374	North Kingstown Police	C,D		16,246,669		253,695		618,459		5,686		(1,331,106)		(50,526)		243,450		15,986,327

Reconciliation of Market Assets by Unit

Old Unit Number	New Unit Number	Unit	Code (s)	Beginning of Year Account Balance	Member Contributions	Employer Contributions	Service Purchases and Others*	Benefit Payments	Refunds	Net Investment Return	End of Year Account Balance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
4058	1385	North Providence Fire	D	26,368,865	387,071	573,833	16,487	(2,001,085)	(83,575)	390,648	25,652,244
4059	1008	Barrington Fire (25)	C	1,279,754	73,760	126,130	0	(52,535)	(19,519)	21,768	1,429,358
4060	1004	Barrington Police	C,D	6,772,999	129,407	437,252	1	(674,044)	0	103,079	6,768,694
4061	1005	Barrington Fire (20)	C,D	7,473,076	27,838	38,030	1	(679,960)	0	106,068	6,965,053
4062	1564 1565	Warren Police & Fire	C,D	7,577,432	126,658	363,507	2,182	(627,261)	(53,127)	114,270	7,503,661
4063	1494	South Kingstown Police	B,1	19,713,464	255,949	455,871	31,869	(1,431,974)	(797)	294,194	19,318,576
4073	1464	Scituate Police	5	166,703	0	0	0	(3,608)	0	2,522	165,617
4076	1394	North Smithfield Police	C,D	7,654,916	111,817	201,887	4,726	(497,371)	0	115,610	7,591,585
4077	1534	Tiverton Fire	C,D	8,432,046	153,670	156,305	596	(566,360)	(25,568)	126,042	8,276,731
4082	1194	Foster Police	C,D	2,096,455	36,559	87,296	286,007	(214,483)	0	30,950	2,322,784
4085	1634	Woonsocket Police	C,D	29,003,654	514,978	1,094,130	19,628	(1,979,315)	(9,065)	442,956	29,086,966
4086	1084	Charlestown Police	C,D	6,004,049	115,209	328,218	1	(373,753)	0	93,925	6,167,649
4087	1264	Hopkinton Police	C,D,6	4,161,562	83,773	223,489	300,352	(352,209)	0	63,690	4,480,657
4088	1214	Glocester Police	C,D	4,521,880	84,318	159,363	(66,961)	(242,999)	0	68,902	4,524,503
4089	1604	West Greenwich Police/Rescue	C,D	2,728,407	63,897	142,631	1	(164,017)	0	42,849	2,813,768
4090	1034	Burrillville Police	C,D,6	7,651,875	116,901	128,482	10,233	(426,096)	(8,494)	115,562	7,588,463
4091	1148	Cumberland Rescue	C,D	4,143,327	85,690	72,932	3,759	(135,572)	0	64,488	4,234,624
4093	1635	Woonsocket Fire	C,D	30,310,895	640,938	858,130	55,884	(686,201)	0	482,168	31,661,814
4094	1015	Bristol Fire	D	234,232	3,946	0	0	(17,355)	0	3,415	224,238
4095	1135	Cumberland Hill Fire	C,D	3,637,486	60,236	146,441	58,644	(309,860)	(119,337)	53,716	3,527,326
4096	1014	Bristol Police	C,D	3,699,122	169,539	196,851	1	(35,541)	0	62,321	4,092,293
4098	1095	Coventry Fire	C,D	2,481,628	81,270	193,325	1	(185,559)	(7,030)	39,644	2,603,279
4099	1505	South Kingstown EMT	C,D	2,689,817	72,488	37,612	1	(58,204)	0	42,399	2,784,113
4101	1365	North Cumberland	C,D	3,263,419	66,493	170,665	1	(132,932)	0	52,078	3,419,724
4102	1045 1235 1525 1585	Central Coventry Fire	C,D	6,782,970	240,878	564,621	(507,418)	(373,315)	0	111,744	6,819,480
4103	1255	Hopkins Hill Fire	C,D	1,299,935	53,990	80,144	(4,455)	(20,823)	0	21,786	1,430,577
4104	1114	Cranston Police	C,D,4	20,735,256	734,150	1,573,263	28,447	(541,940)	(2,491)	348,356	22,875,041
4105	1115	Cranston Fire	C,D,4	33,832,324	907,628	1,935,933	54,919	(296,377)	0	563,428	36,997,855
4106	1125	Cumberland Fire	B,D	2,932,705	62,232	160,839	1	(175,741)	0	46,084	3,026,120
4107	1305	Lincoln Rescue	C	2,290,696	61,514	144,174	12	(126,368)	(1,081)	36,633	2,405,580
4108	1344	New Shoreham Police	B,D	881,151	21,774	62,201	(10,095)	(76,385)	0	13,588	892,234
4109	1324	Middletown Police & Fire	C,D	2,340,727	232,447	323,342	3,794	14	0	44,852	2,945,176
4110	1715	Harrisville Fire District	C,D	768,540	25,136	35,105	0	4	0	12,816	841,601
4111	1705	Albion Fire District	C	455,463	14,951	33,695	0	(22,531)	0	7,446	489,024

Municipal Employees' Retirement System  
 State of Rhode Island  
 Actuarial Valuation – June 30, 2012

Table 4b

Reconciliation of Market Assets by Unit

Old Unit Number	New Unit Number	Unit	Code (s)	Beginning of Year Account Balance	Member Contributions	Employer Contributions	Service Purchases and Others*	Benefit Payments	Refunds	Net Investment Return	End of Year Account Balance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
1284	1284	Johnston Police	2		0	8,787	8,787	0	0	0	272
1465	1465	Smithfield Fire	C, 2		0	4,195	4,195	518,325	0	0	130
<b>Police &amp; Fire Units Subtotal</b>					\$ 348,018,483	\$ 7,439,494	\$ 14,241,724	\$ 906,204	\$ (19,146,419)	\$ (472,019)	\$ 5,418,511
<b>All MERS Units Total</b>					\$ 1,169,954,358	\$ 23,225,897	\$ 35,998,487	\$ 1,235,082	\$ (79,973,945)	\$ (2,770,981)	\$ 17,738,612

B - Municipality has adopted COLA Plan B

C - Municipality has adopted COLA Plan C

D - Municipality has adopted the "20-year" optional Police & Fire Plan

1 - S.Kingstown Police have a unique plan that provides 2.0% of salary for service prior to July 1, 1993, and 2.5% of salary for service on or after July 1, 1993.

2 - New unit in 2012 valuation.

3 - Closed unit.

4 - Historically, Cranston Fire and Police are contributing 10% due to special plan provision.

5 - This unit has no active members.

6 - Historically, Special plan provisions apply to this unit.

\* The end of year account balances for Foster Police and Hopkinton Police include pending transfer credits of \$290,326 and \$298,500, respectively, from Employees' Retirement System of Rhode Island.

The end of year account balances for Central Coventry Fire and Smithfield Fire reflect a pending transfer of \$518,325 from Central Coventry Fire to Smithfield Fire.

**Explanation of Rate Changes**

All rates are gross: before recognizing 0% minimum contribution rate

Old Unit Number	New Unit Number	Unit	June 30, 2011 Actuarial Valuation	Source of Rate Change						June 30, 2012 Actuarial Valuation
				Salary (Gains)/ Losses	Payroll (Gains)/ Losses	Other Non- Asset (Gains)/ Losses	Asset (Gains)/ Losses	Assumption Change	Provision Changes	
(1)	(2)	(3)	(4)	(5)	(6)	(5)	(6)	(7)	(8)	(9)
<b>General Employee Units</b>										
3002	1012 1019	Bristol	15.27%	(0.62%)	0.23%	(0.21%)	0.68%	0.00%	-	15.35%
3003	1032 1033	Burrillville	7.86%	(0.68%)	(0.05%)	0.32%	0.82%	0.00%	-	8.27%
3004	1052	Central Falls	10.70%	0.50%	2.07%	0.62%	0.64%	0.00%	-	14.53%
3005	1082	Charlestown	10.08%	0.06%	(0.12%)	(0.38%)	0.48%	0.00%	-	10.12%
3007	1112 1113	Cranston	9.66%	(0.40%)	0.09%	(0.15%)	1.06%	0.00%	-	10.26%
3008	1122 1123	Cumberland	13.26%	(0.21%)	0.26%	0.54%	0.49%	0.00%	-	14.34%
3009	1152 1153	East Greenwich	1.60%	(0.04%)	0.00%	4.49%	0.81%	0.00%	-	6.86%
3010	1162 1163	East Providence	20.45%	0.15%	0.67%	0.14%	0.71%	0.00%	-	22.12%
3011	1183	Exeter/West Greenwich	11.06%	0.96%	(0.33%)	0.11%	0.54%	0.00%	-	12.34%
3012	1192 1193	Foster	10.91%	(0.72%)	0.15%	(0.42%)	0.50%	0.00%	-	10.42%
3013	1212 1213	Glocester	9.87%	(0.28%)	0.07%	(0.24%)	0.55%	0.00%	-	9.97%
3014	1262	Hopkinton	5.77%	(0.15%)	(0.07%)	(0.20%)	0.54%	0.00%	-	5.89%
3015	1272 1273	Jamestown	11.13%	(0.38%)	0.12%	(0.07%)	0.54%	0.00%	-	11.34%
3016	1282 1283	Johnston	15.02%	(0.05%)	0.34%	(0.35%)	0.76%	0.00%	-	15.72%
3017	1302 1303	Lincoln	11.15%	(0.08%)	0.44%	1.19%	0.30%	0.00%	-	13.00%
3019	1322 1323	Middletown	11.41%	(0.59%)	0.24%	(0.17%)	0.50%	0.00%	-	11.39%
3021	1352 1353 1354	Newport	19.88%	(0.40%)	1.46%	(0.30%)	0.86%	0.00%	-	21.50%
3022	1342 1343	New Shoreham	8.08%	(0.41%)	(0.01%)	(0.04%)	0.45%	0.00%	-	8.07%
3023	1372 1373	North Kingstown	15.23%	(0.03%)	(0.23%)	(0.50%)	0.68%	0.00%	-	15.15%
3024	1382 1383	North Providence	7.40%	(0.26%)	(0.05%)	(0.27%)	0.74%	0.00%	-	7.56%
3025	1392 1393	North Smithfield	5.92%	(0.41%)	0.05%	(0.16%)	0.78%	0.00%	-	6.18%
3026	1412 1413	Pawtucket	14.67%	(0.31%)	0.81%	0.26%	0.96%	0.00%	-	16.39%
3027	1515	Union Fire District	7.43%	(0.21%)	0.05%	0.68%	0.32%	0.00%	-	8.27%
3029	1452	Richmond	9.88%	0.10%	0.06%	0.01%	0.36%	0.00%	-	10.41%
3030	1462 1463	Scituate	14.46%	(0.28%)	0.01%	0.04%	0.72%	0.00%	-	14.95%
3031	1472 1473	Smithfield	7.53%	(0.37%)	(0.03%)	0.67%	0.73%	0.00%	-	8.53%
3032	1492 1493	South Kingstown	10.75%	(0.08%)	0.07%	0.10%	0.73%	0.00%	-	11.57%
3033	1532 1533	Tiverton	4.00%	(0.59%)	(0.20%)	0.42%	0.77%	0.00%	-	4.40%



**Explanation of Rate Changes**

All rates are gross: before recognizing 0% minimum contribution rate

Old Unit Number	New Unit Number	Unit	June 30, 2011 Actuarial Valuation	Source of Rate Change						June 30, 2012 Actuarial Valuation
				Salary (Gains)/ Losses	Payroll (Gains)/ Losses	Other Non-Asset (Gains)/ Losses	Asset (Gains)/ Losses	Assumption Change	Provision Changes	
(1)	(2)	(3)	(4)	(5)	(6)	(5)	(6)	(7)	(8)	(9)
3034	1562	Warren	13.41%	(0.37%)	0.26%	(1.03%)	0.50%	0.00%	-	12.77%
3036	1622 1623	Westerly	76.88%	(0.57%)	1.31%	1.69%	1.05%	0.00%	-	80.36%
3037	1602	West Greenwich	13.74%	(0.23%)	0.55%	1.56%	0.57%	0.00%	-	16.19%
3039	1632 1633	Woonsocket	9.03%	(0.48%)	0.09%	0.24%	1.14%	0.00%	-	10.02%
3040	1073	Chariho School District	10.26%	(0.22%)	(0.03%)	0.55%	0.48%	0.00%	-	11.04%
3041	1203	Foster/Glocester	13.11%	(0.48%)	0.22%	(1.03%)	0.63%	0.00%	-	12.45%
3043	1336	Narragansett Housing	5.81%	(0.94%)	(0.15%)	0.91%	0.38%	0.00%	-	6.01%
3045	1098	Coventry Lighting District	(67.73%)	(1.49%)	(3.04%)	0.33%	7.66%	0.00%	-	(64.27%)
3046	1242	Hope Valley Fire	5.73%	(0.77%)	(0.13%)	(0.78%)	0.59%	0.00%	-	4.64%
3050	1156	East Greenwich Housing	8.91%	(0.70%)	0.02%	0.59%	0.42%	0.00%	-	9.24%
3051	1116	Cranston Housing	7.46%	(0.16%)	(0.05%)	(0.29%)	0.73%	0.00%	-	7.69%
3052	1166	East Providence Housing	9.64%	0.02%	(0.03%)	1.10%	0.90%	0.00%	-	11.63%
3053	1416	Pawtucket Housing	(0.91%)	(0.25%)	(0.19%)	(0.01%)	0.86%	0.00%	-	(0.50%)
3056	1126	Cumberland Housing	6.71%	(0.21%)	0.00%	0.35%	0.41%	0.00%	-	7.26%
3057	1306	Lincoln Housing	11.84%	(0.16%)	(0.04%)	(4.03%)	0.62%	0.00%	-	8.23%
3059	1016	Bristol Housing	(5.10%)	(0.67%)	3.47%	(0.76%)	1.01%	0.00%	-	(2.05%)
3065	1036	Burrillville Housing	6.29%	(0.11%)	0.01%	0.17%	1.07%	0.00%	-	7.43%
3066	1386	North Providence Housing	22.80%	(0.99%)	2.78%	0.83%	0.65%	0.00%	-	26.07%
3067	1177	East Smithfield Water	1.66%	(0.14%)	0.78%	(0.33%)	0.96%	0.00%	-	2.93%
3068	1227	Greenville Water	0.78%	0.09%	(0.74%)	0.29%	0.87%	0.00%	-	1.29%
3069	1356	Newport Housing	18.94%	0.17%	(0.36%)	(0.73%)	0.91%	0.00%	-	18.93%
3071	1566	Warren Housing	5.83%	(0.15%)	(0.01%)	(0.48%)	0.90%	0.00%	-	6.09%
3072	1286	Johnston Housing	10.50%	(0.06%)	0.15%	0.75%	0.52%	0.00%	-	11.86%
3077	1538	Tiverton Local 2670A	9.85%	(0.84%)	0.09%	(0.38%)	0.72%	0.00%	-	9.44%
3078	1002 1003 1007 1009	Barrington COLA	7.92%	(0.01%)	(0.01%)	(0.30%)	0.80%	0.00%	-	8.40%
3079	1096	Coventry Housing	6.32%	0.15%	0.01%	0.86%	0.32%	0.00%	-	7.66%
3080	1496	South Kingstown Housing	3.83%	(0.40%)	(0.37%)	0.52%	0.25%	0.00%	-	3.83%
3081	1403	N. RI Collaborative Adm. Services	7.93%	(0.55%)	0.14%	0.24%	0.59%	0.00%	-	8.35%
3083	1616	West Warwick Housing	11.07%	(0.13%)	(0.24%)	(1.88%)	0.53%	0.00%	-	9.35%

