

**Employees' Retirement System  
of the State of Rhode Island**

**FOURTEENTH ANNUAL REPORT  
OF THE  
BOARD OF TRUSTEES**

**For the Fiscal Year Ended  
June 30, 1949**

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

**HON. RAYMOND E. HAWKESLEY, CHAIRMAN**  
General Treasurer  
(ex officio)

**FOURTEENTH ANNUAL REPORT**

**of the**  
(Term expires June 30, 1951)

**BOARD OF TRUSTEES**

**CHARLES W. CUSHMAN**  
Director of Civil Service  
(ex officio)

**RUSSELL B. SANDY**  
**June 30, 1949**  
Director of Finance  
(ex officio)

**THOMAS J. WEEHAN**  
Director of Business Regulation  
(ex officio)

**DR. MICHAEL P. WALSH**  
Director of Education  
(ex officio)

**Issued by Authority of the**  
**BOARD OF TRUSTEES OF THE EMPLOYEES'**  
**RETIREMENT SYSTEM OF THE STATE OF**  
**RHODE ISLAND**

**PROVIDENCE**

**STATE OF RHODE ISLAND**

**JOHN O. PASTORE**

**Governor**

BOARD OF TRUSTEES

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DR. MICHAEL F. WALSH  
Director of Education  
(ex officio)

CHARLES W. HILL  
Assistant Controller  
(Term expires June 30, 1951)

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JOSEPH B. LEWIS,  
Secretary

February 15, 1950.

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Respectfully submitted,

\_\_\_\_\_  
Chairman

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Employees' Retirement System of the  
State of Rhode Island

February 15, 1950.

FOURTEENTH ANNUAL REPORT  
of the  
BOARD OF TRUSTEES

To His Excellency The Honorable John O. Pastore  
Governor of the State of Rhode Island  
Providence, R. I.

Presented herewith the Fourteenth Annual  
Employees' Retirement System of the State of Rhode Island, covering the  
fiscal year ended June 30, 1949. Included in this report  
are financial statements illustrating the condition of

In accordance with the provisions of  
Chapter 18, governing the operation of the Employees'  
Retirement System of the State of Rhode Island, the  
retirement board takes pleasure in submitting here-  
with, for transmittal to the General Assembly, its  
FOURTEENTH ANNUAL REPORT covering operations of the  
system for the fiscal year ended June 30, 1949.

Membership

Respectfully submitted,

The changes in the membership of the system during  
the year are clearly illustrated by the following summary  
statement:

\_\_\_\_\_  
Chairman

Number of Members, July 1, 1948

4446

Additions:

New members entering the system  
during the year

Aggregate Membership

739  
5185

Deductions:

Retirements	22
Withdrawals with refund	427
Deaths due to occupational causes	--
Deaths due to non- occupational causes	36
Total Deductions	485

Number of members, June 30, 1949

485  
4700

Employees' Retirement System of the  
State of Rhode Island

FOURTEENTH ANNUAL REPORT  
of the  
BOARD OF TRUSTEES

There is presented herewith the Fourteenth Annual Report of the Board of Trustees of the Employees' Retirement System of the State of Rhode Island, covering the fiscal year ended June 30, 1949. Included in this report are financial statements illustrating the condition of the system and the results of its operations, and a report from the actuary on an actuarial valuation of the system as of the close of the year.

Membership

The changes in the membership of the system during the year are clearly illustrated by the following summary statement:

<u>Number of Members, July 1, 1948</u>		4446
<u>Additions:</u>		
New members entering the system during the year		739
	Aggregate Membership	<u>5185</u>
<u>Deductions:</u>		
Retirements	22	
Withdrawals with refund	427	
Deaths due to occupational causes	--	
Deaths due to non-occupational causes	<u>36</u>	
Total Terminations		<u>485</u>
<u>Number of Members, June 30, 1949</u>		<u><u>4700</u></u>

It will be noted that there was an increase in membership during the year, equal to 5.7%.

Teacher Members

In accordance with the provisions of Chapters 2101 and 2102 of the Public Laws of 1948, teachers of the State schools and teachers of the several cities and towns of the State, became members of the system effective July 1, 1949.

The number of such teachers who came into membership, and the amounts of their annual salaries, are as follows:

	<u>Number</u>	<u>Annual Salaries</u>
State schools	138	\$ 482,365.00
Schools of the Cities and Towns	<u>4269</u>	<u>13,369,797.75</u>
Totals	<u>4407</u>	<u>\$13,852,162.75</u>

More detailed data relative to these new members, showing their classification by schools, appears in the appendix hereof.

Retirements

The number of persons in receipt of retirement allowances at the close of the year was 155, whose annual payments totalled \$107,364.51. The number of retirement allowances granted during the year was 22, compared with 21 during the preceding year.

The following statement sets forth the number of beneficiaries in receipt of the several types of benefit provided by the system, and the amount of the annual payments under each type of benefit:

<u>Type of Benefit</u>	<u>Number of Beneficiaries</u>	<u>Amount of Annual Payments</u>
Service retirement		
(a) Without optional selection	101	\$ 65,725.01
(b) Option 1	26	23,018.80
(c) Option 2	5	4,755.27
(d) Option 3	2	3,458.13
Beneficiaries of former retirants	4	2,065.10
Special widow's annuity	1	1,322.18
Accidental death benefit	2	772.75
Ordinary disability benefit	11	4,187.63
Accidental disability benefit	<u>3</u>	<u>2,149.67</u>
Totals	<u>155</u>	<u>\$107,454.54</u>



Results of Operations

The results of operations for the year were satisfactory. Total income of the system was larger than during the preceding year, due to an increase in member contributions, a slightly larger State appropriation reflecting the rising trend in salary payments and a small increase in interest income on investments. Total income on an accrual basis amounted to \$1,173,518.00.

Expenditures by the system for retirement allowances, death benefits and other benefit payments totalled \$166,785.49 compared with \$116,202.89 for the preceding fiscal year, indicating an increase in these payments for the year equal to 43.5%. Payments for retirement allowances included a special pension increase of 25% granted those persons who were on retirement on July 1, 1947. This increase was granted these persons in order that they might receive benefit payments at a level approximately equal to the rate provided by the revised retirement benefit formula, effective as of that date, applying to members retiring subsequent thereto.

Refunds due to resignations increased fractionally during the year, amounting to \$128,558.18. These refund payments have maintained a fairly uniform level in recent

years in relation to the aggregate member contribution accounts of the system.

Total expenditures by the system for benefits and refunds amounted to \$296,214.47.

The excess of income over expenditures was \$877,303.53. This was credited to the reserves of the system, increasing total reserves to \$4,757,987.91. It should be noted that the annuity savings account representing the reserve equity of the members was equal to 56.3% of the total reserves, and that the contingency reserve account reflecting State contributions, including the remainder applicable to special pension increases, was 43.7% of total reserves.

#### Investment Account

Total investments of the system at the close of the year amounted to \$4,392,733.50 at par value for bonds and at cost value for bank stocks.

