

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

**ANNUAL REPORT
OF THE
RETIREMENT BOARD**

**For the Fiscal Year Ended
June 30, 1959**

Employees' Retirement System of the
State of Rhode Island

A N N U A L R E P O R T

of the

R E T I R E M E N T B O A R D

For the Fiscal Year Ended

June 30, 1959

RETIREMENT BOARD
(as constituted June 30, 1959)

HON. RAYMOND H. HAWKSLEY, CHAIRMAN
General Treasurer

JOSEPH M. BOISVERT
Woonsocket

HON. JOHN G. McWEEENEY
Chairman, Finance Committee
The Senate

HON. JOHN J. WRENN
Chairman, Finance Committee
House of Representatives

CHARLES A. KILVERT
Director of Administration

LOUIS V. JACKVONY, JR.
Director of Business Regulation

MICHAEL F. WALSH
Commissioner of Education

JAMES E. CONLON
Sup't. South Kingstown School Department

CHARLES W. HILL
State Controller

JOSEPH B. LEWIS
Secretary

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February 23, 1960

To his Excellency
The Honorable Christopher Del Sesto
Governor, State of Rhode Island
and Providence Plantations
Providence, Rhode Island

Sir:

I take pleasure in submitting herewith, for transmittal to the General Assembly, the Annual Report of the Retirement Board of the Employees' Retirement System of the State of Rhode Island for the fiscal year ended June 30, 1959.

Respectfully submitted,

Raymond H. Hawksley
Chairman

FINANCIAL AND STATISTICAL FACTS

<u>Financial</u>	<u>Fiscal Year Ended June 30</u>	
	<u>1959</u>	<u>1958</u>
Reserves at End of Year	\$35,551,340.00	\$30,459,903.00
Total Income for Year	8,164,743.00	6,747,556.00
Member Contributions	3,401,362.04	2,891,879.00
State Contributions	2,572,050.00	2,094,950.00
Contributions by Cities and Towns	1,028,989.00	801,970.00
Investment Income	958,124.92	1,185,710.45
Total Expenditures	3,075,306.00	2,553,033.00
Pension and Benefit Payments	2,442,562.00	2,115,926.00
Refunds to Withdrawing Members	630,439.00	437,107.00
Unfunded Accrued Liability	57,147,615.00	52,833,480.00

Statistical

Number of Members

State Employees	8,900	8,690
Teachers	6,217	5,897

Number of Beneficiaries

State Employees	499	338
Teachers	633	528

Number of retirements during year	256	131
Deaths among retirants during year	50	42
Deaths among members	103	94
Number of refunds	1,071	920

Employees' Retirement System of the
State of Rhode Island

ANNUAL REPORT OF THE RETIREMENT BOARD

Fiscal Year Ended June 30, 1959

This report presents the financial condition of the system at June 30, 1959, and the results of operations for the fiscal year ended on that date. Statistical data reflecting the operating experience of the system and a report by the actuary are also included.

MEMBERSHIP STATISTICS

	J u n e 30th			
	1959		1958	
	State Employees	Teachers	State Employees	Teachers
Active members -	8,900	6,217	8,690	5,897
Retired members -				
Service retirement -				
Full retirement allowance	395	567	230	471
Option 1 - refund annuity	37	5	38	5
Option 2 - Joint and last survivor - same amount	15	13	15	10
Option 3 - Joint and last survivor - 1/2 to beneficiary	9	11	8	10
Option 4 - Joint and last survivor-other proportions	0	1	0	0
Disability retirement -				
Ordinary	22	35	17	31
Accidental	3	1	7	1
Beneficiary annuities	18	0	5	0
Total number of beneficiaries	499	633	320	528
<u>Total membership</u>	9,399	6,850	9,010	6,425

RESULTS OF OPERATIONS

Reserves at June 30, 1959, amounted to \$35,551,340.00. This compares with the amount of \$30,459,903.00 at the close of the preceding year. A comparison of the members' contribution credits and contingent reserves for the two years is as follows:

	<u>J u n e 30th</u>	
	<u>1959</u>	<u>1958</u>
Contribution credits -		
State employees	\$9,605,969.00	\$8,932,463.00
Teachers	8,440,336.00	7,005,794.00
Contingent reserve -		
State employees	\$12,384,368.00	\$10,245,060.00
Teachers	5,120,667.00	4,276,586.00

It is noted that the reserves for both State employee and teacher members have shown a satisfactory increase for the year. In the case of the teacher members, the improvement was particularly striking due to the changes in contribution rates on the part of the teachers, the State of Rhode Island and the cities and towns, effective July 1, 1958.