**Explanation of Rate Changes**

All rates are gross: before recognizing 0% minimum contribution rate

Old Unit Number	New Unit Number	Unit	June 30, 2011 Actuarial Valuation	Source of Rate Change						June 30, 2012 Actuarial Valuation	
				Salary (Gains)/ Losses	Payroll (Gains)/ Losses	Other Non-Asset (Gains)/ Losses	Asset (Gains)/ Losses	Assumption Change	Provision Changes		
(1)	(2)	(3)	(4)	(5)	(6)	(5)	(6)	(7)	(8)	(9)	
3084	1476	Smithfield Housing	2.72%	(0.86%)	(0.43%)	0.33%	0.48%	0.00%	-	2.24%	
3094	1478	Smithfield COLA	8.67%	(0.67%)	0.24%	1.12%	0.69%	0.00%	-	10.05%	
3096	1056	Central Falls Housing	9.11%	(0.15%)	(0.02%)	2.09%	0.39%	0.00%	-	11.42%	
3098	1293	Lime Rock Administrative Services	10.39%	(1.09%)	1.07%	2.09%	0.60%	0.00%	-	13.06%	
3099	1063	Central Falls Schools	7.32%	0.32%	0.04%	0.39%	0.56%	0.00%	-	8.63%	
3100	1023	Bristol/Warren Schools	14.58%	0.18%	0.33%	0.17%	0.68%	0.00%	-	15.94%	
3101	1157 1158	Town of E. Greenwich-COLA-NCE	1.60%	(0.04%)	0.00%	4.49%	0.81%	0.00%	-	6.86%	
3102	1712	Harrisville Fire District (ADMIN)	4.90%	0.26%	0.02%	0.79%	0.35%	0.00%	-	6.32%	
3150	1159	East Greenwich Fire (ADMIN)	13.30%	0.00%	0.00%	2.75%	0.00%	0.00%	-	16.05%	
<b>General Employee Units Averages</b>			11.85%	(0.22%)	0.26%	(0.03%)	0.77%	0.00%	-	12.63%	
<b>Police &amp; Fire Units</b>											
4016	4016	1285	Johnston Fire	7.70%	(0.41%)	0.00%	1.54%	0.36%	0.46%	-	9.65%
4029	4029	1454	Richmond Police	8.69%	(0.06%)	(0.02%)	2.37%	0.44%	0.77%	-	12.19%
4031	4031	1474	Smithfield Police	4.71%	(0.92%)	(0.24%)	1.06%	1.16%	1.33%	-	7.09%
4042	4042	1555	Valley Falls Fire	13.99%	0.12%	0.33%	0.54%	1.36%	1.70%	-	18.04%
4047	4047	1395 1435	North Smithfield Voluntary Fire	13.36%	(0.42%)	0.37%	(0.04%)	1.65%	3.07%	-	17.99%
4050	4050	1155	East Greenwich Fire	20.65%	(0.50%)	0.74%	1.13%	1.49%	2.61%	-	26.12%
4054	4054	1154	East Greenwich Police	20.02%	(0.01%)	0.43%	0.23%	2.13%	3.25%	-	26.05%
4055	4055	1375	North Kingstown Fire	21.02%	0.69%	0.12%	0.02%	2.45%	3.83%	-	28.13%
4056	4056	1374	North Kingstown Police	22.85%	0.12%	(0.13%)	(0.50%)	1.98%	3.30%	-	27.62%
4058	4058	1385	North Providence Fire	19.72%	(1.44%)	1.48%	0.50%	1.96%	2.85%	-	25.06%
4059	4059	1008	Barrington Fire (25)	8.88%	(0.02%)	0.02%	(0.41%)	0.45%	0.45%	-	9.37%
4060	4060	1004	Barrington Police	26.45%	(0.84%)	(0.33%)	(0.71%)	1.61%	3.28%	-	29.46%
4061	4061	1005	Barrington Fire (20)	32.73%	1.69%	6.50%	1.96%	8.52%	14.36%	-	65.75%
4062	4062	1564 1565	Warren Police & Fire	24.62%	(0.24%)	1.11%	(1.13%)	1.85%	4.30%	-	30.51%
4063	4063	1494	South Kingstown Police	15.02%	0.44%	0.35%	0.17%	2.48%	4.33%	-	22.79%
4076	4076	1394	North Smithfield Police	13.96%	1.24%	0.20%	(0.95%)	2.19%	3.12%	-	19.76%
4077	4077	1534	Tiverton Fire	10.19%	(0.57%)	0.13%	1.02%	1.70%	2.86%	-	15.33%
4082	4082	1194	Foster Police	11.69%	0.14%	0.99%	15.54%	1.73%	2.81%	-	32.90%

**Explanation of Rate Changes**

All rates are gross: before recognizing 0% minimum contribution rate

Old Unit Number	New Unit Number	Unit	June 30, 2011 Actuarial Valuation	Source of Rate Change						June 30, 2012 Actuarial Valuation	
				Salary (Gains)/ Losses	Payroll (Gains)/ Losses	Other Non-Asset (Gains)/ Losses	Asset (Gains)/ Losses	Assumption Change	Provision Changes		
(1)	(2)	(3)	(4)	(5)	(6)	(5)	(6)	(7)	(8)	(9)	
4085	4085	1634	Woonsocket Police	18.35%	(0.05%)	(0.08%)	0.70%	1.79%	2.73%	-	23.44%
4086	4086	1084	Charlestown Police	19.16%	(0.14%)	(0.58%)	1.15%	1.58%	3.24%	-	24.41%
4087	4087	1264	Hopkinton Police	14.67%	(0.02%)	0.60%	4.61%	1.53%	2.78%	-	24.16%
4088	4088	1214	Glocester Police	15.60%	(0.36%)	(0.03%)	(1.21%)	1.65%	2.51%	-	18.16%
4089	4089	1604	West Greenwich Police/Rescue	17.90%	(0.02%)	0.42%	1.03%	1.35%	2.96%	-	23.63%
4090	4090	1034	Burrillville Police	12.55%	0.54%	1.24%	4.62%	2.29%	3.67%	-	24.90%
4091	4091	1148	Cumberland Rescue	7.18%	0.13%	(0.08%)	0.41%	1.48%	1.81%	-	10.93%
4093	4093	1635	Woonsocket Fire	7.50%	(0.60%)	(0.06%)	0.84%	1.48%	1.78%	-	10.94%
4094	4094	1015	Bristol Fire	15.66%	0.40%	0.14%	1.72%	1.65%	5.35%	-	24.92%
4095	4095	1135	Cumberland Hill Fire	10.85%	0.45%	0.53%	9.00%	1.95%	3.93%	-	26.71%
4096	4096	1014	Bristol Police	3.93%	(0.14%)	0.02%	0.61%	0.64%	0.67%	-	5.73%
4098	4098	1095	Coventry Fire	16.43%	0.66%	(1.34%)	3.06%	0.85%	1.23%	1.07%	21.96%
4099	4099	1505	South Kingstown EMT	4.16%	(0.05%)	(0.26%)	0.02%	1.17%	0.92%	-	5.96%
4101	4101	1365	North Cumberland	15.85%	0.07%	0.89%	(0.06%)	1.53%	2.90%	-	21.18%
4102	4102	345 1235 1525 1585	Central Coventry Fire	14.68%	0.28%	(0.68%)	1.60%	0.90%	0.86%	-	17.64%
4103	4103	1255	Hopkins Hill Fire	10.39%	0.15%	0.00%	0.51%	0.73%	1.62%	-	13.40%
4104	4104	1114	Cranston Police	8.89%	0.35%	0.02%	0.14%	0.96%	0.33%	-	10.69%
4105	4105	1115	Cranston Fire	8.63%	(0.48%)	(0.06%)	0.80%	1.27%	0.28%	-	10.44%
4106	4106	1125	Cumberland Fire	14.88%	(0.72%)	0.40%	2.19%	1.48%	3.77%	-	22.00%
4107	4107	1305	Lincoln Rescue	15.73%	0.08%	0.97%	(0.90%)	1.00%	3.31%	-	20.19%
4108	4108	1344	New Shoreham Police	18.64%	(0.16%)	1.97%	1.49%	1.28%	2.02%	-	25.24%
4109	4109	1324	Middletown Police & Fire	3.59%	0.41%	0.81%	1.18%	0.28%	0.22%	-	6.48%
4110	4110	1715	Harrisville Fire District	6.74%	(0.28%)	(0.03%)	(0.32%)	0.93%	1.12%	-	8.16%
4111	4111	1705	Albion Fire District	17.25%	0.31%	(1.01%)	(0.10%)	0.81%	3.39%	-	20.65%
1284	1284	1284	Johnston Police	7.00%	0.00%	0.00%	2.20%	0.00%	0.08%	-	9.28%
1465	1465	1465	Smithfield Fire	8.00%	0.00%	0.00%	0.66%	0.00%	1.01%	-	9.67%
<b>Police &amp; Fire Units Averages</b>				13.27%	(0.15%)	0.20%	0.69%	1.47%	1.78%	-	17.26%
<b>All MERS Units Averages</b>				12.21%	(0.20%)	0.24%	0.03%	0.95%	0.66%	-	13.89%

Units with no active members are excluded from this exhibit

**Development of Actuarial Value of Assets (All Units in Aggregate)**

	<u>Year Ending June 30, 2012</u>																																																								
1. Market value of assets at beginning of year	\$ 1,169,954,358																																																								
2. Net new investments																																																									
a. Contributions	\$ 60,459,466																																																								
b. Benefits and refunds paid	<u>(82,744,926)</u>																																																								
c. Subtotal	(22,285,460)																																																								
3. Market value of assets at end of year	\$ 1,165,407,510																																																								
4. Net earnings (3-1-2) (includes misc revenues)	\$ 17,738,612																																																								
5. Assumed investment return rate for fiscal year	7.50%																																																								
6. Expected return	\$ 86,910,872																																																								
7. Excess return (4-6)	\$ (69,172,260)																																																								
8. Development of amounts to be recognized as of June 30, 2012:																																																									
<table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Fiscal Year End</th> <th style="text-align: right;">Remaining Deferrals of Excess (Shortfall) of Investment Income</th> <th style="text-align: right;">Offsetting of Gains/(Losses)</th> <th style="text-align: right;">Net Deferrals Remaining</th> <th style="text-align: right;">Years Remaining</th> <th style="text-align: right;">Recognized for this valuation</th> <th style="text-align: right;">Remaining after this valuation</th> </tr> <tr> <th></th> <th style="text-align: center;">(1)</th> <th style="text-align: center;">(2)</th> <th style="text-align: center;">(3) = (1) + (2)</th> <th style="text-align: center;">(4)</th> <th style="text-align: center;">(5) = (3) / (4)</th> <th style="text-align: center;">(6) = (3) - (5)</th> </tr> </thead> <tbody> <tr> <td>2008</td> <td style="text-align: right;">\$ (33,454,114)</td> <td style="text-align: right;">\$ 33,454,114</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: center;">1</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ 0</td> </tr> <tr> <td>2009</td> <td style="text-align: right;">(125,269,876)</td> <td style="text-align: right;">90,409,411</td> <td style="text-align: right;">(34,860,465)</td> <td style="text-align: center;">2</td> <td style="text-align: right;">(17,430,233)</td> <td style="text-align: right;">(17,430,232)</td> </tr> <tr> <td>2010</td> <td style="text-align: right;">28,996,639</td> <td style="text-align: right;">(28,996,639)</td> <td style="text-align: right;">0</td> <td style="text-align: center;">3</td> <td style="text-align: right;">0</td> <td style="text-align: right;">0</td> </tr> <tr> <td>2011</td> <td style="text-align: right;">94,866,886</td> <td style="text-align: right;">(94,866,886)</td> <td style="text-align: right;">0</td> <td style="text-align: center;">4</td> <td style="text-align: right;">0</td> <td style="text-align: right;">0</td> </tr> <tr> <td>2012</td> <td style="text-align: right;"><u>(69,172,260)</u></td> <td style="text-align: right;"><u>0</u></td> <td style="text-align: right;"><u>(69,172,260)</u></td> <td style="text-align: center;">5</td> <td style="text-align: right;"><u>(13,834,452)</u></td> <td style="text-align: right;"><u>(55,337,808)</u></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">\$ (104,032,725)</td> <td style="text-align: right;">\$ 0</td> <td style="text-align: right;">\$ (104,032,725)</td> <td></td> <td style="text-align: right;">\$ (31,264,685)</td> <td style="text-align: right;">\$ (72,768,040)</td> </tr> </tbody> </table>	Fiscal Year End	Remaining Deferrals of Excess (Shortfall) of Investment Income	Offsetting of Gains/(Losses)	Net Deferrals Remaining	Years Remaining	Recognized for this valuation	Remaining after this valuation		(1)	(2)	(3) = (1) + (2)	(4)	(5) = (3) / (4)	(6) = (3) - (5)	2008	\$ (33,454,114)	\$ 33,454,114	\$ 0	1	\$ 0	\$ 0	2009	(125,269,876)	90,409,411	(34,860,465)	2	(17,430,233)	(17,430,232)	2010	28,996,639	(28,996,639)	0	3	0	0	2011	94,866,886	(94,866,886)	0	4	0	0	2012	<u>(69,172,260)</u>	<u>0</u>	<u>(69,172,260)</u>	5	<u>(13,834,452)</u>	<u>(55,337,808)</u>	Total	\$ (104,032,725)	\$ 0	\$ (104,032,725)		\$ (31,264,685)	\$ (72,768,040)	
Fiscal Year End	Remaining Deferrals of Excess (Shortfall) of Investment Income	Offsetting of Gains/(Losses)	Net Deferrals Remaining	Years Remaining	Recognized for this valuation	Remaining after this valuation																																																			
	(1)	(2)	(3) = (1) + (2)	(4)	(5) = (3) / (4)	(6) = (3) - (5)																																																			
2008	\$ (33,454,114)	\$ 33,454,114	\$ 0	1	\$ 0	\$ 0																																																			
2009	(125,269,876)	90,409,411	(34,860,465)	2	(17,430,233)	(17,430,232)																																																			
2010	28,996,639	(28,996,639)	0	3	0	0																																																			
2011	94,866,886	(94,866,886)	0	4	0	0																																																			
2012	<u>(69,172,260)</u>	<u>0</u>	<u>(69,172,260)</u>	5	<u>(13,834,452)</u>	<u>(55,337,808)</u>																																																			
Total	\$ (104,032,725)	\$ 0	\$ (104,032,725)		\$ (31,264,685)	\$ (72,768,040)																																																			
9. Actuarial value of assets as of June 30, 2012 (Item 3 - Item 8)	\$ 1,238,175,550																																																								
10. Ratio of actuarial value to market value	106.2%																																																								