These investments classified by types of bonds are summarized as follows:

<u>Type of Investment</u>	<u>Par Value or Cost</u>
United States Government	\$3,752,500.00
State of Rhode Island	1,000.00
Municipalities in Rhode Island	215,000.00
Municipalities of Canada	40,000.00
Public Utility, Railroad and Industrial	175,000.00
Bank Stocks	209,233.50
	<hr/>
Total	\$4,392,733.50
	<hr/> <hr/>

The average income yield during the year on the entire amount of investments owned was 2.56%.

New purchases during the year consisted entirely of United States Government Bonds, and amounted to \$900,000.00 at par value. This class of security still provides a more satisfactory yield in comparison with high grade State and municipal bonds and represents, in the opinion of the trustees, an ideal medium of investment for funds of a retirement system. It is not necessary for the system to seek tax-exempt securities. The increased demand for such securities in recent years, occasioned by high federal tax rates, has resulted in

increasingly higher prices for these bonds, and correspondingly lower yields. Government bonds, therefore, have proved to be more attractive than State and municipal issues, from the standpoint of security and yield, to an institution such as a public employees' retirement system.

Securities disposed of during the year amounted to \$29,435.00 cost value and consisted of 406 shares of the National Bank of Commerce, Providence. A profit was realized on this sale, in the sum of \$25,375.00 .

The net increase in the investment account for the year was \$870,565.00.

#### Legislation

Sixteen different Acts were approved at the 1949 session of the General Assembly, dealing with the subject of pensions for public employees and affecting the operation of the Employees' Retirement System. These different acts are summarized in the appendix hereof.

#### Problem posed by inclusion of Teachers as members

Some question had arisen during the year regarding the basis to be used in establishing the vested pension

credits in the case of teachers who became members of the system on July 1, 1949, who are also members of the City of Providence Retirement System or the City of Newport Retirement System. This question came about as a result of the statutory limitation on the combined allowances from the State system and the City systems equal to 75% of final rate of salary. In such a case the amount to be paid by the State system is the difference between 75% of salary and the amount provided by the City system.

In enacting Chapter 2101 and prescribing the aforesaid limitation and offset, it was naturally assumed by the Legislature that the City systems were meeting in full their statutory obligations under their respective retirement plans and that their reserves represented the full amount of the actuarial reserve requirements as stipulated in their laws. Under this assumption, the amount of retirement allowance payable to any teacher under a City system would represent the maximum obligation in accordance with the expressed and implied provisions of the applicable law. It is obligatory upon each system to accumulate reserves to meet the full actuarial reserve requirements covering all pension credits accruing to the members of the system.

Upon the effective date of Chapter 2101, namely, July 1, 1949, when its provisions became fully operative and it became necessary to apply the aforesaid limitation, it was disclosed that full reserves as required by the respective City acts had not been maintained and that these reserves were deficient in meeting the full actuarial reserve requirements. As a result the City retirement systems took the position that since Section 5 of Chapter 2101 provided as the "amount of the reserve held in the pension accumulation fund of said system as the result of previous contributions of the City of Providence or said City of Newport, as the case may be, on account of such teacher...", the equity of each teacher consisted of the proportionate share of the actual balance in such city contribution fund and not a proportion of the full credits had all contributions been made as provided by the city Acts. As a result of this position, a smaller retirement allowance was established for such teachers by the City systems, the effect of which, in the application of the offset above mentioned, was to increase the obligation of the State.

The intent of the Legislature in enacting Chapter 2101 was to provide pension coverage for the teachers in

the State system, and in doing so, it was stipulated that an adjustment of the accrued equities in the applicable City system would be made so that each teacher would be credited with the proportionate share of the reserves in such City system accumulated according to statutory requirements. It was not proposed by this legislation that the State was to relieve the City of some of its lawful obligations under the established retirement system.

Under the method of financing prescribed by Chapter 2101, the State of Rhode Island and the cities and towns share equally in the cost of benefits to the teachers after applying the contributions made by the members concerned.

The effect of the position taken by the City systems, therefore, if maintained, will be to increase the cost of future benefit payments to the teachers to the extent of one-half of the difference between the amount actually allocated to the teachers by the City systems and the amount that should have been credited and apportioned to the teachers on the basis contemplated by their acts. This increase would occur only in those

cases where sufficiently long periods of service were rendered so as to make it necessary to apply the limitation.

As of the date of this report, the results of the actuarial valuation of these systems had not been completed and were not available for analysis by this Board, hence the issue is still pending and remains unresolved.

#### Appropriation 1950-1951

The amount of appropriation to the system by the State of Rhode Island, on account of State employees and teachers of the State schools who became members of the system on July 1, 1949, covering the fiscal year beginning July 1, 1950, is \$540,000.00.

The amount determined as the State appropriation for such fiscal year on account of the teacher members of the several cities and towns of the State is \$330,000.00. Under the law, the cities and towns are obligated to contribute to the system a like amount to that paid by the State. This contribution is to be made by each city or town on a pro rata basis, according to the ratio of the total salaries of the teachers in the employ of a city or town to the aggregate salaries of all teachers of all



cities and towns participating in the system, as provided by Chapter 2101.

These contributions have been determined according to the method of financing prescribed in Chapter 18 and Chapter 2101<sup>as amended</sup>/. This method provides that the amounts to be contributed by an employer to the system for any fiscal year shall be equal to the average annual expenditures by the system for a period of ten years next succeeding the fiscal year in question after applying against these expenditures the amounts contributed by the members on account of whom the expenditures are to be made.

#### Proposed Federal Legislation

H.R. 6000 now pending before Congress provides, among other things, for the extension of the old age and survivors provisions of the Social Security Act to public employees.

Under this bill each State would have the option of placing all public employees, including employees of the State and of all political subdivisions thereof, under social security. This would be accomplished by means of an enabling Act, to be passed by the State Legislature, which would constitute the agreement between the State and the Federal Government. The State would collect the required contributions from the employees and the political subdivisions in the amounts stipulated under

the Social Security Act, and would then remit these amounts to the federal government. The State government would thus serve as an agent for the federal government in respect to the administration of the contribution provisions of the Social Security Act.

In the case of employees already covered by a retirement system under State or local legislation, a referendum is provided whereby approval by two-thirds of the members of a system voting on the proposition of inclusion under the agreement would be sufficient to place the employees under the Social Security Act. If the members of a system approve this coverage, either the existing local plan would be adjusted in its contribution and benefit provisions to give effect to the contributions and benefits under social security, or the social security benefits would be superimposed in full on the local retirement system without change in the local plan.

Further consideration to this legislation will be given by the Board if and when the same is enacted into law. At such time the course of action by the Legislature with respect thereto will be proposed.

Since the final form of the legislation is not known at this time, no recommendations can be made in this report.

### Recommendations

Section 3 of Chapter 18 provides that the annual report of the Board "shall also embody such other data as may be of use in the advancement of knowledge concerning state employee pensions and any recommendations of the board for changes in the laws pertaining to the system." The retirement board, in its annual reports, has endeavored to give effect to this authority by making recommendations for the improvement of the retirement plan and expressing its opinions concerning certain legislative proposals or enactments affecting the operation of the retirement system.