Net income for the year, being the excess of total income over expenditures, totalled \$5,091,437.00. This amount

represents the increase in the reserve accounts for the year. The principal items comprising income and expenditures for the year, for State employees and teachers separately, with the comparable amounts for the preceding year, are given below.

STATE EMPLOYEE MEMBERS

	<u>Fiscal Year Ended June 30th</u>	
	<u>1959</u>	<u>1958</u>
<u>Income</u>		
Member contributions	\$1,625,460.00	\$1,520,503.00
State contributions	1,605,000.00	1,314,000.00
Investment income	739,835.00	604,529.00
Other	<u>4,460.00</u>	<u>1,148.00</u>
Totals	<u>\$3,974,755.00</u>	<u>\$3,440,180.00</u>
<u>Expenditures</u>		
Retirement Allowances	\$ 532,515.00	\$ 382,636.00
Ordinary death benefits	166,804.00	170,917.00
Death retirement allowances	19,871.00	12,976.00
Refunds	<u>442,751.00</u>	<u>298,860.00</u>
Totals	<u>\$1,161,941.00</u>	<u>\$ 865,389.00</u>
NET INCOME - Excess of income over expenditures	<u><u>\$2,812,814.00</u></u>	<u><u>\$2,574,791.00</u></u>

TEACHER MEMBERS

	Fiscal Year Ended June 30th	
	1959	1958
<u>Income</u>		
Member contributions	\$1,775,903.00	\$1,371,376.00
Employer contributions -		
State of Rhode Island	938,850.00	752,750.00
Cities and Towns	1,028,990.00	801,970.00
Investment income	445,874.00	353,596.00
Other	<u>371.00</u>	<u>683.00</u>
Totals	<u>\$4,189,988.00</u>	<u>\$3,280,375.00</u>
<u>Expenditures</u>		
Retirement allowances	\$1,600,960.00	\$1,447,255.00
Ordinary death benefits	102,500.00	69,530.00
Death retirement allowances	19,912.00	9,202.00
Refunds	<u>187,993.00</u>	<u>138,247.00</u>
Totals	<u>\$1,911,365.00</u>	<u>\$1,664,234.00</u>
NET INCOME - Excess of income over expenditures	<u>\$2,278,623.00</u>	<u>\$1,616,141.00</u>

INVESTMENTS

Investments at the close of the year, classified according to types of security, were as follows:

Type of Investment	Par Value (or Cost)	Per Cent of Total
United States Government Bonds	\$14,977,500.00	42.9%
Federal Land Bank	50,000.00	0.1
International Bank for Reconstruction and Development Bonds	500,000.00	1.4
State of Rhode Island	470,000.00	1.3
Cities and Towns in Rhode Island	2,187,000.00	6.2
Railroad bonds	1,193,000.00	3.4
Public Utility bonds	5,525,000.00	15.8
Industrial bonds	2,487,000.00	7.1
Bank Stocks	3,877,188.00	11.1
Investment Companies and Trusts	2,218,442.00	6.3
Corporate Stocks	<u>1,539,272.00</u>	<u>4.4</u>
TOTAL	<u>\$35,024,402.00</u>	<u>100.0%</u>

The average earnings on investments for the year were equal to 3.63%. This compares with an average for the preceding year of 3.48%.

A marked change in the distribution of investments as to types of security has occurred during recent years. The amount invested in United States Government securities has been steadily reduced until it now stands at 42.9% of the entire investment account. Corporate bonds comprise 26.3% of the account. Investments in bank and other corporate stocks have been increased where they are now equal to 21.8% of the total account.

A better balance has been established for the investment

account between the various types of securities that are eligible for investment by the system. At the same time, the rate of earnings on investments has been substantially increased.

INVESTMENTS ACQUIRED AND DISPOSED OF

The securities purchased or disposed of during the year by sale or redemption are summarized.