### History of Investment Return Rates

Year Ending June 30 of	Market	Actuarial
(1)	(2)	(3)
1995	17.0%	10.2%
1996	13.7%	13.7%
1997	19.1%	19.1%
1998	16.1%	16.5%
1999	10.1%	14.7%
2000	9.1%	8.8%
2001	-11.0%	4.9%
2002	-8.4%	0.9%
2003	2.5%	-0.7%
2004	19.2%	0.7%
2005	11.4%	2.3%
2006	11.7%	7.7%
2007	18.3%	12.9%
2008	-5.8%	10.5%
2009	-19.8%	2.4%
2010	13.7%	1.1%
2011	19.5%	2.7%
2012	1.5%	4.7%
Average Returns:		
Last 5 Years	0.8%	4.2%
Last 10 Years	6.5%	4.3%
Since 1995	7.0%	7.2%

**Schedule of Funding Progress**

Old Unit Number (1)	New Unit Number (2)	Unit (3)	Code (s) (4)	Actuarial Value of Assets (AVA) (5)	Actuarial Accrued Liability (AAL) (6)	Unfunded Actuarial Accrued Liability (UAAL) (5) - (4) (7)	Funded Ratio (4)/(5) (8)	Annual Covered Payroll (9)	UAAL as % of Payroll (7)/(9) (10)
<b>General Employee Units</b>									
3002	1012 1019	Bristol	B	15,184,159	20,807,483	5,623,324	73.0%	4,485,441	125.4%
3003	1032 1033	Burrillville	C	23,934,744	23,889,151	(45,593)	100.2%	5,692,303	(0.8%)
3004	1052	Central Falls		4,915,692	6,979,395	2,063,703	70.4%	1,731,773	119.2%
3005	1082	Charlestown	C	5,290,691	6,134,811	844,120	86.2%	1,890,875	44.6%
3007	1112 1113	Cranston	B	123,713,685	130,449,361	6,735,676	94.8%	23,622,162	28.5%
3008	1122 1123	Cumberland		20,203,280	27,951,593	7,748,313	72.3%	8,097,688	95.7%
3009	1152 1153	East Greenwich	C	7,436,954	6,500,407	(936,547)	114.4%	1,185,062	(79.0%)
3010	1162 1163	East Providence	B	60,407,753	99,418,570	39,010,817	60.8%	16,469,751	236.9%
3011	1183	Exeter/West Greenwich	B	7,468,105	9,066,049	1,597,944	82.4%	2,594,034	61.6%
3012	1192 1193	Foster		3,093,180	3,520,649	427,469	87.9%	1,060,801	40.3%
3013	1212 1213	Glocester	C	7,166,323	8,002,560	836,237	89.6%	2,440,024	34.3%
3014	1262	Hopkinton	C	4,374,065	3,855,774	(518,291)	113.4%	1,546,023	(33.5%)
3015	1272 1273	Jamestown	C	10,250,062	12,310,741	2,060,679	83.3%	3,448,946	59.7%
3016	1282 1283	Johnston	C	28,915,706	38,710,838	9,795,132	74.7%	7,981,662	122.7%
3017	1302 1303	Lincoln		1,329,087	1,931,318	602,231	68.8%	846,470	71.1%
3019	1322 1323	Middletown	C	14,674,442	18,169,600	3,495,158	80.8%	5,584,068	62.6%
3021	1352 1353 1354	Newport	B	44,368,246	67,347,521	22,979,275	65.9%	10,681,628	215.1%
3022	1342 1343	New Shoreham	B	5,452,997	5,459,677	6,680	99.9%	2,099,553	0.3%
3023	1372 1373	North Kingstown	C	41,923,245	55,565,110	13,641,865	75.4%	11,659,844	117.0%
3024	1382 1383	North Providence		26,129,381	25,511,034	(618,347)	102.4%	7,046,020	(8.8%)
3025	1392 1393	North Smithfield	B	12,856,790	11,878,920	(977,870)	108.2%	3,354,622	(29.1%)
3026	1412 1413	Pawtucket	C	87,216,852	112,749,974	25,533,122	77.4%	18,826,110	135.6%
3027	1515	Union Fire District		492,408	535,882	43,474	91.9%	255,730	17.0%
3029	1452	Richmond		1,685,108	2,010,261	325,153	83.8%	800,941	40.6%
3030	1462 1463	Scituate	B	9,552,928	12,346,123	2,793,195	77.4%	2,696,855	103.6%
3031	1472 1473	Smithfield	C	11,406,136	11,533,859	127,723	98.9%	3,073,616	4.2%
3032	1492 1493	South Kingstown	B	45,016,206	51,041,274	6,025,068	88.2%	11,883,378	50.7%
3033	1532 1533	Tiverton	C	11,454,688	9,707,374	(1,747,314)	118.0%	2,933,659	(59.6%)
3034	1562	Warren	C	4,457,641	6,170,834	1,713,193	72.2%	1,708,040	100.3%

**Schedule of Funding Progress**

Old Unit Number	New Unit Number	Unit	Code (s)	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL) (5) - (4)	Funded Ratio (4)/(5)	Annual Covered Payroll	UAAL as % of Payroll (7)/(9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
3036	1622 1623	Westerly		205,065	965,739	760,674	21.2%	67,306	1130.2%
3037	1602	West Greenwich	C	2,311,987	3,422,124	1,110,137	67.6%	712,426	155.8%
3039	1632 1633	Woonsocket	B	58,988,191	61,981,018	2,992,827	95.2%	11,045,665	27.1%
3040	1073	Chariho School District	C	14,409,949	17,200,124	2,790,175	83.8%	5,335,447	52.3%
3041	1203	Foster/Glocester	B	5,292,895	6,326,023	1,033,128	83.7%	1,684,702	61.3%
3042	1528	Tiogue Fire & Lighting	C,5	44,159	5,314	(38,845)	831.0%	0	-
3043	1336	Narragansett Housing	C	407,237	371,509	(35,728)	109.6%	172,211	(20.7%)
3045	1098	Coventry Lighting District	C	1,223,111	836,291	(386,820)	146.3%	36,182	(1069.1%)
3046	1242	Hope Valley Fire	C	464,296	384,975	(79,321)	120.6%	134,600	(58.9%)
3050	1156	East Greenwich Housing	C	1,082,370	1,131,684	49,314	95.6%	437,247	11.3%
3051	1116	Cranston Housing	C	4,109,652	3,773,419	(336,233)	108.9%	1,037,517	(32.4%)
3052	1166	East Providence Housing	B	2,607,644	2,882,707	275,063	90.5%	638,388	43.1%
3053	1416	Pawtucket Housing	B	12,125,589	8,524,802	(3,600,787)	142.2%	2,723,906	(132.2%)
3056	1126	Cumberland Housing	C	1,152,125	1,184,877	32,752	97.2%	518,216	6.3%
3057	1306	Lincoln Housing	B	1,473,438	1,453,114	(20,324)	101.4%	466,006	(4.4%)
3059	1016	Bristol Housing		1,881,173	1,304,329	(576,844)	144.2%	361,838	(159.4%)
3065	1036	Burrillville Housing	B	871,563	888,799	17,236	98.1%	169,421	10.2%
3066	1386	North Providence Housing	B	795,764	1,495,061	699,297	53.2%	227,922	306.8%
3067	1177	East Smithfield Water	C	883,911	778,590	(105,321)	113.5%	218,876	(48.1%)
3068	1227	Greenville Water	B	1,048,881	803,021	(245,860)	130.6%	249,445	(98.6%)
3069	1356	Newport Housing	C	6,040,468	8,421,167	2,380,699	71.7%	1,386,172	171.7%
3071	1566	Warren Housing	B	1,206,018	1,035,745	(170,273)	116.4%	272,423	(62.5%)
3072	1286	Johnston Housing		1,050,239	1,257,174	206,935	83.5%	412,555	50.2%
3077	1538	Tiverton Local 2670A	C	3,454,681	3,714,289	259,608	93.0%	965,654	26.9%
3078	02 1003 1007 1009	Barrington COLA	C	29,492,310	29,818,966	326,656	98.9%	7,261,593	4.5%
3079	1096	Coventry Housing		898,002	899,740	1,738	99.8%	543,848	0.3%
3080	1496	South Kingstown Housing	C	281,925	154,803	(127,122)	182.1%	169,457	(75.0%)
3081	1403	N. RI Collaborative Adm. Services	C	2,589,491	2,747,550	158,059	94.2%	882,116	17.9%
3083	1616	West Warwick Housing	B	1,451,454	1,568,451	116,997	92.5%	491,356	23.8%
3084	1476	Smithfield Housing		351,388	254,855	(96,533)	137.9%	127,790	(75.5%)

**Schedule of Funding Progress**

Old Unit Number	New Unit Number	Unit	Code (s)	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL) (5) - (4)	Funded Ratio (4)/(5)	Annual Covered Payroll (9)	UAAL as % of Payroll (7)/(9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
3094	1478	Smithfield COLA	C	12,338,621	13,571,767	1,233,146	90.9%	3,467,181	35.6%
3096	1056	Central Falls Housing	C	1,825,558	2,525,784	700,226	72.3%	868,460	80.6%
3098	1293	Lime Rock Administrative Services		239,810	311,721	71,911	76.9%	72,187	99.6%
3099	1063	Central Falls Schools	C	12,807,859	13,547,023	739,164	94.5%	4,434,256	16.7%
3100	1023	Bristol/Warren Schools	B	14,830,575	19,608,181	4,777,606	75.6%	4,226,659	113.0%
3101	1157 1158	Town of E. Greenwich-COLA-NCE	C	18,157,992	18,036,610	(121,382)	100.7%	5,242,174	(2.3%)
3102	1712	Harrisville Fire District (ADMIN)	C	499,785	464,620	(35,165)	107.6%	217,223	(16.2%)
3103	1702	Albion Fire District (ADMIN)	C,5	83,800	98,945	15,145	84.7%	0	-
3150	1159	East Greenwich Fire (ADMIN)	C	166,054	261,734	95,680	63.4%	90,274	106.0%
<b>General Employee Units Subtotal</b>				<u>\$ 859,515,584</u>	<u>\$ 1,023,568,790</u>	<u>\$ 164,053,206</u>	84.0%	<u>\$ 223,065,778</u>	73.5%
<b>Police &amp; Fire Units</b>									
4016	1285	Johnston Fire	D	3,563,110	3,800,520	237,410	93.8%	2,640,103	9.0%
4029	1454	Richmond Police	6	1,028,214	1,377,140	348,926	74.7%	637,976	54.7%
4031	1474	Smithfield Police	C,D	10,112,417	9,503,865	(608,552)	106.4%	2,582,148	(23.6%)
4042	1555	Valley Falls Fire	D	3,001,619	4,023,878	1,022,259	74.6%	767,187	133.2%
4047	1395 1435	North Smithfield Voluntary Fire	B,D	5,504,829	6,748,750	1,243,921	81.6%	1,103,983	112.7%
4050	1155	East Greenwich Fire	C,D	10,169,176	16,028,667	5,859,491	63.4%	2,232,243	262.5%
4054	1154	East Greenwich Police	C,D	12,504,590	17,185,092	4,680,502	72.8%	1,856,181	252.2%
4055	1375	North Kingstown Fire	C,D	26,307,305	36,305,785	9,998,480	72.5%	3,472,694	287.9%
4056	1374	North Kingstown Police	C,D	16,984,513	25,114,717	8,130,204	67.6%	2,863,669	283.9%
4058	1385	North Providence Fire	D	27,253,970	38,109,873	10,855,903	71.5%	4,780,910	227.1%
4059	1008	Barrington Fire (25)	C	1,518,607	1,759,131	240,524	86.3%	909,184	26.5%
4060	1004	Barrington Police	C,D	7,191,331	11,879,714	4,688,383	60.5%	1,437,854	326.1%
4061	1005	Barrington Fire (20)	C,D	7,399,951	9,842,051	2,442,100	75.2%	332,263	735.0%
4062	1564 1565	Warren Police & Fire	C,D	7,972,189	12,527,880	4,555,691	63.6%	1,414,717	322.0%
4063	1494	South Kingstown Police	B,1	20,524,828	25,813,485	5,288,657	79.5%	2,742,094	192.9%
4073	1464	Scituate Police	5	175,958	22,848	(153,110)	770.1%	0	-



**Schedule of Funding Progress**

Old Unit Number	New Unit Number	Unit	Code (s)	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL) (5) - (4)	Funded Ratio (4)/(5)	Annual Covered Payroll	UAAL as % of Payroll (7)/(9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
4076	1394	North Smithfield Police	C,D	8,065,603	10,007,964	1,942,361	80.6%	1,310,742	148.2%
4077	1534	Tiverton Fire	C,D	8,793,531	10,431,958	1,638,427	84.3%	1,616,619	101.3%
4082	1194	Foster Police	C,D	2,467,819	3,691,408	1,223,589	66.9%	382,545	319.9%
4085	1634	Woonsocket Police	C,D	30,903,156	43,234,302	12,331,146	71.5%	5,290,653	233.1%
4086	1084	Charlestown Police	C,D	6,552,757	9,579,279	3,026,522	68.4%	1,304,912	231.9%
4087	1264	Hopkinton Police	C,D,6	4,760,429	6,592,207	1,831,778	72.2%	896,032	204.4%
4088	1214	Glocester Police	C,D	4,807,013	6,008,455	1,201,442	80.0%	917,582	130.9%
4089	1604	West Greenwich Police/Rescue	C,D	2,989,460	4,260,469	1,271,009	70.2%	705,296	180.2%
4090	1034	Burrillville Police	C,D,6	8,062,286	10,281,233	2,218,947	78.4%	1,034,588	214.5%
4091	1148	Cumberland Rescue	C,D	4,499,034	4,593,597	94,563	97.9%	987,517	9.6%
4093	1635	Woonsocket Fire	C,D	33,638,777	35,114,936	1,476,159	95.8%	6,473,479	22.8%
4094	1015	Bristol Fire	D	238,239	306,187	67,948	77.8%	49,330	137.7%
4095	1135	Cumberland Hill Fire	C,D	3,747,572	5,430,649	1,683,077	69.0%	625,704	269.0%
4096	1014	Bristol Police	C,D	4,347,815	3,479,280	(868,535)	125.0%	1,965,609	(44.2%)
4098	1095	Coventry Fire	C,D	2,765,828	4,612,478	1,846,650	60.0%	964,720	191.4%
4099	1505	South Kingstown EMT	C,D	2,957,953	2,507,988	(449,965)	117.9%	778,204	(57.8%)
4101	1365	North Cumberland	C,D	3,633,251	4,729,107	1,095,856	76.8%	678,097	161.6%
4102	45 1235 1525 1585	Central Coventry Fire	C,D	7,245,288	10,544,021	3,298,733	68.7%	2,484,851	132.8%
4103	1255	Hopkins Hill Fire	C,D	1,519,903	1,667,414	147,511	91.2%	577,666	25.5%
4104	1114	Cranston Police	C,D,4	24,303,359	26,092,141	1,788,782	93.1%	8,491,607	21.1%
4105	1115	Cranston Fire	C,D,4	39,308,000	39,418,778	110,778	99.7%	10,551,891	1.0%
4106	1125	Cumberland Fire	B,D	3,215,071	4,299,807	1,084,736	74.8%	655,780	165.4%
4107	1305	Lincoln Rescue	C	2,555,784	3,958,072	1,402,288	64.6%	895,422	156.6%
4108	1344	New Shoreham Police	B,D	947,945	1,488,538	540,593	63.7%	227,275	237.9%
4109	1324	Middletown Police & Fire	C,D	3,129,072	2,275,546	(853,526)	137.5%	2,657,659	(32.1%)

**Schedule of Funding Progress**

Old Unit Number	New Unit Number	Unit	Code (s)	Actuarial Value of Assets (AVA) (5)	Actuarial Accrued Liability (AAL) (6)	Unfunded Actuarial Accrued Liability (UAAL) (5) - (4) (7)	Funded Ratio (4)/(5) (8)	Annual Covered Payroll (9)	UAAL as % of Payroll (7)/(9) (10)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
4110	1715	Harrisville Fire District	C,D	894,151	823,400	(70,751)	108.6%	268,943	(26.3%)
4111	1705	Albion Fire District	C	519,559	839,175	319,616	61.9%	186,884	171.0%
1284	1284	Johnston Police	2	18,961	44,009	25,048	43.1%	207,441	12.1%
1465	1465	Smithfield Fire	C, 2	559,741	549,797	(9,944)	101.8%	203,984	(4.9%)
<b>Police &amp; Fire Units Subtotal</b>				<u>\$ 378,659,964</u>	<u>\$ 476,905,589</u>	<u>\$ 98,245,625</u>	79.4%	<u>\$ 83,164,238</u>	118.1%
<b>All MERS Units Total</b>				1,238,175,548	1,500,474,379	262,298,831	82.5%	306,230,016	85.7%

B - Municipality has adopted COLA Plan B

D - Municipality has adopted the "20-year" optional Police & Fire Plan

C - Municipality has adopted COLA Plan C

1 - S.Kingstown Police have a unique plan that provides 2.0% of salary for service prior to July 1, 1993, and 2.5% of salary for service on or after July 1, 1993.