The board has previously voiced its objections to the authorization of special grants to former state employees, additional to the benefits provided by the retirement system. It regards such a practice as discriminatory against the great mass of State employees. It recommends that these special grants be discontinued since they are costly and reflect an undesirable policy for the State.

The indiscriminate extension of service in the case of aged employees beyond the age fixed in the retirement plan for their automatic retirement is not conducive to a sound personnel policy for the State as a whole and will prove increasingly troublesome to the State officials. While the compulsory retirement provisions in the retirement Act are discretionary in their application, their specific intent and purpose was to make it possible to continue in service employees whose health was unimpaired, whose special skills and peculiar talents were essential to the maintenance of efficient operating standards in State employment and who could not conveniently be replaced at the time fixed for their retirement. It was not proposed that the provisions be set aside each year, in each and every case, regardless of the needs of the service or the health condition of the employees concerned. The present policy of granting extensions to practically all such aged employees is wrong in principle and is strongly objectionable. It is recommended that a screening of these aged employees be undertaken along the lines previously proposed by this Board in order that only those employees who can pass a medical examination and whose services are actually essential for the performance of a specialized job should

be retained in the service until such time as proper replacements can be made without disturbance to normal operations.

Special appropriations for dependents of employees is another form of legislation which tend to create dissatisfaction among the employees and is in violation of a sound personnel policy. If such grants are to be made, then all employees should be treated alike and provisions made for their dependents as well on a uniform and non-discriminatory basis. It is recommended that claims of this character be denied even though they may have considerable merit. The old age assistance laws of the State are available in any case in which the need exists and is acute.

Recent years have witnessed the enactment of an increasing number of such special acts and the allowance of grants to certain former employees. The effect of this legislation is to modify or set aside the provisions made by the Employees' Retirement System for uniform benefits for all State employees, and the standards, conditions and qualifications prescribed for the receipt of these benefits. This special legislation is discriminatory

in its effect, and in violation of sound pension principles. The board hereby records its strong objections to this practice and urges an immediate cessation of legislation of this kind since it is contrary to a sound, sensible and equitable pension policy for the State government.

Requests arise from time to time for revisions in the retirement plan. There exists no question about the merits of any proposal aiming to provide pension credit for State government employment in any case in which such credit has not previously been covered. This type of legislation is in accord with good pension policy. Nor is there any objection to the extension of the period for the allowance of pension credit beyond the present limitation of thirty-six years, since this is also in accord with recognized practice in retirement system operations.

However, any proposals aiming to increase the rate of benefits or to extend the benefit schedule or to provide a minimum benefit for certain employees should be examined carefully and critically with particular regard to their present and future cost implications. If any such proposals meet the test of good pension

policy and are considered for adoption, their approval should be conditioned upon an increase in the rate of member contributions in order that the members may assume an equitable proportion of the additional cost necessary to finance such changes. The present rate of member contribution reflects the members' share of the cost of the benefit provisions as now constituted and the obligation of any liberalization thereof should be assumed in part by the members.

#### Conclusion

The results reported herein evidence definite progress during the year in the operation of the system. These results were achieved under a plan which guarantees to the employees and their dependents protection for the major economic hazards of superannuation, disability and death. It has been conclusively demonstrated that the form of plan underlying the operation of the system is sound and constructive, and meets in an effective manner, for the State of Rhode Island, as an employer, the need for a well-balanced retirement program for its employees.

The system serves as an essential adjunct to its established personnel policy. It has engendered a feeling

of confidence and loyalty among the employees which comes about only through the knowledge that their accrued rights and future expectancies under the system are secure.

The trustees hereby acknowledge the loyal and faithful services of all officers and employees who have served the system during the past year.

Respectfully submitted,

Retirement Board, Employees' Retirement  
System of the State of Rhode Island

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Chairman

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Secretary



Employees' Retirement System of the  
State of Rhode Island

FINANCIAL BALANCE SHEET - JUNE 30, 1949

A S S E T S

Cash		\$ 365,254.41
Investments (par value):		
U.S. Government	\$3,752,500.00	
State of Rhode Island	1,000.00	
Municipalities in Rhode Island	215,000.00	
Canadian Bonds	40,000.00	
Industrial Bonds	175,000.00	
Bank Stocks (at cost)	209,233.50	\$4,392,733.50
<u>Total Assets</u>		<u>\$4,757,987.91</u>

LIABILITIES AND RESERVES

Current Liabilities		\$ - -
None		
Reserves:		
Special Pension Increases		2,239.85
Annuity Savings Account		2,679,605.45
Contingency Reserve Account		2,076,142.61
<u>Total Liabilities and Reserves</u>		<u>\$4,757,987.91</u>

Employees' Retirement System of the  
State of Rhode Island

Statement of Cash Receipts and Disbursements  
for the Fiscal Year Ended June 30, 1949

Cash Balance July 1, 1948 \$ 358,515.88

Receipts:

State Appropriation -		
General Fund	\$450,000.00	
Employees' Contributions	570,124.00	
Income on Investments	107,419.00 <sup>y</sup>	
Sale of Investments	29,435.00	
Premium on Sale of		
Investments	25,375.00 <sup>y</sup>	
State appropriation -		
Pension Increases	20,000.00	
Transfers from Certain		
Employees' Fund	<u>600.00</u>	
Total Receipts		<u>\$1,202,953.00</u>
Total Available		<u>\$1,561,468.88</u>

Disbursements:

Refunds due to resignations	\$128,558.18	
Pensions Paid (including		
Death Benefits)	149,025.34	
Purchase of Investments	900,000.00	
Premium and Interest on		
Purchases	870.80 <sup>y</sup>	
Special Pension Increases	<u>17,760.15</u>	
Total Disbursements		<u>\$1,196,214.47</u>
<u>Cash Balance June 30, 1949</u>		<u>\$ 365,254.41</u>

Employees' Retirement System of the  
State of Rhode Island

Statement of Investments Owned  
June 30, 1949

<u>Description</u>	<u>Par Value</u>	
<u>U.S. Government Bonds</u>		
U.S. Treasury, 2½%, due 6/15/55-52	\$80,000.00	
U.S. Treasury, 2½%, due 6/15/56-54	50,000.00	
U.S. Treasury, 2½%, due 9/15/72-67	37,500.00	
U.S. Treasury, 2½%, due 3/15/54-52	30,000.00	
U.S. Treasury, 2½%, due 3/15/58-56	30,000.00	
U.S. Treasury, 2½%, due 3/15/70-65	75,000.00	
U.S. Treasury, 2½%, due 3/15/70-65	120,000.00	
U.S. Treasury, 2½%, due 12/15/69-64	100,000.00	
U.S. Treasury, 2½%, due 12/15/68-63	150,000.00	
U.S. Treasury, 2-3/4%, due 9/15/65-59	20,000.00	
U.S. Treasury, 2-3/4%, due 12/15/65-60	90,000.00	
U.S. Treasury War Savings 2½% due 8/1/54	50,000.00	
U.S. Treasury Series G 2½%, due 9/1/55	100,000.00	
U.S. Treasury Series G 2½%, due 2/1/56	10,000.00	
U.S. Treasury Series G 2½%, due 5/1/53	50,000.00	
U.S. Treasury War Savings 2½%, due 11/1/54	50,000.00	
U.S. Treasury, 2½%, due 9/15/72-67	60,000.00	
U.S. Treasury, 2½%, due 6/15/72-67	1,250,000.00	
U.S. Treasury, 2½%, due 3/15/71-66	250,000.00	
U.S. Treasury, 2½%, due 12/15/62	300,000.00	
U.S. Treasury, Series G 2½%, due 9/1/59	100,000.00	
U.S. Treasury, Series G 2½%, due 7/1/61	750,000.00	\$3,752,500.00