Purchases

<u>Description</u>	<u>Rate</u>	<u>Maturities</u>	<u>Par Value</u>
<u>U. S. Government</u>			
Certificates of Indebtedness	3-3/4%	11-15-59	\$ 50,000
Certificates of Indebtedness	3-3/4	2-15-60	180,000
Certificates of Indebtedness	4	5-15-60	50,000
Treasury Bills	Discount	4-15-60	150,000
Treasury Notes	3-1/2	11-15-59	150,000
Total			<u>\$580,000</u>
<u>Railroad securities</u>			
Chicago, Milwaukee, St. Paul & Pacific R.R. Equip. Trust Series	4-1/2%	8- 1-66	\$ 50,000
Chicago, Milwaukee, St. Paul & Pacific R.R. Equip. Trust Series xx	4-1/2	2- 1-67	50,000
Southern Pacific Co. Equip. Trust Series TT	4	11- 1-68	100,000
Total			<u>\$200,000</u>

<u>Description</u>	<u>Rate</u>	<u>Maturities</u>	<u>Par Value</u>
<u>Public Utilities</u>			
Appalachian Elec. Power Co. 1st Mtge. Bonds	3-1/4%	12- 1-70	\$ 30,000
Central Illinois Light Co. 1st Mortgage	4	7- 1-88	100,000
Central Power & Light Co. 1st Mortgage, Series I	4-3/4	4- 1-89	25,000
Columbia Gas System, Inc. Debentures, Series E	3-5/8	9- 1-80	50,000
Consolidated Edison Co. 1st Mtge. Series M, Ref.	4-1/4	10- 1-86	100,000
Consolidated Edison Co. 1st Mtge. Ref., Series O	4	6- 1-88	75,000
Consolidated Natural Gas Co. Debentures	4-3/8	8- 1-83	100,000
Consumers Power Co., 1st Mortgage	4-3/4	10- 1-87	100,000
Delaware Power & Light Co. 1st Mtge. & Collateral Trust	3-7/8	6- 1-88	250,000
Illinois Bell Telephone Co. 1st Mortgage, Series E	4-1/4	3- 1-88	15,000
Illinois Bell Telephone Co. 1st Mortgage, Series F	4-3/8	3- 1-94	100,000
Idaho Power Co., 1st Mtge.	5	5-15-89	100,000
Indiana & Michigan Elec. Co. 1st Mortgage	4-3/4	11- 1-88	50,000
New England Power Co., 1st Mortgage, Series H	4	6- 1-88	200,000
New York Tel. & Tel. Co., Ref. Mortgage, Series K	4-1/8	7- 1-93	100,000
Niagara Mohawk Power Co., General Mortgage	3-7/8	6- 1-88	100,000
Northern States Power Co., 1st Mortgage	4	7- 1-88	100,000
Oklahoma Gas & Elect. Co., 1st Mortgage	3-7/8	6- 1-88	200,000
Pacific Tel. & Tel. Co. Debentures	3-1/8	11-15-89	50,000
Public Service Elect. & Gas Co., Debentures	4-5/8	3- 1-77	10,000
Public Service Elect. & Gas Co., 1st, Ref. Mortgage	4-5/8	8- 1-88	65,000
Public Service Elect. & Gas Co., 1st, Ref. Mortgage	5-1/8	6- 1-89	125,000
Tampa Electric Co., 1st Mortgage	4-1/4	7- 1-88	50,000
Union Electric Co. of Missouri-1st Mortgage	4-3/8	3- 1-88	100,000
Virginia Electric & Power Co., 1st, Ref. Mortgage	3-7/8	6- 1-88	200,000
Total			<u>\$2,395,000</u>

<u>Description</u>	<u>Rate</u>	<u>Maturities</u>	<u>Par Value</u>
<u>Industrials</u>			
Burroughs Corp., Sinking Fund Debentures	4-3/8%	7- 1-83	\$ 175,000
General Electric Co., Debentures	3-1/2	5- 1-76	100,000
Proctor & Gamble Corp., Debentures	3-7/8	9- 1-81	25,000
Sears, Roebuck & Co., Sinking Fund Debentures	4-3/4	8- 1-83	210,000
Standard Oil Co. of Indiana, Debentures	4-1/2	10- 1-83	200,000
The Texas Co., Debentures	3-5/8	5- 1-83	175,000
U. S. Steel Corp., Sinking Fund Debentures	4	7-15-83	350,000
Total			\$1,235,000
<u>Corporate Stocks</u>			
General Motors Corp., 500 shares			25,282
First America Corp., 500 shares			10,375
American Cyanamid Co., 800 shares			43,318
Bethlehem Steel Corp., 1,300 shares			69,026
Campbell Soup Co., 500 shares			26,096
Cleveland Electric Illuminating Co., 450 shares			23,469
Commonwealth Edison Co., 400 shares			24,560
General Electric Co., 300 shares			24,719
International Nickel Co. of Canada, Ltd., 450 shares			42,266
Middle South Utilities, Inc., 1,000 shares			49,809
Montgomery Ward & Co., 500 shares			22,280
Panhandle Eastern Pipe Line, 500 shares			27,723
Sears, Roebuck & Co., 600 shares			27,098
Sinclair Oil Corp., 400 shares			27,333
Standard Oil Co. of New Jersey, 500 shares			28,786
Union Bag Camp Paper Corp., 1,500 shares			70,606
Union Carbide Corp., 200 shares			25,453
Union Electric Co., 700 shares			24,492
U. S. Steel Corp., 750 shares			71,518
Total			\$664,229