2 - New unit in 2012 valuation.

3 - Closed unit.

4 - Historically, Cranston Fire and Police are contributing 10% due to special pla: 5 - This unit has no active members.

6 - Historically, Special plan provisions apply to this unit.

**Distribution of Assets at Market Value  
(Percentage of Total Investments)**

Item (1)	June 30, 2012 (2)	June 30, 2011 (3)
Cash & cash equivalents	2.3%	11.2%
U.S. government & agency securities	11.3%	13.4%
Corporate bonds & notes	12.3%	10.1%
Foreign bonds	0.0%	0.0%
U.S. equity securities	32.1%	35.8%
Foreign equity securities	15.8%	18.0%
Real estate, venture capital, other	26.2%	11.5%
Total investments	100.0%	100.0%

Municipal Employees' Retirement System  
 State of Rhode Island  
 Actuarial Valuation – June 30, 2012

Table 9

Active Member Statistics

Old Unit Number	New Unit Number	Unit	Code(s)	Active Employees as of June 30, 2012			Active Employees as of June 30, 2011				
				Number	Average Age	Average Service	Average Salary	Number	Average Age	Average Service	Average Salary
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
<b>General Employee Units</b>											
3002	1012 1019	Bristol	B	100	48.5	13.7	\$ 44,854	99	47.8	13.1	\$ 43,462
3003	1032 1033	Burrillville	C	142	52.6	13.5	40,087	141	52.0	13.1	40,126
3004	1052	Central Falls		41	45.3	10.3	42,238	53	47.3	11.3	37,393
3005	1082	Charlestown	C	41	49.3	12.7	46,119	37	48.1	13.2	45,609
3007	1112 1113	Cranston	B	697	52.2	13.1	33,891	739	52.4	13.0	33,526
3008	1122 1123	Cumberland		237	52.0	12.1	34,167	241	51.7	11.9	33,985
3009	1152 1153	East Greenwich	C	16	49.7	13.6	74,066	16	50.4	13.2	72,689
3010	1162 1163	East Providence	B	384	51.2	12.6	42,890	418	50.4	11.9	41,578
3011	1183	Exeter/West Greenwich	B	70	52.4	11.9	37,058	67	51.8	11.8	33,831
3012	1192 1193	Foster		34	54.3	11.1	31,200	37	52.9	10.9	32,178
3013	1212 1213	Glocester	C	67	51.3	10.7	36,418	69	51.0	10.9	35,571
3014	1262	Hopkinton	C	34	52.4	9.9	45,471	35	52.1	9.9	44,130
3015	1272 1273	Jamestown	C	81	50.0	11.7	42,580	80	50.1	11.6	41,802
3016	1282 1283	Johnston	C	245	51.1	10.8	32,578	243	50.1	10.3	32,673
3017	1302 1303	Lincoln		15	51.1	10.4	56,431	16	50.4	8.9	53,929
3019	1322 1323	Middletown	C	139	49.5	11.7	40,173	131	49.5	12.2	41,711
3021	1352 1353 1354	Newport	B	252	50.6	12.7	42,387	255	50.2	12.6	43,026
3022	1342 1343	New Shoreham	B	53	52.6	10.3	39,614	52	51.5	10.0	40,280
3023	1372 1373	North Kingstown	C	330	52.4	12.1	35,333	334	51.5	12.1	35,338
3024	1382 1383	North Providence		230	51.2	11.4	30,635	240	50.6	10.5	29,738
3025	1392 1393	North Smithfield	B	97	51.8	10.2	34,584	89	51.7	9.8	34,273
3026	1412 1413	Pawtucket	C	515	50.6	13.2	36,556	552	50.2	13.1	36,687
3027	1515	Union Fire District		6	54.1	11.9	42,622	7	54.4	11.3	42,795
3029	1452	Richmond		22	52.0	9.1	36,406	23	52.5	8.4	35,312
3030	1462 1463	Scituate	B	87	52.7	10.8	30,998	90	52.5	10.5	30,179
3031	1472 1473	Smithfield	C	85	52.2	11.6	36,160	89	51.9	10.9	36,446
3032	1492 1493	South Kingstown	B	321	52.2	13.1	37,020	326	51.8	12.7	35,921
3033	1532 1533	Tiverton	C	85	52.4	10.0	34,514	88	52.6	10.1	34,773
3034	1562	Warren	C	41	46.1	12.5	41,660	43	46.2	12.0	41,974
3036	1622 1623	Westerly		1	61.3	29.9	67,306	1	60.3	28.9	65,976
3037	1602	West Greenwich	C	18	48.9	10.3	39,579	21	46.3	11.4	40,096
3039	1632 1633	Woonsocket	B	337	51.9	12.1	32,776	355	51.1	11.9	32,928
3040	1073	Charho School District	C	168	49.5	11.4	31,759	166	49.0	10.8	31,292
3041	1203	Foster/Glocester	B	51	51.6	11.3	33,033	50	51.5	10.9	32,589
3043	1336	Narragansett Housing	C	4	49.7	13.2	43,053	4	48.7	12.2	45,125
3045	1098	Coventry Lighting District	C	1	72.7	35.3	36,182	1	71.7	34.3	36,182
3046	1242	Hope Valley Fire	C	3	58.8	20.2	44,867	3	57.8	19.2	44,507
3050	1156	East Greenwich Housing	C	9	52.0	9.7	48,583	9	51.0	8.7	51,033
3051	1116	Cranston Housing	C	20	56.8	15.6	51,876	20	55.8	14.6	50,185
3052	1166	East Providence Housing	B	14	53.0	9.4	45,599	14	52.6	9.1	47,130
3053	1416	Pawtucket Housing	B	55	50.0	11.8	49,526	58	49.0	10.7	48,898
3056	1126	Cumberland Housing	C	12	47.6	8.3	43,185	12	46.6	7.3	42,230
3057	1306	Lincoln Housing	B	10	53.1	7.5	46,601	10	54.8	8.6	44,974
3059	1016	Bristol Housing		9	49.6	13.1	40,204	9	50.6	12.4	40,156
3065	1036	Burrillville Housing	B	4	42.7	8.3	42,355	4	41.7	7.3	40,675
3066	1386	North Providence Housing	B	5	52.7	10.6	45,584	5	54.6	14.1	51,596

Municipal Employees' Retirement System  
 State of Rhode Island  
 Actuarial Valuation – June 30, 2012

Table 9

Active Member Statistics

Old Unit Number	New Unit Number	Unit	Code(s)	Active Employees as of June 30, 2012				Active Employees as of June 30, 2011			
				Number	Average Age	Average Service	Average Salary	Number	Average Age	Average Service	Average Salary
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
3067	1177	East Smithfield Water	C	5	55.0	7.7	43,775	4	52.1	8.7	45,910
3068	1227	Greenville Water	B	4	52.8	12.8	62,361	4	51.8	11.8	58,457
3069	1356	Newport Housing	C	30	51.6	11.3	46,206	30	51.6	11.7	42,859
3071	1566	Warren Housing	B	6	59.6	12.3	45,404	6	58.6	11.3	43,899
3072	1286	Johnston Housing		9	52.8	12.4	45,839	9	54.7	14.1	44,752
3077	1538	Tiverton Local 2670A	C	26	51.4	11.8	37,141	26	50.8	10.8	38,138
3078	002 1003 1007 100	Barrington COLA	C	177	51.9	12.2	41,026	180	51.3	11.5	39,820
3079	1096	Coventry Housing		14	50.9	7.1	38,846	13	49.7	6.7	37,871
3080	1496	South Kingstown Housing	C	5	55.4	5.3	33,891	5	54.4	4.3	34,949
3081	1403	N. RI Collaborative Adm. Services	C	29	49.2	8.4	30,418	37	49.3	8.8	27,307
3083	1616	West Warwick Housing	B	11	54.4	13.7	44,669	8	57.9	17.5	47,220
3084	1476	Smithfield Housing		3	49.4	15.5	42,597	3	48.4	14.5	43,391
3094	1478	Smithfield COLA	C	71	49.3	12.7	48,834	72	49.6	12.5	50,572
3096	1056	Central Falls Housing	C	21	43.7	7.0	41,355	20	45.1	6.5	42,519
3098	1293	Lime Rock Administrative Services		2	52.8	12.7	36,094	2	55.3	20.2	43,250
3099	1063	Central Falls Schools	C	129	49.2	9.9	34,374	139	49.2	9.5	33,048
3100	1023	Bristol/Warren Schools	B	116	53.4	13.4	36,437	119	52.4	12.6	35,266
3101	1157 1158	Town of E. Greenwich-COLA-NCE	C	160	50.9	11.0	32,764	157	50.4	10.6	31,349
3102	1712	Harrisville Fire District (ADMIN)	C	4	49.2	14.7	54,306	4	48.2	13.7	52,636
3103	1702	Albion Fire District (ADMIN)	C,5	---	---	---	---	---	---	---	---
3150	1159	East Greenwich Fire (ADMIN)	C	2	54.9	18.5	45,137	2	53.9	17.5	44,440
<b>All General Employee Units</b>				6,012	51.3	12.1	\$ 37,103	6,192	50.9	11.8	\$ 36,649
<b>Police &amp; Fire Units</b>											
4016	1285	Johnston Fire	D	46	37.9	7.1	\$ 57,394	44	37.0	6.4	\$ 58,752
4029	1454	Richmond Police	6	12	37.4	9.3	53,165	12	36.4	8.3	50,939
4031	1474	Smithfield Police	C,D	41	36.7	11.9	62,979	41	35.9	11.0	63,475
4042	1555	Valley Falls Fire	D	13	36.7	10.1	59,014	13	35.7	9.1	54,716
4047	1395 1435	North Smithfield Voluntary Fire	B,D	21	41.7	12.5	52,571	21	40.9	11.6	54,071
4050	1155	East Greenwich Fire	C,D	38	37.6	7.7	58,743	39	36.8	7.0	58,019
4054	1154	East Greenwich Police	C,D	31	42.6	12.1	59,877	33	42.7	12.0	58,771
4055	1375	North Kingstown Fire	C,D	60	41.6	15.1	57,878	65	42.1	14.9	55,424
4056	1374	North Kingstown Police	C,D	45	37.9	11.7	63,637	43	37.0	11.2	62,370
4058	1385	North Providence Fire	D	91	40.7	13.2	52,537	84	41.6	14.4	57,616
4059	1008	Barrington Fire (25)	C	16	35.4	7.7	56,824	18	33.5	6.2	52,280
4060	1004	Barrington Police	C,D	23	38.9	12.5	62,515	22	37.8	11.6	62,390
4061	1005	Barrington Fire (20)	C,D	5	52.5	27.5	66,453	5	51.5	26.4	63,161
4062	1564 1565	Warren Police & Fire	C,D	23	41.9	15.6	61,509	24	41.2	14.6	60,302
4063	1494	South Kingstown Police	B,1	47	39.5	11.5	58,342	50	41.2	13.3	57,786
4076	1394	North Smithfield Police	C,D	23	37.8	11.8	56,989	21	38.1	11.8	54,552
4077	1534	Tiverton Fire	C,D	32	36.5	8.9	50,519	35	36.0	8.9	51,336

Municipal Employees' Retirement System  
 State of Rhode Island  
 Actuarial Valuation – June 30, 2012

Table 9

Active Member Statistics

Old Unit Number	New Unit Number	Unit	Code(s)	Active Employees as of June 30, 2012				Active Employees as of June 30, 2011			
				Number	Average Age	Average Service	Average Salary	Number	Average Age	Average Service	Average Salary
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
4082	1194	Foster Police	C,D	8	44.0	4.2	47,818	8	41.5	9.4	50,928
4085	1634	Woonsocket Police	C,D	94	36.2	9.8	56,284	92	37.0	10.8	56,310
4086	1084	Charlestown Police	C,D	20	40.5	15.2	65,246	19	39.0	13.7	60,500
4087	1264	Hopkinton Police	C,D,6	16	37.7	8.6	56,002	14	39.0	10.3	60,488
4088	1214	Glocester Police	C,D	16	41.6	12.6	57,349	16	41.5	12.4	56,288
4089	1604	West Greenwich Police/Rescue	C,D	13	45.8	12.1	54,254	12	44.5	12.1	54,488
4090	1034	Burrillville Police	C,D,6	18	42.1	14.6	57,477	22	43.9	16.7	55,526
4091	1148	Cumberland Rescue	C,D	18	41.2	11.6	54,862	18	40.3	10.6	51,482
4093	1635	Woonsocket Fire	C,D	111	39.7	13.8	58,320	118	40.3	14.1	59,488
4094	1015	Bristol Fire	D	1	55.5	11.5	49,330	1	54.5	10.5	48,565
4095	1135	Cumberland Hill Fire	C,D	13	38.2	9.7	48,131	12	36.8	11.7	49,667
4096	1014	Bristol Police	C,D	34	34.7	8.0	57,812	32	34.3	7.5	56,426
4098	1095	Coventry Fire	C,D	18	36.1	9.3	53,596	18	35.1	8.3	50,852
4099	1505	South Kingstown EMT	C,D	17	38.9	9.0	45,777	17	38.1	8.7	45,156
4101	1365	North Cumberland	C,D	13	47.3	16.6	52,161	14	46.1	14.5	50,645
4102	145 1235 1525 158	Central Coventry Fire	C,D	48	39.1	9.2	51,768	47	39.9	10.2	52,786
4103	1255	Hopkins Hill Fire	C,D	12	48.8	11.0	48,139	12	48.1	10.0	46,529
4104	1114	Cranston Police	C,D,4	126	37.4	10.6	67,394	116	37.3	10.4	54,777
4105	1115	Cranston Fire	C,D,4	143	42.1	13.6	73,789	135	42.2	13.7	63,770
4106	1125	Cumberland Fire	B,D	14	45.5	12.6	46,841	14	46.6	13.5	48,620
4107	1305	Lincoln Rescue	C	18	39.3	11.7	49,746	16	39.7	11.7	50,572
4108	1344	New Shoreham Police	B,D	4	43.7	8.1	56,819	5	39.6	6.1	52,588
4109	1324	Middletown Police & Fire	C,D	50	32.2	4.7	53,153	46	31.4	4.0	47,505
4110	1715	Harrisville Fire District	C,D	5	39.6	10.4	53,789	6	38.8	9.8	50,096
4111	1705	Albion Fire District	C	4	44.7	13.6	46,721	4	43.7	12.6	47,857
1284	1284	Johnston Police	2	5	31.5	1.5	41,488	---	---	---	---
1465	1465	Smithfield Fire	C, 2	4	36.5	6.4	50,996	---	---	---	---
<b>All Police &amp; Fire Units</b>				1,410	39.2	11.3	\$ 56,944	1,384	39.3	11.5	\$ 56,692
<b>All MERS Units</b>				7,422	49.0	12.0	\$ 41,260	7,576	48.8	11.8	\$ 40,311

B - Municipality has adopted COLA Plan B

C - Municipality has adopted COLA Plan C

D - Municipality has adopted the "20-year" optional Police & Fire Plan

1 - S.Kingstown Police have a unique plan that provides 2.0% of salary for service prior to July 1, 1993, and 2.5% of salary for service on or after July 1, 1993.