State of Rhode Island

State Office Building, Registered 4%, due 6/1/77	<u>1,000.00</u>	1,000.00
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Statement of Investments Owned  
June 30, 1949

<u>Description</u>	<u>Par Value</u>	
<u>Municipalities in Rhode Island</u>		
City of Central Falls, Funding, 4%, due 4/1/65	\$ 3,000.00	
City of Central Falls, Sewer, 4½%, due 7/1/52	5,000.00	
Town of Coventry, School, 4½%, due 5/15/50	3,000.00	
East Smithfield Water District, 3-¾%, due 9/1/53	3,000.00	
Town of Narragansett, Beach Develop- ment, 3%, due 4/1/63-69	20,000.00	
Town of North Providence, Sewer, 3%, due 9/1/67	35,000.00	
City of Pawtucket, Park, 2½%, due 7/1/60-61	20,000.00	
City of Pawtucket, Highway, 3½%, due 12/1/53-54	9,000.00	
City of Pawtucket, Sewer, 3½%, due 12/1/53-54	10,000.00	
City of Pawtucket, Water, 3½%, due 12/1/53-54	10,000.00	
City of Pawtucket, School 4½%, due 5/1/54	10,000.00	
Town of Richmond, School 4%, due 4/1/59-62	4,000.00	
Town of West Warwick-Sewer 2½%, due 7/1/58-71	28,000.00	
Town of West Warwick-School 2-¾%, due 11/1/54-58	15,000.00	
Town of West Warwick-Sewer, 2-¾%, due 2/1/63	15,000.00	
City of Woonsocket-Water, 4½%, due 6/1/66	5,000.00	
City of Woonsocket-Water, 4½%, due 6/1/50	10,000.00	
City of Woonsocket-Sewer, 4½%, due 6/1/50	10,000.00	
	<u>\$ 215,000.00</u>	

Municipalities of Canada

Harbor Commissioners of Montreal, First Mortgage, 5%, due 11/1/69	20,000.00	
Province of Quebec, Dominion of Canada, 3%, due 7/15/57	<u>20,000.00</u>	40,000.00

Statement of Investments Owned  
June 30, 1949

<u>Description</u>	<u>Par Value</u>	
<u>Public Utility, Railroad &amp; Industrial</u>		
Appalachian Power Company, 1st Mortgage 3½%, due 12/1/70	\$20,000.00	
Atchison, Topeka and Santa Fe Railway Company, General Mtge., 4%, due 10/1/95	10,000.00	
Central Maine Power Company, General and 1st Mortgage, 3½% due 10/1/70	19,000.00	
Chesapeake and Ohio Railway Company, Mortgage, 3½%, due 8/1/96	9,000.00	
Chicago Union Station, 1st Mortgage, Series F, 3-1/8%, due 7/1/63	10,000.00	
Kansas Power & Light Company, 1st Mtge., 3½%, due 7/1/69	10,000.00	
Pennsylvania Railroad Co., General Mtge., Series A, 4½%, due 6/1/65	12,000.00	
Phillips Petroleum Co., Sinking Fund Debentures 2-3/4%, due 2/1/64	29,000.00	
Pennsylvania Railroad Company, Equip't Trust Series K, 2½%, due 7/1/55	20,000.00	
Union Oil Company of California, Debenture, 3%, due 1/1/67	20,000.00	
Washington Water Power Company, First Mtge., 3½%, due 6/1/64	<u>16,000.00</u>	175,000.00

Bank Stocks

545 shs. Providence National Bank	40,251.00
131 shs. Industrial Trust Company, Providence	23,318.00
2 shs. Rhode Island Hospital Trust Company, Providence	4,600.00
480 shs. Bankers Trust Company - New York	19,150.00
100 shs. Central Hanover Bank and Trust Company, New York	9,050.00
400 shs. Chase National Bank - New York	11,237.50
500 shs. Chemical Bank and Trust Company, New York	16,642.00

Statement of Investments Owned  
June 30, 1949

<u>Description</u>	<u>Par Value</u>
<u>Bank Stocks (cont'd)</u>	
15 shs. First National Bank - New York	\$24,125.00
80 shs. Guarantee Trust Company - New York	20,160.00
2,000 shs. Irving Trust Company - New York	21,750.00
400 shs. National City Bank - New York	9,175.00
100 shs. New York Trust Company - New York	<u>9,775.00</u>
<u>4,753 shs.</u>	<u>\$ 209,233.50</u>
<u>Totals</u>	<u>\$4,392,733.50</u>

Statement of Investments Purchased and  
Sold During the Fiscal Year  
Ended June 30, 1949

Purchases

\$150,000.00 par value U.S. Treasury 2½%, due 6/15/72-67	\$150,000.00
\$750,000.00 par value U.S. Treasury Series "G" 2½%, due 7/1/1961	<u>750,000.00</u>
Total	<u>\$900,000.00</u>

Sales

406 shares National Bank of Commerce, Providence -	
Sale Price	\$ 54,810.00
Cost	<u>29,435.00</u>
Profit on Sale	<u>\$ 25,375.00</u>

Redemptions

N o n e

REPORT ON AN ACTUARIAL VALUATION OF THE  
ASSETS AND LIABILITIES OF THE EMPLOYEES RETIREMENT  
SYSTEM OF THE STATE OF RHODE ISLAND  
AS OF JUNE 30, 1949

This report presents the results of an actuarial valuation of the assets and liabilities of the Employees Retirement System of the State of Rhode Island, as of June 30, 1949.

Basis of Valuation

The provisions of the plan of operation forming the basis of this valuation are summarized in the appendix hereof.

Teacher Members

Membership of teachers of the State Schools and of the several Cities and Towns of the State became effective July 1, 1949, under Chapters 2101 and 2102. Because complete data concerning age, service and salary characteristics was not available on the teachers in time for our valuation, this group of members is not reflected in this report.



Basic data

The statistics used in the preparation of this report, and all financial data pertaining to the operations of the system, were compiled by Joseph B. Lewis, Secretary, from the records of the system and furnished me in the form required for this valuation. This courtesy is hereby acknowledged.

Tables reflecting membership, salary and service data upon which our calculations were based, are presented in the appendix.