2 - New unit in 2012 valuation.

3 - Closed unit.

4 - Historically, Cranston Fire and Police are contributing 10% due to special plan provision. 5 - This unit has no active members.

6 - Historically, Special plan provisions apply to this unit.

**Retired Member Statistics**

Old Unit Number	New Unit Number	Unit	Code(s)	Retirees and Beneficiaries As of June 30, 2012			Retirees and Beneficiaries As of June 30, 2011		
				Number	Average Age	Average Monthly Benefit	Number	Average Age	Average Monthly Benefit
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
<b>General Employee Units</b>									
3002	1012 1019	Bristol	B	75	76.0	\$ 1,367	77	75.6	\$ 1,341
3003	1032 1033	Burrillville	C	89	72.9	1,085	86	72.5	1,059
3004	1052	Central Falls		31	73.5	1,101	29	73.7	1,058
3005	1082	Charlestown	C	11	72.3	1,661	11	71.3	1,596
3007	1112 1113	Cranston	B	556	73.8	1,186	517	74.0	1,169
3008	1122 1123	Cumberland		162	75.0	791	151	75.1	751
3009	1152 1153	East Greenwich	C	63	78.7	625	66	78.5	581
3010	1162 1163	East Providence	B	385	72.1	1,514	376	71.7	1,466
3011	1183	Exeter/West Greenwich	B	29	69.9	1,063	29	68.9	1,037
3012	1192 1193	Foster		21	73.3	693	20	73.3	702
3013	1212 1213	Glocester	C	31	69.7	954	30	68.9	883
3014	1262	Hopkinton	C	14	70.8	1,163	13	73.9	884
3015	1272 1273	Jamestown	C	32	67.9	1,351	31	67.9	1,279
3016	1282 1283	Johnston	C	201	73.5	1,101	200	73.3	1,102
3017	1302 1303	Lincoln		6	69.2	1,427	6	68.2	1,427
3019	1322 1323	Middletown	C	36	64.7	1,969	32	64.1	1,866
3021	1352 1353 1354	Newport	B	236	70.8	1,678	229	70.7	1,577
3022	1342 1343	New Shoreham	B	14	75.3	930	13	75.6	894
3023	1372 1373	North Kingstown	C	204	72.1	1,289	197	71.8	1,197
3024	1382 1383	North Providence		163	75.3	698	162	75.1	679
3025	1392 1393	North Smithfield	B	63	76.1	970	64	76.1	898
3026	1412 1413	Pawtucket	C	521	73.4	1,253	507	73.5	1,165
3027	1515	Union Fire District		1	62.9	1115.3	---	---	---
3029	1452	Richmond		12	73.7	672	12	72.7	672
3030	1462 1463	Scituate	B	60	74.6	1,067	58	74.4	1,031
3031	1472 1473	Smithfield	C	79	77.0	737	80	77.3	704
3032	1492 1493	South Kingstown	B	156	71.9	1,324	149	71.8	1,280
3033	1532 1533	Tiverton	C	50	76.5	838	50	76.6	769
3034	1562	Warren	C	40	80.2	856	41	79.1	876
3036	1622 1623	Westerly		7	82.9	1,244	8	83.2	1,132
3037	1602	West Greenwich	C	15	67.3	1,353	13	67.7	1,105
3039	1632 1633	Woonsocket	B	344	74.7	1,052	333	74.5	1,064
3040	1073	Charho School District	C	53	69.3	1,185	51	68.6	1,125
3041	1203	Foster/Glocester	B	28	72.5	933	28	72.2	974
3042	1528	Tiogue Fire & Lighting	C,5	---	---	---	---	---	---
3043	1336	Narragansett Housing	C	1	76.8	437	1	75.8	437
3045	1098	Coventry Lighting District	C	2	78.1	4,353	2	77.1	4,238
3046	1242	Hope Valley Fire	C	---	---	---	---	---	---
3050	1156	East Greenwich Housing	C	1	69.8	4,371	1	68.8	4,254
3051	1116	Cranston Housing	C	9	77.6	949	9	76.7	952
3052	1166	East Providence Housing	B	12	74.9	1,334	11	75.2	1,226
3053	1416	Pawtucket Housing	B	22	74.3	1,357	22	73.3	1,325
3056	1126	Cumberland Housing	C	4	76.6	1,442	4	75.6	1,419

Municipal Employees' Retirement System  
State of Rhode Island

Actuarial Valuation – June 30, 2012

Table 10

Retired Member Statistics

Old Unit Number	New Unit Number	Unit	Code(s)	Retirees and Beneficiaries As of June 30, 2012			Retirees and Beneficiaries As of June 30, 2011		
				Number	Average Age	Average Monthly Benefit	Number	Average Age	Average Monthly Benefit
				(5)	(6)	(7)	(8)	(9)	(10)
3057	1306	Lincoln Housing	B	6	78.3	1,105	7	76.5	1,082
3059	1016	Bristol Housing		5	78.1	1,069	5	77.1	1,069
3065	1036	Burrillville Housing	B	2	69.1	2,373	2	68.1	2,312
3066	1386	North Providence Housing	B	5	69.2	2,012	4	69.1	1,927
3067	1177	East Smithfield Water	C	3	72.2	993	3	71.2	970
3068	1227	Greenville Water	B	1	66.3	2,975	1	65.3	2,903
3069	1356	Newport Housing	C	28	68.1	1,735	26	67.4	1,805
3071	1566	Warren Housing	B	3	73.9	2,003	3	72.9	1,953
3072	1286	Johnston Housing		6	80.9	960	5	81.7	879
3077	1538	Tiverton Local 2670A	C	15	71.2	1,054	14	70.7	984
3078	302 1003 1007 100	Barrington COLA	C	117	75.4	1,097	119	74.7	1,087
3079	1096	Coventry Housing		8	78.6	535	8	77.6	535
3080	1496	South Kingstown Housing	C	---	---	---	---	---	---
3081	1403	N. RI Collaborative Adm. Services	C	11	65.9	1,242	9	64.6	1,349
3083	1616	West Warwick Housing	B	4	80.6	997	3	81.1	964
3084	1476	Smithfield Housing		---	---	---	---	---	---
3094	1478	Smithfield COLA	C	32	66.6	1,800	26	65.9	1,885
3096	1056	Central Falls Housing	C	11	71.5	1,294	10	71.8	1,058
3098	1293	Lime Rock Administrative Services		1	60.0	1,211.8	---	---	---
3099	1063	Central Falls Schools	C	55	68.7	1,027	49	68.7	989
3100	1023	Bristol/Warren Schools	B	89	70.4	1,051	87	69.6	1,071
3101	1157 1158	Town of E. Greenwich-COLA-NCE	C	36	66.3	1,884	35	65.2	1,904
3102	1712	Harrisville Fire District (ADMIN)	C	---	---	---	---	---	---
3103	1702	Albion Fire District (ADMIN)	C,5	---	---	---	---	---	---
3150	1159	East Greenwich Fire (ADMIN)	C	---	---	---	---	---	---
<b>All General Employee Units</b>				4,277	73.2	1,196	4,135	73.1	\$ 1,153
<b>Police and Fire Units</b>									
4016	1285	Johnston Fire	D	2	51.7	\$ 2,998	2	50.7	\$ 2,998
4029	1454	Richmond Police	6	1	51.8	2,199	1	50.8	2,199
4031	1474	Smithfield Police	C,D	5	51.2	2,723	4	54.5	2,496
4042	1555	Valley Falls Fire	D	8	58.6	2,300	8	57.6	2,300
4047	1395 1435	North Smithfield Voluntary Fire	B,D	8	60.8	2,464	8	59.8	2,406
4050	1155	East Greenwich Fire	C,D	32	59.6	2,546	31	59.0	2,492
4054	1154	East Greenwich Police	C,D	26	60.9	3,025	24	60.7	2,920
4055	1375	North Kingstown Fire	C,D	64	65.6	2,411	61	65.2	2,363
4056	1374	North Kingstown Police	C,D	36	57.1	3,129	36	56.1	3,034
4058	1385	North Providence Fire	D	67	56.1	2,472	64	55.3	2,427
4059	1008	Barrington Fire (25)	C	1	66.0	4,431	1	65.0	4,326
4060	1004	Barrington Police	C,D	26	67.1	2,177	26	66.1	2,143
4061	1005	Barrington Fire (20)	C,D	33	69.5	1,728	32	68.7	1,707
4062	1564 1565	Warren Police & Fire	C,D	24	66.6	2,141	25	66.5	2,096
4063	1494	South Kingstown Police	B,1	46	63.1	2,821	41	63.0	2,631
4073	1464	Scituate Police	5	1	81.6	301	1	80.6	301



Retired Member Statistics

Old Unit Number	New Unit Number	Unit	Code(s)	Retirees and Beneficiaries As of June 30, 2012			Retirees and Beneficiaries As of June 30, 2011		
				Number	Average Age	Average Monthly Benefit	Number	Average Age	Average Monthly Benefit
				(5)	(6)	(7)	(8)	(9)	(10)
4076	1394	North Smithfield Police	C,D	16	61.9	2,548	17	61.4	2,366
4077	1534	Tiverton Fire	C,D	25	59.1	1,998	22	60.4	1,938
4082	1194	Foster Police	C,D	9	56.6	2,244	5	63.1	1,926
4085	1634	Woonsocket Police	C,D	62	48.8	2,882	54	48.0	2,837
4086	1084	Charlestown Police	C,D	10	56.9	3,097	11	56.1	2,803
4087	1264	Hopkinton Police	C,D,6	9	55.9	3,178	7	55.8	3,037
4088	1214	Glocester Police	C,D	11	60.9	1,864	11	59.9	1,818
4089	1604	West Greenwich Police/Rescue	C,D	5	54.2	2,765	5	53.2	2,703
4090	1034	Burrillville Police	C,D,6	16	59.9	2,707	10	60.9	2,519
4091	1148	Cumberland Rescue	C,D	5	51.7	2,290	5	50.7	2,230
4093	1635	Woonsocket Fire	C,D	27	49.3	2,730	15	47.7	2,336
4094	1015	Bristol Fire	D	2	61.7	723	2	60.7	723
4095	1135	Cumberland Hill Fire	C,D	10	56.6	2,722	7	56.5	2,172
4096	1014	Bristol Police	C,D	1	47.4	3,006	1	46.4	2,921
4098	1095	Coventry Fire	C,D	7	53.6	2,209	7	52.6	2,209
4099	1505	South Kingstown EMT	C,D	2	45.4	2,461	2	44.4	2,390
4101	1365	North Cumberland	C,D	6	56.4	1,861	6	55.4	1,832
4102	045 1235 1525 158	Central Coventry Fire	C,D	13	56.7	2,575	11	55.7	2,352
4103	1255	Hopkins Hill Fire	C,D	1	44.6	1,736	1	43.6	1,736
4104	1114	Cranston Police	C,D,4	13	48.0	3,458	12	46.9	3,491
4105	1115	Cranston Fire	C,D,4	9	48.2	3,241	6	49.5	3,420
4106	1125	Cumberland Fire	B,D	6	65.0	2,839	5	64.4	2,855
4107	1305	Lincoln Rescue	C	6	52.5	1,769	6	51.5	1,741
4108	1344	New Shoreham Police	B,D	2	51.2	3,223	2	50.2	3,143
4109	1324	Middletown Police & Fire	C,D	---	---	---	---	---	---
4110	1715	Harrisville Fire District	C,D	---	---	---	---	---	---
4111	1705	Albion Fire District	C	1	70.1	1,901	1	69.1	1,855
1284	1284	Johnston Police	2	---	---	---	---	---	---
1465	1465	Smithfield Fire	C, 2	---	---	---	---	---	---
<b>All Police &amp; Fire Units</b>				654	58.7	\$ 2,557	596	58.6	\$ 2,456
<b>All MERS Units</b>				4,931	71.3	\$ 1,376	4,731	71.3	\$ 1,317

B - Municipality has adopted COLA Plan B

C - Municipality has adopted COLA Plan C

D - Municipality has adopted the "20-year" optional Police & Fire Plan

1 - S.Kingstown Police have a unique plan that provides 2.0% of salary for service prior to July 1, 1993, and 2.5% of salary for service on or after July 1, 1993.

2 - New unit in 2012 valuation.

3 - Closed unit.

4 - Historically, Cranston Fire and Police are contributing 10% due to special plan provision.

5 - This unit has no active members.

6 - Historically, Special plan provisions apply to this unit.

**Distribution of Active Members by Age and by Years of Service (General Employees)  
 As of June 30, 2012**

Attained Age	Years of Credited Service												Total
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35 & Over	
	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	
Under 25	18 \$29,269	14 \$31,360	7 \$29,584	2 \$26,264	1 \$35,886	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	42 \$30,033
25-29	21 \$29,472	27 \$27,690	13 \$33,015	11 \$32,717	18 \$36,358	42 \$34,942	1 \$39,848	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	133 \$32,462
30-34	31 \$34,839	24 \$32,204	19 \$31,772	16 \$34,486	18 \$37,943	100 \$39,151	32 \$38,990	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	240 \$36,892
35-39	29 \$32,496	18 \$34,299	18 \$44,880	23 \$35,992	19 \$34,225	80 \$37,937	72 \$44,462	14 \$40,088	0 \$0	0 \$0	0 \$0	0 \$0	273 \$38,986
40-44	41 \$32,267	33 \$27,971	35 \$31,016	44 \$37,742	36 \$33,622	168 \$35,862	131 \$41,229	59 \$42,835	44 \$46,644	0 \$0	0 \$0	0 \$0	591 \$37,577
45-49	44 \$29,374	53 \$32,462	48 \$32,957	39 \$32,402	37 \$32,713	288 \$33,815	247 \$38,197	101 \$48,480	129 \$46,804	33 \$46,576	3 \$65,700	0 \$0	1,022 \$38,073
50-54	51 \$27,686	32 \$31,640	30 \$31,218	48 \$31,770	37 \$31,868	310 \$32,880	374 \$35,524	179 \$39,824	148 \$42,197	51 \$52,779	23 \$46,303	0 \$0	1,283 \$36,379
55-59	21 \$37,292	34 \$29,938	28 \$34,603	29 \$41,195	33 \$30,800	238 \$33,099	360 \$34,710	221 \$37,486	188 \$39,510	69 \$46,584	24 \$50,283	13 \$49,634	1,258 \$36,672
60-64	18 \$32,968	11 \$31,952	16 \$34,001	15 \$38,200	19 \$37,238	125 \$35,570	184 \$37,060	151 \$35,999	157 \$39,073	64 \$46,307	23 \$55,048	10 \$53,990	793 \$38,304
65-69	12 \$28,533	8 \$21,406	5 \$37,466	9 \$33,340	7 \$22,602	65 \$33,640	96 \$36,015	53 \$35,093	66 \$36,432	26 \$42,817	23 \$49,611	7 \$52,405	377 \$36,310
70 & Over	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0
Total	286 \$31,170	254 \$30,605	219 \$33,571	236 \$35,208	225 \$33,358	1,416 \$34,523	1,497 \$36,996	778 \$39,452	732 \$41,396	243 \$47,407	96 \$50,792	30 \$51,733	6,012 \$37,103

**Distribution of Active Members by Age and by Years of Service (Police & Fire)  
 As of June 30, 2012**

Attained Age	Years of Credited Service												Total
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35 & Over	
	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	
Under 25	23 \$40,012	15 \$39,033	4 \$51,012	2 \$54,053	1 \$53,414	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	45 \$41,585
25-29	33 \$39,327	33 \$41,414	22 \$49,538	36 \$53,676	18 \$52,269	41 \$54,768	1 \$51,962	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	184 \$48,505
30-34	15 \$40,148	8 \$40,820	15 \$49,424	12 \$53,944	21 \$49,463	135 \$56,882	28 \$58,128	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	234 \$54,115
35-39	4 \$40,463	8 \$40,729	4 \$49,273	9 \$53,362	9 \$52,868	88 \$57,072	95 \$58,917	22 \$62,682	0 \$0	0 \$0	0 \$0	0 \$0	239 \$57,068
40-44	2 \$36,908	4 \$40,146	2 \$43,119	2 \$50,931	9 \$51,354	62 \$55,875	98 \$59,626	70 \$62,461	32 \$65,562	1 \$62,516	0 \$0	0 \$0	282 \$59,309
45-49	3 \$41,406	5 \$50,278	3 \$43,851	4 \$55,820	1 \$49,291	24 \$56,854	38 \$58,460	65 \$62,604	81 \$65,271	23 \$71,476	0 \$0	0 \$0	247 \$62,210
50-54	2 \$43,449	2 \$58,983	2 \$62,344	0 \$0	1 \$93,012	7 \$58,231	14 \$57,370	29 \$60,464	44 \$64,337	28 \$65,303	2 \$67,534	0 \$0	131 \$62,452
55-59	1 \$74,117	0 \$0	1 \$54,375	1 \$38,286	0 \$0	2 \$60,253	4 \$56,994	6 \$62,711	6 \$59,593	8 \$64,440	3 \$63,445	0 \$0	32 \$61,092
60-64	0 \$0	0 \$0	1 \$44,465	1 \$84,577	0 \$0	1 \$37,468	2 \$56,929	1 \$64,062	3 \$58,928	0 \$0	1 \$68,125	2 \$70,614	12 \$60,881
65-69	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	1 \$8,297	0 \$0	0 \$0	0 \$0	1 \$68,201	2 \$78,999	0 \$0	4 \$58,624
70 & Over	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0
Total	83 \$40,255	75 \$41,793	54 \$49,512	67 \$53,971	60 \$51,888	361 \$56,370	280 \$58,880	193 \$62,250	166 \$64,760	61 \$67,519	8 \$68,941	2 \$70,614	1,410 \$56,944

**Membership Data (General Employee Units)**

	June 30, 2012 (1)	June 30, 2011 (2)
1. Active members		
a. Number	6,012	6,192
b. Number vested	3,376	3,309
c. Total payroll supplied by ERSRI	\$223,065,778	\$226,932,538
d. Average salary	\$37,103	\$36,649
e. Average age	51.3	50.9
f. Average service	12.1	11.8
2. Inactive members		
a. Number	2,506	2,461
3. Service retirees		
a. Number	3,611	3,472
b. Total annual benefits	\$54,308,004	\$50,346,172
c. Average annual benefit	\$15,040	\$14,501
d. Average age	73.6	73.6
4. Disabled retirees		
a. Number	255	257
b. Total annual benefits	\$3,505,284	\$3,474,030
c. Average annual benefit	\$13,746	\$13,518
d. Average age	64.7	64.1
5. Beneficiaries and spouses		
a. Number	411	406
b. Total annual benefits	\$3,552,522	\$3,389,766
c. Average annual benefit	\$8,644	\$8,349
d. Average age	75.3	74.8

**Membership Data (Police & Fire Units)**

	<u>June 30, 2012</u>	<u>June 30, 2011</u>
	(1)	(2)
1. Active members		
a. Number	1,410	1,384
b. Number vested	710	694
c. Total payroll supplied by ERSRI	\$83,164,238	\$78,461,560
d. Average salary	\$58,982	\$56,692
e. Average age	39.2	39.3
f. Average service	11.3	11.5
2. Inactive members		
a. Number	129	127
3. Service retirees		
a. Number	471	425
b. Total annual benefits	\$15,262,493	\$13,109,498
c. Average annual benefit	\$32,404	\$30,846
d. Average age	59.7	60.0
4. Disabled retirees		
a. Number	121	119
b. Total annual benefits	\$3,982,149	\$3,803,525
c. Average annual benefit	\$32,910	\$31,962
d. Average age	52.7	51.9
5. Beneficiaries and spouses		
a. Number	62	52
b. Total annual benefits	\$826,401	\$649,310
c. Average annual benefit	\$13,329	\$12,487
d. Average age	62.7	61.6

**Membership Data (All MERS Units)**

	<u>June 30, 2012</u>	<u>June 30, 2011</u>
	(1)	(2)
1. Active members		
a. Number	7,422	7,576
b. Number vested	4,086	4,003
c. Total payroll supplied by ERSRI	\$306,230,016	\$305,394,098
d. Average salary	\$41,260	\$40,311
e. Average age	49.0	48.8
f. Average service	12.0	11.8
2. Inactive members		
a. Number	2,635	2,588
3. Service retirees		
a. Number	4,082	3,897
b. Total annual benefits	\$69,570,497	\$63,455,670
c. Average annual benefit	\$17,043	\$16,283
d. Average age	72.0	72.1
4. Disabled retirees		
a. Number	376	376
b. Total annual benefits	\$7,487,433	\$7,277,555
c. Average annual benefit	\$19,913	\$19,355
d. Average age	60.8	60.2
5. Beneficiaries and spouses		
a. Number	473	458
b. Total annual benefits	\$4,378,923	\$4,039,076
c. Average annual benefit	\$9,258	\$8,819
d. Average age	73.7	73.3

## Summary of Assumptions and Methods

### I. Valuation Date

The valuation date is June 30th of each plan year. This is the date as of which the actuarial present value of future benefits and the actuarial value of assets are determined.

### II. Actuarial Cost Method

The actuarial valuation uses the Entry Age actuarial cost method. Under this method, the employer contribution rate is the sum of (i) the employer normal cost rate, and (ii) a rate that will amortize the unfunded actuarial accrued liability (UAAL).

The employer normal cost rate is the total normal cost rate, less the member contribution rate. The total normal cost rate is the level percentage-of-pay contribution which would theoretically pay for all benefits if it had been made each year from the inception of the plan and if there had never been any changes of benefits, any changes of assumptions or methods, or any experience gains or losses. The normal costs are determined on an individual basis.

The actuarial accrued liability is the difference between the actuarial present value of all future benefits and the actuarial present value of future normal costs. It is the amount to which the normal costs would have accumulated under the assumptions described in the preceding paragraph. The unfunded actuarial accrued liability (UAAL) is the difference between the actuarial accrued liability and the actuarial value of assets.

The amortization contribution rate is the level percentage of payroll required to reduce the UAAL to zero over the remaining amortization period. The UAAL is being amortized over the remainder of a closed 25-year period from June 30, 2010. The employer contribution rate determined by this valuation will not be effective until two years after the valuation date. The determination of the contribution rate reflects this deferral. The UAAL and covered payroll are projected forward for two years, and we then determine the amortization charge required to amortize the UAAL over the remaining amortization period from that point. In projecting the UAAL, we increase the UAAL for interest at the assumed rate and we decrease it for the amortization payments. The amortization payments for these two years are determined by subtracting the current employer normal cost from the known contribution rates for these years, based on the two prior actuarial valuations. Contributions are assumed to be made monthly throughout the year.

III. Actuarial Value of Assets

The actuarial value of assets is based on the market value of assets with a five-year phase-in of actual investment return in excess of (less than) expected investment income. Offsetting unrecognized gains and losses are immediately recognized, with the shortest remaining bases recognized first and the net remaining bases continue to be recognized on their original timeframe. Expected investment income is determined using the assumed investment return rate and the market value of assets (adjusted for receipts and disbursements during the year). The returns are computed net of administrative and investment expenses. The actuarial value is calculated in the aggregate for all units combined, and then it is allocated to each unit in proportion to that unit's market value.

IV. Actuarial Assumptions

A. Economic Assumptions

1. Investment return: 7.50% per year, compounded annually, composed of an assumed 2.75% inflation rate and a 4.75% net real rate of return. This rate represents the assumed return, net of all investment and administrative expenses.
2. Salary increase rate: For general employees, the sum of (i) a 4.00% wage inflation assumption (composed of a 2.75% price inflation assumption and a 1.25% additional general increase), and (ii) a service-related component as shown below:

General Employees		
Years of Service	Service-Related Component	Total Increase
0	4.00%	8.00%
1	3.00	7.00
2	2.75	6.75
3	2.50	6.50
4	2.25	6.25
5	2.00	6.00
6	1.25	5.25
7	0.75	4.75
8-9	0.50	4.50
10-14	0.25	4.25
15 or more	0.00	4.00



For police/fire employees, the sum of (i) a 4.25% wage inflation assumption (composed of a 2.75% price inflation assumption and a 1.50% additional general increase), and (ii) a service-related component as shown below:

Police/Fire Employees		
Years of Service	Service-Related Component	Total Increase
0	10.00%	14.25%
1	9.00	13.25
2	6.00	10.25
3	3.00	7.25
4	2.50	6.75
5	2.00	6.25
6	0.50	4.75
7	0.50	4.75
8	0.25	4.50
9	0.25	4.50
10 or more	0.00	4.25

Salary increases are assumed to occur once a year, on July 1. Therefore the pay used for the period year following the valuation date is equal to the reported pay for the prior year, increased by the salary increase assumption. For employees with less than one year of service, the reported rate of pay is used rather than the fiscal year salary paid.

3. Payroll growth rate: In the amortization of the unfunded actuarial accrued liability, payroll is assumed to increase 3.75% per year. This increase rate is solely due to the effect of wage inflation on salaries, with no allowance for future membership growth.
4. Post-retirement Benefit Increase: Post-retirement benefit increases are assumed to be 2%, per annum for all units. The actual COLA will be determined based on the plan's five-year average investment rate of return minus 5.5% and will range from zero to 4.0%. It is known that the COLA for calendar years 2012 and 2013 will be zero and this has been reflected in the valuation.

B. Demographic Assumptions

1. Post-retirement mortality rates:
  - a. Male employees: 115% of the RP-2000 Combined Healthy for Males with White Collar adjustments, projected with Scale AA from 2000.
  - b. Female employees: 95% of the RP-2000 Combined Healthy for Females with White Collar adjustments, projected with Scale AA from 2000.
  - c. Disabled males – 60% of the PBGC Table Va for disabled males eligible for Social Security disability benefits.
  - d. Disabled females – 60% of the PBGC Table VIa for disabled females eligible for Social Security disability benefits.
2. Pre-retirement mortality (combined ordinary and duty):
  - a. Male employees: 75% of RP-2000 Combined Healthy for Males with White Collar adjustments.
  - b. Female employees: 75% of RP-2000 Combined Healthy for Females with White Collar adjustments.

Sample rates are shown below:

Number of Deaths per 100		
Age	Males	Females
25	0.03	0.02
30	0.03	0.02
35	0.04	0.03
40	0.07	0.05
45	0.10	0.08
50	0.15	0.12
55	0.25	0.19
60	0.42	0.35
65	0.83	0.65
70	1.45	1.14

3. Disability rates: Sample rates per 1,000 active members are shown below. Ordinary disability rates are not applied to members eligible for retirement.

Age	Number of Disabilities per 1,000					
	General Employees, Ordinary, Males	General Employees, Accidental, Males	General Employees, Ordinary, Females	General Employees, Accidental, Females	Police & Fire, Ordinary, Males and Females	Police & Fire, Accidental, Males and Females
25	0.63	0.23	0.27	0.08	0.43	1.70
30	0.77	0.28	0.33	0.09	0.55	2.20
35	1.05	0.38	0.45	0.12	0.73	2.90
40	1.54	0.55	0.66	0.18	1.10	4.40
45	2.52	0.90	1.08	0.29	1.80	7.20
50	4.27	1.53	1.83	0.49	3.03	12.10
55	7.07	2.53	3.03	0.81	3.03	12.10
60	9.87	3.53	4.23	1.13	3.03	12.10
65	0.00	0.00	0.00	0.00	3.03	12.10

4. Termination rates (for causes other than death, disability, or retirement) are a function of the member's service. Termination rates are not applied to members eligible for retirement. Rates are shown below:

Service	Male General Employees	Female General Employees	Police & Fire, Males & Females
0	0.1750	0.1800	0.1000
1	0.1087	0.1143	0.0528
2	0.0922	0.0973	0.0481
3	0.0778	0.0824	0.0436
4	0.0655	0.0695	0.0394
5	0.0552	0.0584	0.0354
6	0.0465	0.0491	0.0316
7	0.0394	0.0412	0.0281
8	0.0337	0.0348	0.0249
9	0.0293	0.0296	0.0219
10	0.0260	0.0255	0.0191
11	0.0236	0.0223	0.0166
12	0.0220	0.0199	0.0143
13	0.0209	0.0181	0.0123
14	0.0204	0.0169	0.0105
15	0.0201	0.0159	0.0090
16	0.0200	0.0152	0.0077
17	0.0198	0.0145	0.0067
18	0.0195	0.0137	0.0059
19	0.0187	0.0127	0.0000
20	0.0175	0.0112	0.0000
21	0.0156	0.0092	0.0000
22	0.0129	0.0065	0.0000
23	0.0092	0.0030	0.0000
24	0.0044	0.0000	0.0000

5. Retirement Rates: Separate male and female rates for general employees. For members who reach 30 years of service before age 58, service-based rates are used. For other members, age-based rates are used.