Membership

The membership and salary data on active members may be summarized as follows:

	<u>Male</u>	<u>Female</u>	<u>Total</u>
Number of Members	2812	1888	4700
Proportion of Total	59.8%	40.2%	100.0%
Annual Salaries	\$7,312,387.00	\$3,958,931.00	\$11,271,318.00
Average Salary	\$ 2,600.42	\$ 2,096.89	\$ 2,398.15
Average Age	48.4	41.0	45.4
Average length of service	7.1 yrs.	6.3 yrs.	6.8 yrs.

It is noted that the proportion of female employees comprising the active membership was 40.2%, being substantially the same as at the end of the preceding year.

### Annuitants

Statistics on annuities in force at the close of the year are as follows:

	<u>Male</u>	<u>Female</u>	<u>Total</u>
Number of Annuitants	90	65	155
Proportion of total	58.1%	41.9%	100.0%
Aggregate annual payments	\$65,752.97	\$41,701.57	\$107,454.54
Average Age	72.6 yrs.	67.9 yrs.	70.6 yrs.
Reserve Liability	\$491,777.00	\$398,827.00	\$890,604.00

### Valuation Balance Sheet

The Valuation Balance Sheet presented herewith sets forth the condition of the system, taking into account all accrued and prospective benefit liabilities. Total accrued liabilities of the system at June 30, 1949, amounted to \$8,201,773.00, consisting of the following items:

1. Present value of annuities entered upon and in force at June 30, 1949	\$ 890,604.00
2. Reserve requirements for death and disability benefits	1,031,640.00
3. Present value of retirement benefits on account of service rendered prior to July 1, 1936	2,107,851.00
4. Present value of retirement benefits earned during the period from July 1, 1936, to June 30, 1949	<u>4,171,678.00</u>
Total accrued liabilities	<u><u>\$8,201,773.00</u></u>

To meet these liabilities the system had net present assets at June 30, 1949, amounting to \$4,757,987.91, indicating an actuarial reserve deficiency at such date of \$3,443,785.09. This amount is a deferred obligation of the State of Rhode Island, to be discharged by the regular annual appropriations to the system.

Prior service liabilities

The following statistics are pertinent to the prior service liabilities remaining unliquidated at the close of the year:

	<u>Male</u>	<u>Female</u>	<u>Total</u>
Number of members with prior service credit	497	210	707
Proportion of total membership	70.3%	29.7%	100.0%
Average age	53.8	53.9	53.8
Average length of prior service	8.6 yrs.	9.2 yrs.	8.8 yrs.
Prior service liability	\$1,603,838.00	\$504,013.00	\$2,107,851.00

Membership service liabilities

The liabilities for membership service consist of the amounts of pension credit earned by the members during the period from July 1, 1936 to June 30, 1949, of \$4,171,678.00, and the pension credit to be earned during future service in the case of those present members who will ultimately qualify for retirement benefits, amounting to \$5,948,358.00.

The former amount presents an accrued liability towards which the members made their share of contributions, and on account of which the State is obligated to meet the remainder of the cost. The obligation of the State is being met in part by current biennial appropriations.

The latter amount may properly be designated as a future service liability which is to be covered by future contributions by the members and by the State.

Ordinary death benefit

This benefit is analogous to group life insurance. The amount of life insurance which this benefit represents, and the reserve requirements on account thereof are as follows:

	<u>Male</u>	<u>Female</u>	<u>Total</u>
Amount of insurance	\$3,164,000.00	\$1,878,200.00	\$5,042,200.00
Reserve requirements	\$ 393,198.00	\$ 219,417.00	\$ 612,615.00

A total of 36 death claims was paid during the year, involving the sum of \$44,204.48, or an average payment per claim of \$1,228.00. This compares with 34 claim settlements for the preceding year, involving total payments of \$32,680.60, or an average per claim of \$961.00.

The increase in the number of claims was due to a slightly higher membership of the system, and a higher average age of the members. The average age of the death incidents during the year under review was 59.4 years,

compared with 57.9 years in the preceding year. The larger average payment per claim may be explained by the longer average period of service involved in the claims paid during the past year, being 8.4 years compared with 5.1 years for the preceding year.

Accidental death and disability benefits.

The number of claims being paid by the system on account of accidental disability or death are below the expected, and the experience of the system with respect to these incidents is satisfactory.

Ordinary disability benefits

The rate of disability incidents due to non-occupational causes is likewise below the expected for the total number of employees exposed to risk, and the experience of the system in regard to these benefits is also favorable.

Withdrawal benefits

A total of 463 members withdrew from the system

during the year, and received refunds of their accumulated contributions aggregating \$128,558.18. This compares with 495 refund payments made during the preceding fiscal year, with refund payments totalling \$120,185.46.

### Conclusion

The system is developing satisfactorily and is making gratifying progress. The results of operations confirm the assumptions previously made as to its probable experience and costs. The system is fulfilling its objectives in an adequate measure.

Some changes in the basic plan of operation may be necessary in the future, to give effect to the current underlying trend in pension planning. The amount of retirement allowance in cases involving employees in the low salary brackets is below a reasonable level and some adjustment may be necessary to meet this condition. Such adjustment as may be made should conform to the pattern of the plan underlying the system. Any minimum provision will, of course, involve an increase in cost, and any such increase should be shared equitably by the employees and the State.

It seems reasonable to expect, according to present indications, that the old age and survivors insurance provisions of the Federal Social Security Act will be extended to public employees during the year 1950, under a measure now pending before the Congress, designated as H.R. 6000. If this occurs, consideration might be given to the formulation of a plan of integration between the Employees Retirement System and the federal program. This will require action on the part of the State Legislature by means of enabling legislation. The form of this legislation will be proposed and recommended at a future date when final action has been taken on the pending federal legislation. A plan of integration should make it possible to provide larger benefits for members at the lower salary levels, as well as to establish survivors benefits for widows, children and parents on account of death of the members from non-occupational causes.

Any plan of integration, even if it takes the form of a scaling of the rates of benefit now provided by the retirement system, and a reduction in rates of contribution to give effect to the rates of benefit and contributions prescribed by the federal Act, will entail



some increase in cost if it is proposed to maintain the same total rate of benefit now provided by the State system. A statement of the cost implications of such plan of integration as may be proposed will also be prepared and presented to the board as a part of the report on this subject.

Respectfully submitted,

(Sgd.) A. A. WEINBERG

A. A. Weinberg,  
Actuary

Employees Retirement System of the  
State of Rhode Island

VALUATION BALANCE SHEET - JUNE 30, 1949

A S S E T S

NET PRESENT ASSETS:

Cash	\$ 365,254.41
Investments	4,392,733.50
	<u>\$4,757,987.91</u>

DEFERRED ASSETS:

Obligation of members and of the State of Rhode Island for retirement benefits covering service of members after June 30, 1949, to be discharged by future contributions	5,948,358.00
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------

ACTUARIAL RESERVE DEFICIENCY:

Deferred obligation of the State of Rhode Island -

Present value of accrued retirement benefits on account of prior service of members, i.e., prior to July 1, 1936	\$2,107,851.00
------------------------------------------------------------------------------------------------------------------	----------------

Present value of accrued retirement benefits on account of membership service, i.e., service from July 1, 1936 to June 30, 1949	4,171,678.00
---------------------------------------------------------------------------------------------------------------------------------	--------------

Present value of annuities and benefits entered upon and in force	890,604.00
-------------------------------------------------------------------	------------

Liability for disability and death benefits on active members	1,031,640.00
	<u>\$8,201,773.00</u>

LESS:

Contingent Reserve	\$2,078,382.46		
Members' Accumulated Contributions	2,679,605.45	4,757,987.91	3,443,785.09
		Total	<u>\$14,150,131.00</u>

Employees Retirement System of the  
State of Rhode Island

VALUATION BALANCE SHEET - JUNE 30, 1949

L I A B I L I T I E S

Present value of annuities and benefits entered upon and in force		\$ 890,604.00
Present value of retirement benefits covering service of members subsequent to June 30, 1949		5,948,358.00
Present value of retirement benefits accruing on account of service prior to July 1, 1949		6,279,529.00
Liability on account of disability and death benefits on active members -		
Ordinary disability	\$140,500.00	
Ordinary death	612,615.00	
Accidental disability	157,655.00	
Accidental death	<u>120,870.00</u>	<u>1,031,640.00</u>
Total		<u>\$14,150,131.00</u>

A P P E N D I X

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Employees Retirement System of the  
State of Rhode Island

SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS

In force June 30, 1949

B E N E F I T S

1. Service retirement allowance

Retirement is optional with a member upon attainment of the age of 60 years, provided he has at least 10 years of credited service.

In the case of a member withdrawing from service prior to the attainment of age 60, the right to a retirement benefit vests in full if his service is 10 years or more, and the retirement allowance will become available to the member upon attainment of age 60, provided he has not taken a refund of his contributions.

Retirement is compulsory upon attainment of the age of 70 years, subject to deferment until May 1st next succeeding attainment of such age upon approval of the Board. Further extensions thereafter are subject to approval of the General Assembly. This provision became operative January 1, 1948.

The service retirement allowance is equal to 1-2/3% of average compensation\*, multiplied by the number of years of total service, subject to a maximum amount of 60% of the member's final rate of compensation.

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\* Average compensation means the average annual compensation earnable by a member during the five consecutive years within his total service when such average was the highest.

2. Reversionary annuity

A member, upon retirement, has the option of receiving a lesser amount of service retirement allowance for himself and provide, on an actuarial equivalent basis, an annuity for a designated beneficiary to become payable upon his death, in accordance with the optional privileges prescribed by the law.

3. Non-occupational disability benefit

This benefit is available to any member having at least 10 years of credited service. The benefit is equal to 90% of the amount of the service retirement allowance covering the period of total service of the member.

A member qualifying for this benefit but not having completed at least 15 years of service, is entitled to receive the benefit provided for 15 years of service. If the member first entered service after the age of 45 years, his benefit is limited to 90% of the rate of service retirement allowance for which he would qualify if he remained in service until the age of 60 years and retired at such age.

4. Occupational disability benefit

A member becoming disabled as the direct result of the performance of duty, is entitled to a benefit equal to 66-2/3% of his rate of compensation at the date of becoming eligible for this benefit.

5. Non-occupational death benefit

Upon death of a member while in service, from any cause other than occupational disability, his

designated beneficiary or the estate of the member is entitled to receive a refund of his accumulated contributions, including interest, together with an amount provided from State contributions equal to \$200.00 for each year of total service of the member. The payment from State contributions is subject to a minimum of \$500.00 and a maximum amount of \$2,000.00.

If the period of service of the member has been less than one year, the minimum benefit of \$500.00 is reduced by the difference between the amount of accumulated contributions that the member would have had at the end of one year of service had he continued to render service, and the amount of accumulated contributions actually credited at the date of death.

#### 6. Occupational death benefit

Upon death of a member due to occupational causes, his accumulated contributions, including interest, are payable to such person having an insurable interest in his life as the member shall have designated, or if no such designation shall have been made or if the beneficiary is not alive, payment is to be made to the estate of the member.

In addition to the above payment, the surviving widow is entitled to a benefit equal to 50% of the member's salary at date of death. If no widow survives, or if death of the widow occurs or if the widow remarries before any child of the member has attained age 18, the 50% benefit is payable to the surviving child or children, until their attainment of age 18, or prior death. If there be no widow or child or minor children, the benefit is payable to a dependent father or mother for life.

#### 7. Death benefit after retirement

Upon retirement a member may elect to receive a

lesser service retirement allowance, and provide that in the event of his death prior to the time he has received in payments on his service retirement allowance an amount equal to his accumulated contributions at the date of retirement (including interest), his designated beneficiary is entitled to receive the unabsorbed portion of such accumulated contributions. This privilege is optional with the member.

#### 8. Refunds

A member, upon withdrawal from the State service, may receive a refund of his contributions to the System equal to the full amount of his contributions, plus interest on the amounts contributed by the member prior to July 1, 1947. No interest is payable on refunds representing amounts contributed by a member after July 1, 1947.

### C O N T R I B U T I O N S

#### By members:

Members of the system are required to contribute at the rate of 5% of salary, which rate is uniform for all employees, both male and female.

#### By the State of Rhode Island:

The State of Rhode Island is obligated to make regular contributions to meet the cost of the various benefits after applying the amounts contributed by the members. These contributions are made by means of regular annual appropriations.



The contributions by the State for any one year consist of an amount equal to the computed average annual expenditures for the various purposes of the system, for the period of ten years next succeeding the fiscal year in question, after applying against these expenditures the amounts to be contributed by the members. A uniform rate is to be maintained under this method of determination for a period of ten years subsequent to July 1, 1947.

#### EXTENSION TO SCHOOL TEACHERS - MODIFICATIONS

Effective July 1, 1949, the system was extended to include teachers of the State schools and teachers of the several cities and towns of the State of Rhode Island.

All provisions of the system relating to State employees apply with equal force to such teachers. Prior service credit is extended to teachers covering the period prior to July 1, 1949.

Credit for a year of service is granted when a teacher has been employed at least three-fourths of the total number of days that constitute a full school year in the applicable city or town. Contributions for leaves of absence during any year may be made for the purpose of receiving a full year's pension credit under stated conditions.

Credit for teaching service in any of the public schools of the United States, outside of this State, and in any private schools or institutions not operated for profit is allowed upon payment of a contribution for such service equal to 5% of salary based upon the rate of salary in force at the time of entry into the school system in Rhode Island. Such credit is available, however, only if the outside service was rendered more than 15 years before retirement.

The minimum service retirement allowance in the case of a teacher having rendered at least 35 years of service is \$1,000.00 per year. If any teacher receives an allowance for service or disability from any established City retirement system, in addition to the allowance payable by the State system, the payment by the State system is limited to the difference between 75% of salary and the amount payable by the City system.