Because of the enactment of the RIRSA in 2011, the retirement assumption was modified for members not eligible for retirement by July 1, 2012. Members who would have been assumed to retire at an earlier age under the rules in effect before the enactment of the provision changes are assumed to retire when first eligible for an unreduced benefit. This demand is recognized by adding a 10% probability for every year the member has been deferred.

General Employees							
Males				Females			
Service (00/30)		Age (58/10)		Service (00/30)		Age (58/10)	
Service	Ret. Rate	Age	Ret. Rate	Service	Ret. Rate	Age	Ret. Rate
30	30.0%	58	12.0%	30	30.0%	58	12.0%
31	30.0%	59	10.0%	31	25.0%	59	10.0%
32	25.0%	60	10.0%	32	10.0%	60	10.0%
33	25.0%	61	10.0%	33	10.0%	61	10.0%
34	25.0%	62	30.0%	34	10.0%	62	20.0%
35	25.0%	63	20.0%	35	15.0%	63	15.0%
36	25.0%	64	20.0%	36	20.0%	64	15.0%
37	25.0%	65	20.0%	37	25.0%	65	20.0%
38	35.0%	66	25.0%	38	25.0%	66	25.0%
39	50.0%	67	25.0%	39	25.0%	67	25.0%
40	100.0%	68	25.0%	40	100.0%	68	25.0%
		69	30.0%			69	25.0%
		70	30.0%			70	20.0%
		71	30.0%			71	20.0%
		72	30.0%			72	20.0%
		73	30.0%			73	20.0%
		74	30.0%			74	20.0%
		75	100.0%			75	100.0%

5. Retirement Rates (continued): Unisex, service based rates are used for police and fire. Rates depend on whether the unit has elected the optional 20-year retirement provisions. All members are assumed to retire upon reaching age 65 with at least ten years of service.

Police and Fire		
Service	Units with the Optional 20-year retirement election	Units without the Optional 20-year retirement election
20	12.0%	
21	10.0%	
22	10.0%	
23	10.0%	
24	12.0%	
25	14.0%	50.0%
26	16.0%	16.0%
27	18.0%	18.0%
28	20.0%	20.0%
29	20.0%	20.0%
30+	35.0%	35.0%

For members with 10 or more years of contributory service on June 30, 2012 and that reach their original retirement date within three years of June 30, 2012, 5% are assumed to retire upon first attainment of their original retirement date and receive their benefits accrued as of June 30, 2012.

6. Reduced retirement rates: Rates based on the years from Retirement Eligibility for unreduced benefits, as shown below:

Years from Normal Retirement Age	Ret. Rate
5	2%
4	2%
3	2%
2	3%
1	4%

C. Other Assumptions

1. Valuation payroll (used for determining the amortization contribution rate): Prior aggregate fiscal year payroll projected forward one year using the overall payroll growth rate.
2. Percent married: 80% of employees are assumed to be married.
3. For the special post-retirement police and fire survivor benefit, we have assumed 80% of members will have a spouse at the time of retirement and 10% of those members would choose option 1 or option 2.
4. Age difference: Male members are assumed to be three years older than their spouses, and female members are assumed to be three years younger than their spouses.
5. Percent electing annuity on death (when eligible): All of the spouses of vested, married participants are assumed to elect an annuity.
6. Percent electing deferred termination benefit: Vested terminating members are assumed to elect a refund or a deferred benefit, whichever is more valuable at the time of termination.
7. Recovery from disability: None assumed.
8. Remarriage: It is assumed that no surviving spouse will remarry and there will be no children's benefit.
9. Assumed age for commencement of deferred benefits: Members electing to receive a deferred benefit are assumed to commence receipt at the first age at which unreduced benefits are available.
10. Investment and administrative expenses: The assumed investment return rate represents the anticipated net return after payment of all investment and administrative expenses.
11. Inactive members: Liabilities for inactive members are approximated as a multiple of their member contribution account balances. For nonvested inactive members, the multiple is 1.0. For vested inactive members, the multiple is 8.0 for members with 25 or more years of service, 3.0 for vested inactive members age 45 or older with less than 25 years of service, and 1.0 for other vested inactive members younger than age 45.
12. Decrement timing: For all members, decrements are assumed to occur at the middle of the year.

13. Eligibility testing: Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.
14. Decrement relativity: Decrement rates are used directly from the experience study, without adjustment for multiple decrement table effects.
15. Incidence of Contributions: Contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in this report, and the actual payroll payable at the time contributions are made.
16. Benefit Service: All members are assumed to accrue one year of eligibility service each year.
17. All calculations were performed without regard to the compensation limit in IRC Section 401(a)(17) and the benefit limit under IRC Section 415.

V. Participant Data

Participant data was supplied on electronic files. There were separate files for (i) active and inactive members, and (ii) members and beneficiaries receiving benefits.

The data for active members included name, identification number, sex, a code indicating whether the member was active or inactive, date of birth, service, salary, unit indicator, date of last contribution, accumulated member contributions without interest, accrued benefit multiplier as of June 30, 2012, Final Average Compensation as of June 30, 2012, and the Rhode Island Retirement Security Act Retirement Date. For retired members and beneficiaries, the data included date of birth, sex, spouse's date of birth (where applicable), amount of monthly benefit, date of retirement, and a form of payment code.

Salary supplied for the current year was based on the earnings for the year preceding the valuation date. This salary was adjusted by the salary increase rate for one year. However, for members with less than one year of service, the current rate of salary was used. This salary was adjusted by the salary increase rate for one year. Any member with a date of last contribution was assumed to have received 27 pay periods during the year and the salary for projecting forward was reduced by 26/27 for liabilities and contribution purposes.

Beneficiary data for police and fire employees was completed, based on the Age Difference stated above, if the information was not originally supplied on the electronic files.

Other Assumptions were made to correct for missing, bad, or inconsistent data. These had no material impact on the results presented.



## **Summary of Benefit Provisions**

1. Authority: The Municipal Employees' Retirement System (MERS) covers employees of certain participating Rhode Island municipalities and other local governmental units, such as housing authorities, water districts, etc. Benefits are described in Rhode Island General Laws, Title 45, Chapters 19, 19.1, 21, 21.1, 21.2, and 21.3.
2. Plan Year: A twelve-month period ending June 30th.
3. Administration: MERS is administered by the State of Rhode Island Retirement Board. However, the State Treasurer is responsible for the investment of the trust assets, including the establishment of the asset allocation policy.
4. Type of Plan: MERS is a qualified governmental defined benefit retirement plan. Separate contribution rates are determined for each participating governmental unit. For Governmental Accounting Standards Board purposes, it is an agent multiple-employer plan.
5. Eligibility: General employees, police officers and firefighters employed by electing municipalities participate in MERS. Teachers and administrators are covered by the separate Employees' Retirement System of Rhode Island, but other school employees may be covered by MERS. Eligible employees become members at their date of employment. Anyone employed by a municipality at the time the municipality joins MERS may elect not to be covered. Elected officials may opt to be covered by MERS. Employees covered under another plan maintained by the municipality may not become members of MERS. Police officers and/or firefighters may be designated as such by the municipality, in which case the special contribution and benefit provisions described below will apply to them, or they may be designated as general employees with no special benefits. Members designated as police officers and/or firefighters are treated as belonging to a unit separate from the general employees, with separate contribution rates applicable.

6. Employee Contributions: Effective July 1, 2012, General employees contribute 1.00% of their salary per year, and police officers and firefighters contribute 7.00%. In addition, if the municipality has elected one of the optional cost-of-living provisions, an additional member contribution of 1.00% of salary is required. The municipality, at its election, may choose to “pick up” the members’ contributions for its employees under the provisions of Internal Revenue Code (IRC) Section 414(h).
7. Salary: Salary includes the member's base earnings plus any payments under a regular longevity or incentive plan. Salary excludes overtime, unused sick and vacation leave, severance pay, and other extraordinary compensation. Certain amounts that are excluded from taxable wages, such as amounts sheltered under a Section 125 plan or amounts picked up by the employer under IRC Section 414(h), are not excluded from salary.
8. Employer Contributions: Each participating unit’s contribution rate is determined actuarially. Contributions determined in a given actuarial valuation go into effect two years after the actuarial valuation.
9. Service: Employees receive credit for service while a member. In addition, a member may purchase credit for certain periods by making an additional contribution to purchase the additional service. Special rules and limits govern the purchase of additional service and the contribution required.
10. Final Average Compensation (FAC): Prior to July 1, 2012 and for general employee members eligible to retire as of June 30, 2012, the average was based on the member’s highest three consecutive annual salaries. Effective July 1, 2012, the average was based on the member's highest five consecutive annual salaries. Once a member retires or is terminated, the applicable FAC will be the greater of the member’s highest three year FAC as of July 1, 2012 or the five year FAC as of the retirement/termination date. Monthly benefits are based on one-twelfth of this amount.

11. Retirement:

I. General employees: Eligibility

- a. Members with less than five years of contributory service as of June 30, 2012 and members hired on or after that date are eligible for retirement on or after their Social Security normal retirement age.
- b. Members who had at least five years of contributory service as of June 30, 2012 will be eligible for retirement at an individually determined age. This age is the result of interpolating between the member's prior Retirement Date, described in Section (e) below, and the retirement age applicable to members hired after June 30, 2012 in (a) above. The interpolation is based on service as of June 30, 2012 divided by projected service at the member's prior Retirement Date. The minimum retirement age is 59.
- c. Members with 10 or more years of contributory service on June 30, 2012 may choose to retire at their prior Retirement Date if they continue to work and contribute until that date. If option is elected, the retirement benefit will be calculated using the benefits accrued as of June 30, 2012, i.e., the member will accumulate no additional defined benefits after this date, but the benefit will be paid without any actuarial reduction.
- d. A member who is within five years of reaching their retirement eligibility date, as described in this section, and has 20 or more years of service, may elect to retire at any time with an actuarially reduced benefit.
- e. Prior to July 1, 2012, members were eligible for retirement on or after age 58 if they had credit for 10 or more years of service, or at any age if they had credit for at least 30 years of service. Members eligible to retire before July 1, 2012 were not impacted by the changes to retirement eligibility above.

II. General employees: Monthly Benefit:

- a. 2.00% of the member's monthly FAC for each year of service prior to July 1, 2012 and 1.00% of the member's monthly FAC for each year of service after July 1, 2012. The benefit cannot exceed 75% of the member's monthly FAC.

III. Police and Fire employees: Eligibility

- a. Members are eligible to retire when they are at least 55 years old and have a minimum of 25 years of contributing service. Members with less than 25 years of contributing service are eligible for retirement on or after their Social Security normal retirement age.
- b. Members who, as of June 30, 2012, had at least 10 years of contributing service, had attained age 45, and had a prior Retirement Date (described in Section (e)) before age 52 may retire at age 52.
- c. Active members on June 30, 2012 may choose to retire at their prior Retirement Date if they continue to work and contribute until that date. If option is elected, the retirement benefit will be calculated using the benefits accrued as of June 30, 2012, i.e., the member will accumulate no additional defined benefits after this date, but the benefit will be paid without any actuarial reduction.
- d. A member who is within five years of reaching their retirement eligibility date, as described in this section, and has 20 or more years of service, may elect to retire at any time with an actuarially reduced benefit.
- e. Prior to July 1, 2012, members designated as police officers or firefighters were eligible for retirement at or after age 55 with credit for at least 10 years of service or at any age with credit for 25 or more years of service. Members were also eligible to retire and receive a reduced benefit if they are at least age 50 and have at least 20 years of service. If the municipality elected to adopt the 20-year retirement provisions for police officers and/or firefighters, then such a member was eligible to retire at any age with 20 or more years of service. Members eligible to retire before July 1, 2012 were not impacted by the changes to retirement eligibility above.

- IV. Police and Fire employees: Monthly Benefit
- a. 2.00% of the member's monthly FAC for each year of service, up to 37.5 years (75% of FAC maximum).
  - b. If the optional 20-year retirement provisions were adopted by the municipality prior to July 1, 2012: 2.50% of the member's monthly FAC for each year of service prior to July 1, 2012 and 2.00% of the member's monthly FAC for each year of service after July 1, 2012. The benefit cannot exceed 75% of the member's monthly FAC.
- V. Payment Form: Benefits are paid as a monthly life annuity. Optional forms of payment are available; see below.
- VI. Death benefit:
- a. After retirement, death benefits are based on the form of annuity elected. If no option is elected, i.e., if payments are made as a life annuity, there is a minimum death benefit equal to the sum of the member's contributions without interest, less the sum of the monthly benefit payments made before the member's death. In addition, a lump-sum death benefit is payable upon the death of any retired member, regardless of option elected. This lump sum is equal to a percentage of the lump-sum death benefit that was available to the member at the time of retirement. The percentage is 100% in the first year of retirement, 75% in the second year, 50% in the third year, and 25% in the fourth and subsequent years of retirement. However, in no event will the lump sum death benefit be less than \$4,000.
  - b. Special Police/Fire Death Benefit: A member that does not elect an optional form of payment at retirement will be eligible the active member death benefit, which is an annuity of 30% of the member's salary that will be paid to the member's spouse upon death, for life or until remarriage. Children's benefits may also be payable.

12. Disability Retirement

- a. Eligibility: A member is eligible for a disability retirement provided he/she has credit for at least five years of service or if the disability is work-related. Members are not eligible for an ordinary disability benefit if they are eligible for unreduced retirement.
- b. Ordinary Disability Benefit: The benefit payable under the retirement formula, using FAC and service at the time of disability, but not less than 10 years of service.
- c. Occupational Disability Benefit: An annual annuity equal to two-thirds of salary at the time of disability.
- d. Payment Form: The disability benefit commences immediately upon the member's retirement. Benefits cease upon recovery or reemployment. Disability benefits are payable as a monthly life annuity with a guarantee that, at the member's death, the sum of the member's contributions plus interest as of the date of retirement will be paid in a lump-sum to the member's beneficiary. All alternative forms of payment except for the Social Security Option are permitted in the case of disability retirement.

13. Deferred Termination Benefit

- a. Eligibility: A member with at least ten years of service is vested. Effective July 1, 2012, a member with at least 5 years of service is vested. A vested member who does not withdraw his/her contributions from the fund is eligible for a deferred termination benefit.
- b. Monthly Benefit: The monthly benefit is based on the retirement formula described above. Both FAC and service are determined at the time the member leaves active employment. Benefits may commence at Social Security normal retirement age provided that the member has met the requirements for a retirement benefit.
- c. Payment Form: The same as for Retirement above.
- d. Death Benefit before Retirement: A member who dies after leaving active service but before retiring is entitled to receive a benefit as described below in Item 15.
- e. Death Benefit after Retirement: The same as for Retirement above.

14. Withdrawal (Refund) Benefit

- a. Eligibility: All members leaving covered employment with less than ten years (5 years, effective July 1, 2012) of service are eligible. Optionally, vested members (described in Item 13, above) may withdraw their accumulated contributions in lieu of the deferred benefits otherwise due.
- b. Benefit: The member who withdraws receives a lump-sum payment equal to the sum of his/her employee contributions. No interest is credited on these contributions.