Any teacher having at least 20 years of credited service is assured of a minimum ordinary disability allowance (non-occupational) of \$800.00 per year.

All teachers are required to make contributions at a uniform rate of 5% of salary, regardless of age or sex. The cities and towns share with the State, on an equal basis, the remainder of the cost of financing the benefits payable to teachers of the cities and towns, after applying the amounts contributed by the teachers.

PENSION LEGISLATION ENACTED AT THE 1949 SESSION OF  
THE GENERAL ASSEMBLY

Acts amending Chapter 18.

House Act 571. Amended Section 8 granting credit for services rendered in the division of State police, conditioned upon certain contributions being made for such service by the employees concerned.

House Act 838. Made provision for representation of school teachers on retirement board consisting of the State Director of Education as ex officio member, and a teacher elected from among the teacher members.

House Act 866. Eliminated the probationary period of 12 months of service as a condition for membership, and made membership available to future entrants from the first day of service.

House Act 867. Clarified the provisions relating to interest credits by providing that interest shall be credited on the members' accounts only to July 1, 1947, but that death benefit payments shall include interest to date of death of member.

Acts affecting school teachers.

House Act 838. Amended Chapter 2101 to provide teacher representation on retirement board of the Employees' Retirement System, consisting of the State Director of Education as ex officio member, and a teacher elected from among the teacher members. This change was also made in Chapter 18.

House Act 686. Amended Section 6 of Chapter 2101 relating to teachers of cities and towns, to provide that the cities and towns shall make a direct payment to the Employees Retirement System of their proportionate share of the cost of providing annuities and benefits to the teacher members of the system. Previously the law provided for the payment of this obligation by the State, and the reimbursement thereof by the cities and towns.

House Act 839. Membership in the Employees' Retirement System was provided for certified nurse teachers who have been regularly employed as school nurses.

Special Appropriations.

Senate Act 80. A special appropriation was made to cover a pension grant to a widow after death of an employee

Extension of Employment Beyond  
Age Fixed for Compulsory Retirement.

House Act 887 and House Act 1042. These two Acts provided for an extension of time to a number of State employees to continue in service beyond the age fixed for compulsory retirement, namely 70 years.

Special Grants to Former State Employees.

House Acts 615, 657, 712, 835, 955,  
Senate Acts 93 and 173. These acts made special appropriations to former state employees, granting pension benefits to which they would otherwise not be entitled from the Employees' Retirement System, or provided benefits supplementary to the amounts payable by the system.



Employees Retirement System of the  
State of Rhode Island

TABLE 2.

NUMBER OF MEMBERS AND TOTAL SALARIES AT JUNE 30, 1949

CLASSIFIED BY AGE

(FEMALE)

Age 6-30-49	Number of Members	Total Annual Salaries	Age 6-30-49	Number of Members	Total Annual Salaries
17	2	\$ 2,880.00	46	39	\$ 77,274.00
18	3	5,280.00	47	57	134,522.00
19	15	22,680.00	48	42	92,812.00
20	29	43,920.00	49	41	94,502.00
			50	38	86,556.00
21	55	91,080.00			
22	60	101,450.00	51	36	85,240.00
23	58	108,040.00	52	33	66,652.00
24	55	104,680.00	53	34	75,994.00
25	56	101,508.00	54	43	88,352.00
			55	32	74,112.00
26	43	83,400.00			
27	50	90,190.00	56	29	63,786.00
28	50	94,790.00	57	43	85,888.00
29	39	71,970.00	58	30	62,864.00
30	40	76,912.00	59	28	60,200.00
			60	21	48,112.00
31	47	102,900.00			
32	50	111,410.00	61	29	59,556.00
33	37	79,760.00	62	24	46,104.00
34	43	96,240.00	63	23	44,000.00
35	36	75,680.00	64	24	45,454.00
			65	17	35,626.00
36	50	119,195.00			
37	36	80,460.00	66	16	37,954.00
38	29	70,142.00	67	19	43,622.00
39	45	94,710.00	68	19	39,736.00
40	33	75,374.00	69	12	27,844.00
			70	4	8,184.00
41	35	88,860.00			
42	36	74,036.00	71	5	8,572.00
43	37	92,432.00	72	2	3,960.00
44	42	111,290.00	73	3	6,252.00
45	31	77,092.00	74	2	5,520.00
			75	-	-
			76	1	1,320.00
				<u>1888</u>	<u>\$3,958,931.00</u>
			<b>Totals</b>		

Employees Retirement System of the  
State of Rhode Island

TABLE 3.

Showing Total Number of Members Classified  
By Years of Service

(Male and Female)

Length of Service (Years)	Number of Members		Length of Service (Years)	Number of Members	
	Male	Female		Male	Female
1	427	375	31	10	6
2	466	296	32	2	2
3	215	201	33	2	5
4	112	128	34	8	3
5	153	99	35	4	-
6	148	114	36	1	1
7	231	129	37	2	3
8	160	87	38	5	-
9	192	94	39	-	1
10	153	52	40	2	1
11	47	26	41	2	-
12	54	44	42	-	-
13	75	51	43	2	1
14	54	17	44	-	-
15	23	15	45	1	-
16	28	6	46	-	-
17	26	9	47	1	-
18	22	11	48	-	-
19	33	14	49	-	-
20	17	13	50	-	-
21	18	15	51	-	-
22	19	15	52	1	-
23	23	8	53	1	-
24	13	12			
25	12	11			
26	3	5			
27	8	5			
28	18	5			
29	10	5			
30	8	3			
				2812	1888
				<u>2812</u>	<u>1888</u>

Employees Retirement System of the  
State of Rhode Island

TABLE 4.

Showing Members with Prior Service Classified  
by Age at June 30, 1949

Age at June 30, 1949	Number		Total Prior Service Months		Age at June 30, 1949	Number		Total Prior Service Months	
	Male	Female	Male	Female		Male	Female	Male	Female
32	2	-	24	-	66	6	5	1116	984
33	-	1	-	12	67	9	9	1152	1536
34	2	-	48	-	68	5	6	720	792
36	1	1	12	24	69	14	2	1512	408
37	7	2	348	108	70	5	2	1140	216
38	3	3	84	72	71	5	1	696	288
39	9	3	648	132	72	3	1	600	120
40	10	6	600	504	73	3	2	420	216
41	12	8	876	552	74	2	1	108	96
42	14	7	888	384	75	6	-	468	-
43	21	5	1344	492	76	2	1	228	84
44	13	7	768	576	77	1	-	36	-
45	18	2	1284	180	78	-	-	-	-
46	11	8	876	780	79	-	-	-	-
47	22	11	1644	996	80	-	-	-	-
48	13	7	1440	384	81	1	-	468	-
49	27	7	2232	432	82	1	-	84	-
50	19	6	1524	636	83	1	-	84	-
51	18	10	1788	1056	Totals	497	210	51,360	23,124
52	18	8	1716	768					
53	16	5	1324	516					
54	17	6	1764	684					
55	11	4	1584	816					
56	24	4	2496	744					
57	27	8	3204	912					
58	15	6	1884	1128					
59	10	9	1044	852					
60	11	4	1284	384					
61	18	9	2340	1032					
62	11	7	1752	708					
63	15	3	2388	468					
64	8	6	1200	1056					
65	10	7	1620	996					



Employees Retirement System of the  
State of Rhode Island

TABLE 5.

Number and Amounts of Service Retirement Allowances  
By age at June 30, 1949

(Straight life annuities)

Age at June 30, 1949	Number		Amount of Annual Payments	
	Male	Female	Male	Female
60	2	-	\$ 2,225.16	\$ -
61	-	2	-	2,861.87
62	1	1	723.24	606.25
63	-	1	-	460.35
64	2	1	1,280.24	67.10
65	1	2	1,134.31	1,301.01
66	2	2	1,365.13	1,041.91
67	-	1	-	357.82
68	2	3	812.20	784.50
69	1	2	615.23	976.79
70	2	1	413.01	181.83
71	3	-	1,787.18	-
72	5	5	2,018.51	3,082.04
73	5	3	3,614.39	4,448.62
74	4	3	2,057.36	1,448.20
75	8	5	6,587.81	3,651.87
76	3	1	1,301.00	429.68
77	3	1	2,080.49	851.04
78	4	-	2,716.68	-
79	1	2	1,070.01	1,395.27
80	2	-	591.08	-
81	4	1	3,766.36	397.98
82	1	-	535.23	-
83	2	1	828.34	167.24
84	2	-	774.91	-
85	1	-	1,050.14	-
86	-	1	-	1,117.50
87	1	-	748.13	-
Totals	62	39	40,096.14	25,628.87

Employees Retirement System of the  
State of Rhode Island

TABLE 6.

Showing Number of Member Retirants under Option 1  
at Various Ages

(Cash Refund Annuity)

Age at June 30, <u>1949</u>	Number		Amount of Annual Payments	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
62	2	1	\$ 1,259.13	\$ 486.08
63	-	1	-	492.74
64	-	1	-	1,231.30
65	-	1	-	321.09
67	1	3	232.81	1,964.85
68	1	-	720.71	-
69	-	1	-	1,375.69
70	5	-	6,603.09	-
72	2	1	1,782.46	418.80
74	-	1	-	1,454.24
75	1	-	1,846.49	-
76	1	1	396.89	1,097.24
77	1	1	1,095.90	239.29
Totals	<u>14</u>	<u>12</u>	<u>\$13,937.48</u>	<u>\$9,081.32</u>

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TABLE 7.

Showing Number of Retired Members under Options  
2 and 3 at Various Ages - All Male

(Joint and Last Survivor Annuities)

<u>Age at June 30, 1949</u>	<u>Number</u>	<u>Amount of Annual Payments</u>	
65	1	\$1,024.82	Option 2
67	1	1,700.89	Option 3
68	1	269.80	Option 2
70	1	898.93	Option 2
71	1	1,417.83	Option 2
72	1	1,757.24	Option 3
75	1	1,143.89	Option 2
Totals	<u>7</u>	<u>\$8,213.40</u>	

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TABLE 8.

Showing Number of Beneficiaries Under Annuity Options  
at Various Ages

<u>Age at June 30, 1949</u>	<u>Number</u>	<u>Amount of Annual Payments</u>	
41	1	\$ 367.12	Option 2
55	1	969.91	Option 2
63	1	495.39	Option 2
66	1	232.68	Option 2
Totals	<u>4</u>	<u>\$2,065.10</u>	

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TABLE 9.

Showing Number of Beneficiaries Receiving  
Disability Annuities\*

Age at June 30, 1949	Number		Amount	
	Male	Female	Male	Female
50	-	1	-	\$ 232.06
54	1	-	\$ 523.13	-
55	-	1	-	313.28
56	1	1	418.60	645.41
57	1	-	759.78	-
58	-	1	-	99.16
62	1	2	224.95	1,349.73
65	1	-	463.67	-
69	-	1	-	191.71
70	2	-	1,115.82	-
Totals	7	7	\$3,505.95	\$2,831.35

\* Of the total number of disability annuities, 3 represent accidental disability claims and 11 ordinary disability claims.

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TABLE 10.

Showing Number of Retirants Receiving  
Accidental Death Benefits

<u>Age at June 30, 1949</u>	<u>Number</u>	<u>Amount</u>	
41	1	\$711.03	Accidental Death
57	1	61.72	Chapter 1558
69	<u>1</u>	<u>1,322.18</u>	Accidental Death
Totals	<u>3</u>	<u>\$2,094.93</u>	

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TABLE 11.

Showing Number of Teachers of Cities and Towns  
Subject to Membership on July 1, 1949  
and Total Annual Salaries

<u>Name of City or Town</u>	<u>Number of Teachers</u>	<u>Total Annual Payroll</u>
Barrington	61	\$ 192,350.01
Bristol	78	232,750.00
Burrilville	48	141,919.00
Central Falls	85	238,625.95
Charlestown	9	22,150.00
Coventry	47	126,400.00
Cranston	412	1,009,781.62
Cumberland	65	178,300.00
East Greenwich	36	98,695.00
East Providence	238	704,163.50
Exeter	5	12,600.00
Foster	7	12,600.00
Glocester	12	33,950.00
Hopkinton	28	58,658.00
Jamestown	11	29,153.01
Johnston	72	197,984.25
Lincoln	51	131,355.00
Little Compton	17	41,380.00
Middletown	35	85,846.66
Narragansett	17	44,600.00
Newport	208	624,425.00
New Shoreham	7	13,900.00
North Kingstown	69	187,888.08
North Providence	82	248,750.00
North Smithfield	24	65,940.00
Pawtucket	523	1,553,079.00
Portsmouth	23	75,589.34
Providence	1140	4,466,453.70
Richmond	12	32,850.00
Scituate	23	63,000.00
Smithfield	36	83,259.30
South Kingstown	90	200,467.33
Tiverton	30	66,200.00
Warren	51	150,350.00
Warwick	270	827,018.00
Westerly	83	277,965.00
West Greenwich	4	9,600.00
West Warwick	77	242,682.50
Woonsocket	183	587,118.50
<b>Totals</b>	<b><u>4269</u></b>	<b><u>\$13,369,797.75</u></b>

Employees' Retirement System of the  
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TABLE 12.

Showing Number of Teachers of the State Schools  
Subject to Membership on July 1, 1949  
and Total Annual Salaries

<u>Department</u>	<u>Division</u>	<u>Number of Teachers</u>	<u>Total Annual Salaries</u>
<u>Social Welfare -</u>			
	Children's Center	1	\$2,880.00
	R.I. School for Boys	4	7,800.00
	R.I. School for Girls	1	2,400.00
	R.I. Exeter School	2	4,320.00
<u>Education -</u>			
	Administration	1	4,380.00
	School for Deaf	20	56,400.00
<u>State Colleges -</u>			
	R.I. College of Education	43	162,150.00
	R.I. State College	66	242,035.00
	Totals	138	\$482,365.00