15. Death Benefit of Active or Inactive Members

- a. Eligibility: Death must have occurred while an active member or while an inactive, non-retired member. The basic benefit plus the lump-sum benefit are paid on behalf of an active, general employee, and the special police/fire benefit and the lump-sum benefit are paid on behalf of an active police officer or firefighter. If the death was due to accidental, duty-related causes, the accidental death benefit is paid regardless of whether the employee is a general employee, a police officer, or a firefighter. Inactive members receive a refund of their accumulated contributions without interest.
- b. Basic Benefit: Upon the death of a non-vested member, or upon the death of a vested, inactive member, or upon the death of an active, unmarried member, a refund of the member's contributions (without interest) is paid. Upon the death of a vested, married, active member, the spouse may elect (i) the refund benefit described above, or (ii) a life annuity paid to the spouse or beneficiary. The amount of the annuity is equal to the amount which would have been paid had the member retired at the time of his death and elected the Joint and 100% Survivor option. If the member was not eligible for retirement, the annuity benefit is reduced 6% per year from the date at which the member would have been eligible had he or she remained in service.
- c. Lump-sum Benefit: \$800 per year of service, with a maximum benefit of \$16,000 and a minimum of \$4,000.
- d. Special Police/Fire Death Benefit: In lieu of the basic benefit above, if a police officer or firefighter dies while an active member, an annuity of 30% of the member's salary will be paid to the member's spouse, for life or until remarriage. Children's benefits may also be payable.

- e. **Accidental Duty-related Death Benefit:** If a member dies as the result of an accident while in the course of his or her duties, in lieu of the above benefits the member's spouse may elect to receive (i) a refund of all contributions made (including interest), and (ii) an annual life annuity equal to 50% of the member's salary at the time of death. The annuity benefit stops when the spouse remarries or dies, although it may be continued to any children under age 18 or to any dependent parents.

16. **Optional Forms of Payment:** In addition to a life annuity, MERS offers members these optional forms of payment on an actuarially equivalent basis:

- a. **Option 1 (Joint and 100% Survivor)** - A life annuity payable while either the participant or his beneficiary is alive.
- b. **Option 2 (Joint and 50% Survivor)** - A life annuity payable to the member while both the member and beneficiary are alive, reducing to 50% of this amount if the member predeceases the beneficiary.
- c. **Social Security Option** – An annuity paid at one amount prior to age 62, and at a reduced amount after age 62, designed to provide a level total income when combined with the member's age 62 Social Security benefit. Benefits cease upon the member's death.

Actuarial equivalence is based on tables adopted by the Employees' Retirement Board.

17. **Post-retirement Benefit Increase:** For members who retire after June 30, 2012: members will be eligible to receive cost of living increases at the later of the member's third anniversary of retirement and the month following their SSNRA (age 55 for members designated as police officers and/or firefighters). When a municipality elects coverage, it may elect either COLA C (covering only current and future active members and excluding members already retired) or COLA B (covering current retired members as well as current and future active members).

- a. The COLA will be suspended for any unit whose funding level is less than 80%; however, an interim COLA will be granted in five-year intervals while the COLA is suspended. The first interim COLA may begin January 1, 2018.
- b. The COLA will be determined based on the plan's five-year average investment rate of return minus 5.5% and will range from zero to 4.0%.
- c. The COLA will be limited to the first \$25,000 of the member's annual pension benefit. This limit will be indexed annually to increase in the same manner as COLAs.



18. Special Provisions Applying to Specific Units: Prior to July 1, 2012, some units had specific provisions that apply only to that unit. The transition rules outlined in Item 11, above, apply to these units in a similar manner. The following summarizes those provisions:
- a. Rhode Island General Law §45-21.2-22.1 contains special provisions that apply to employees of Burrillville Police, but only if adopted by the Town of Burrillville. The Town adopted these provisions effective July 1, 2006. Under these special provisions, the retirement benefit for a member with 20 or more years of service is improved. The new formula is  $60.00\% \times \text{Final Average Compensation (FAC)}$ , plus  $1.50\% \times \text{FAC} \times \text{Years of Service in Excess of 20}$ , with a maximum benefit equal to 75% of FAC. In addition to this benefit change, the member contribution rate increased from 9.00% to 10.20%.
  - b. Rhode Island General Law § 45-21.2-6.1, § 45-21.2-5(5), and § 45-21.2-14(d) contain special provisions that apply to members of the South Kingstown police department. Under these special provisions, the member receives a retirement allowance which is a life annuity terminable at the death of the annuitant, and is an amount equal to the sum of two and one-half percent (2.5%) of final compensation multiplied by the years of service accrued after July 1, 1993 and two percent (2%) of final compensation multiplied by the years of service accrued prior to July 1, 1993. The annual retirement allowance in no event shall exceed seventy-five percent (75%) of final compensation. The member contribution rate is 8.00%, plus 1.00% for the adoption of the optional COLA, for a total of 9.00%.
  - c. Rhode Island General Law § 45-21.2-5 (9) contains special provisions that apply to members of the Hopkinton police department. Under these special provisions, the final compensation for benefit computation is based on the members' highest year of earnings. In addition, the members shall receive a three percent (3%) escalation of their pension payment compounded each year on January 1st following the year of retirement and continuing on an annual basis on that date. The member contribution rate is 9.00%. Compensation for benefit purposes includes base, longevity, and holiday pay.
  - d. Rhode Island General Law § 45-21.2-5 (7) and § 45-21.2-14 contain special provisions that apply to members of the Cranston fire department hired after July 1, 1995 or with less than 5 years of service at that date. Under these special provisions, the final compensation for benefit computation is based on the members' highest year of earnings. In addition, the members shall receive a three percent (3%) escalation of their pension payment compounded each year on January 1st following the year of retirement and continuing on an annual basis

on that date. The member contribution rate is 10.00%. Compensation for benefit purposes includes base, longevity, and holiday pay.

- e. Rhode Island General Law §§ 45-21.2-5 (8) and § 45-21.2-14 contain special provisions that apply to members of the Cranston police department hired after July 1, 1995 or with less than 5 years of service at that date. Under these special provisions, the final compensation for benefit computation is based on the members' highest year of earnings. In addition, the members shall receive a three percent (3%) escalation of their pension payment compounded each year on January 1st following the year of retirement and continuing on an annual basis on that date. The member contribution rate is 10.00%. Compensation for benefit purposes includes base, longevity, and holiday pay.
- f. Rhode Island General Law §§ 45-21.2-6.3 contains special provisions that apply to employees of Richmond Police. The Town adopted these provisions on April 3, 2008, effective July 1, 2008. Under these special provisions, members are eligible to retire after attaining 22 years of service. The retirement benefit for a member with 22 or more years of service was improved to  $50.00\% \times \text{Final Average Compensation (FAC)}$ , plus  $2.2727\% \times \text{FAC} \times \text{Years of Service in Excess of 22}$ , with a maximum benefit equal to 75% of FAC.

## Glossary

**Actuarial Accrued Liability (AAL):** That portion, as determined by a particular Actuarial Cost Method, of the Actuarial Present Value of Future Plan Benefits which is not provided for by future Normal Costs. It is equal to the Actuarial Present Value of Future Plan Benefits minus the actuarial present value of future Normal Costs.

**Actuarial Assumptions:** Assumptions as to future experience under the Fund. These include assumptions about the occurrence of future events affecting costs or liabilities, such as:

- mortality, withdrawal, disablement, and retirement;
- future increases in salary;
- future rates of investment earnings and future investment and administrative expenses;
- characteristics of members not specified in the data, such as marital status;
- characteristics of future members;
- future elections made by members; and
- other relevant items.

**Actuarial Cost Method or Funding Method:** A procedure for allocating the Actuarial Present Value of Future Benefits to various time periods; a method used to determine the Normal Cost and the Actuarial Accrued Liability. These items are used to determine the ARC.

**Actuarial Gain or Actuarial Loss:** A measure of the difference between actual experience and that expected based upon a set of Actuarial Assumptions, during the period between two Actuarial Valuation dates. Through the actuarial assumptions, rates of decrements, rates of salary increases, and rates of fund earnings have been forecasted. To the extent that actual experience differs from that assumed, Actuarial Accrued Liabilities emerge which may be the same as forecasted, or may be larger or smaller than projected. Actuarial gains are due to favorable experience, e.g., the Fund's assets earn more than projected, salaries do not increase as fast as assumed, members retire later than assumed, etc. Favorable experience means actual results produce actuarial liabilities not as large as projected by the actuarial assumptions. On the other hand, actuarial losses are the result of unfavorable experience, i.e., actual results that produce actuarial liabilities which are larger than projected. Actuarial gains will shorten the time required for funding of the actuarial balance sheet deficiency while actuarial losses will lengthen the funding period.

**Actuarially Equivalent:** Of equal actuarial present value, determined as of a given date and based on a given set of Actuarial Assumptions.

**Actuarial Present Value (APV):** The value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of Actuarial Assumptions. For purposes of this standard, each such amount or series of amounts is:

- a. adjusted for the probable financial effect of certain intervening events (such as changes in compensation levels, marital status, etc.)
- b. multiplied by the probability of the occurrence of an event (such as survival, death, disability, termination of employment, etc.) on which the payment is conditioned, and
- c. discounted according to an assumed rate (or rates) of return to reflect the time value of money.

**Actuarial Present Value of Future Plan Benefits:** The Actuarial Present Value of those benefit amounts which are expected to be paid at various future times under a particular set of Actuarial Assumptions, taking into account such items as the effect of advancement in age and past and anticipated future compensation and service credits. The Actuarial Present Value of Future Plan Benefits includes the liabilities for active members, retired members, beneficiaries receiving benefits, and inactive, nonretired members either entitled to a refund or a future retirement benefit. Expressed another way, it is the value that would have to be invested on the valuation date so that the amount invested plus investment earnings would be provide sufficient assets to pay all projected benefits and expenses when due.

**Actuarial Valuation:** The determination, as of a valuation date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets, and related Actuarial Present Values for a plan. An Actuarial valuation for a governmental retirement system typically also includes calculations of items needed for compliance with GASB 25, such as the funded ratio and the ARC.

**Actuarial Value of Assets or Valuation Assets:** The value of the Fund's assets as of a given date, used by the actuary for valuation purposes. This may be the market or fair value of plan assets, but commonly actuaries use a smoothed value in order to reduce the year-to-year volatility of calculated results, such as the funded ratio and the ARC.

**Actuarially Determined:** Values which have been determined utilizing the principles of actuarial science. An actuarially determined value is derived by application of the appropriate actuarial assumptions to specified values determined by provisions of the law.

**Amortization Method:** A method for determining the Amortization Payment. The most common methods used are level dollar and level percentage of payroll. Under the Level Dollar method, the Amortization Payment is one of a stream of payments, all equal, whose Actuarial Present Value is equal to the UAAL. Under the Level Percentage of Pay method, the Amortization payment is one of a stream of increasing payments, whose Actuarial Present Value is equal to the UAAL. Under

the Level Percentage of Pay method, the stream of payments increases at the assumed rate at which total covered payroll of all active members will increase.

**Amortization Payment:** That portion of the pension plan contribution or ARC which is designed to pay interest on and to amortize the Unfunded Actuarial Accrued Liability.

**Annual Required Contribution (ARC):** The employer's periodic required contributions, expressed as a dollar amount or a percentage of covered plan compensation, determined under GASB 25. The ARC consists of the Employer Normal Cost and the Amortization Payment

**Closed Amortization Period:** A specific number of years that is counted down by one each year, and therefore declines to zero with the passage of time. For example if the amortization period is initially set at 30 years, it is 29 years at the end of one year, 28 years at the end of two years, etc. See Funding Period and Open Amortization Period.

**Decrements:** Those causes/events due to which a member's status (active-inactive-retiree-beneficiary) changes, that is: death, retirement, disability, or termination.

**Defined Benefit Plan:** A retirement plan that is not a Defined Contribution Plan. Typically a defined benefit plan is one in which benefits are defined by a formula applied to the member's compensation and/or years of service.

**Defined Contribution Plan:** A retirement plan, such as a 401(k) plan, a 403(b) plan, or a 457 plan, in which the contributions to the plan are assigned to an account for each member, and the plan's earnings are allocated to each account, and each member's benefits are a direct function of the account balance.

**Employer Normal Cost:** The portion of the Normal Cost to be paid by the employers. This is equal to the Normal Cost less expected member contributions.

**Experience Study:** A periodic review and analysis of the actual experience of the Fund which may lead to a revision of one or more actuarial assumptions. Actual rates of decrement and salary increases are compared to the actuarially assumed values and modified as deemed appropriate by the Actuary.

**Funded Ratio:** The ratio of the actuarial value of assets (AVA) to the actuarial accrued liability (AAL). Plans sometimes calculate a market funded ratio, using the market value of assets (MVA), rather than the AVA, although GASB 25 reporting requires the use of the AVA.

**Funding Period or Amortization Period:** The term "Funding Period" is used in two ways. In the first sense, it is the period used in calculating the Amortization Payment as a component of the ARC. This funding period is chosen by the Board of Trustees. In the second sense, it is a calculated item: the number of years in the future that will theoretically be required to amortize (i.e., pay off

or eliminate) the Unfunded Actuarial Accrued Liability, based on the statutory employer contribution rate, and assuming no future actuarial gains or losses.

**GASB:** Governmental Accounting Standards Board.

**GASB 25** and **GASB 27:** Governmental Accounting Standards Board Statements No. 25 and No. 27. These are the governmental accounting standards that set the accounting rules for public retirement systems and the employers that sponsor or contribute to them. Statement No. 27 sets the accounting rules for the employers that sponsor or contribute to public retirement systems, while Statement No. 25 sets the rules for the systems themselves.

**Normal Cost:** That portion of the Actuarial Present Value of pension plan benefits and expenses which is allocated to a valuation year by the Actuarial Cost Method. Any payment in respect of an Unfunded Actuarial Accrued Liability is not part of Normal Cost (see Amortization Payment). For pension plan benefits which are provided in part by employee contributions, Normal Cost refers to the total of employee contributions and employer Normal Cost unless otherwise specifically stated. Under the entry age normal cost method, the Normal Cost is intended to be the level cost (when expressed as a percentage of pay) needed to fund the benefits of a member from hire until ultimate termination, death, disability or retirement.

**Open Amortization Period:** An open amortization period is one which is used to determine the Amortization Payment but which does not change over time. In other words, if the initial period is set as 30 years, the same 30-year period is used in determining the Amortization Period each year. In theory, if an Open Amortization Period is used to amortize the Unfunded Actuarial Accrued Liability, the UAAL will never completely disappear, but will become smaller each year, either as a dollar amount or in relation to covered payroll.

**Unfunded Actuarial Accrued Liability:** The excess of the Actuarial Accrued Liability over the Actuarial Value of Assets. This value may be negative in which case it may be expressed as a negative Unfunded Actuarial Accrued Liability, also called the Funding Surplus.

**Valuation Date or Actuarial Valuation Date:** The date as of which the value of assets is determined and as of which the Actuarial Present Value of Future Plan Benefits is determined. The expected benefits to be paid in the future are discounted to this date.