<u>Description</u>	<u>Rate</u>	<u>Maturities</u>	<u>Par Value</u>
<u>Sales or Redemptions</u>			
<u>U. S. Government</u>			
Treasury Bonds	2-3/8%	3-15-59/57	\$ 30,000
Treasury Bonds	2-3/4	12-15-65/60	90,000
Total			\$120,000
<u>Federal Land Bank</u>			
Consolidated Federal Farm Loan	2-1/4	5- 1-59	\$15,000
<u>Municipal Bonds</u>			
Town of Narragansett, Beach Development	3	4- 1-59	\$10,000
Town of Richmond, School	4	4- 1-59	\$ 2,000
Town of West Warwick, School Bonds	2-3/4	11- 1-58	\$ 3,000
Sewer Bonds	2-1/2	7- 1-58	2,000
Total			\$ 5,000
<u>Public Utilities</u>			
New Jersey Bell Telephone Co. Debentures	4-7/8	9- 1-93	\$50,000
<u>Industrials</u>			
Mount Hope Bridge Authority, Bridge Revenue Bonds	2.60	12- 1-69	\$150,000
<u>Corporate Stocks</u>			
Transamerica Corp., 250 shares			\$ 10,375
The Outlet Co., 500 shares			42,915
Total			\$ 53,290

Summary of Changes in Investment Account

Total Investments at 7/1/58
 Add: Purchases
 Deduct: Sales or Redemptions
 Balance, Investments at 6/30/59

\$30,355,463
5,074,229
 \$35,429,692
405,290
\$35,024,402

APPROPRIATIONS

Appropriations by the General Assembly for the fiscal year ending June 30, 1960 were as stated below, with the amounts given for the preceding year for comparison:

	<u>1960</u> <u>Fiscal Year</u>	<u>1959</u> <u>Fiscal Year</u>
<u>State Employees</u>		
5% of assumed payroll of the members for the year	\$1,800,000.00	\$1,633,200.00
<u>Teachers</u>		
Normal Requirements - 3% of assumed payroll of the members ^{1/}	\$982,750.00	938,850.00

^{1/} The total contribution rate on account of teacher-members from the cities and towns is 7% of payroll. This is shared equally by the State and the Cities and Towns.

ACTUARIAL VALUATION

This annual report has been prepared pursuant to a directive contained in Chapter 36 governing the system. This directive provides, among other things, that the report shall include a valuation balance sheet prepared by the actuary.

In accordance with this authority, the actuary has made a valuation of the liabilities and reserves of the system as of the close of the year under review, and has prepared a valuation balance sheet. The report of the actuary embodying the results of the valuation is presented as a part of this annual report.

LEGISLATION

A number of acts, actually 24 in number, were enacted at the 1959 regular session of the General Assembly. Of this number, 20 acts dealt with special grants to individual employees or beneficiaries, or renewals or extensions of grants authorized in previous years, and four amended pension laws now in effect.

Chapter 124, effective July 1, 1959, provides a special grant to teachers retired under chapter 16-15 of the general laws in the form of a cost-of-living adjustment. An allowance is made of \$400 per year in the case of those retired for service or disability, provided that the total pension to the retired teacher is not to exceed \$2,000 per year. A similar adjustment is granted to teachers with at least 35 years of in-state teaching service who retired between July 1, 1949 and June 30, 1951, under chapter 16-16. An additional appropriation of \$141,000 was made for the fiscal year ending June 30, 1960 to finance this adjustment.

Chapter 23, effective July 1, 1959, amends the Municipal Employees' Retirement Act. The amendment has removed the off-set of social security against the retirement benefit and has established a lower rate of retirement annuity in consideration thereof. An upward adjustment in the member contribution rate from 3-1/2% to 4% was also provided.

Chapter 105, approved May 28, 1959, and effective as of that date, defines the standard to be used for measuring service credit for pension purposes under the State Employees' Retirement Act. It provides for credit covering certain periods of leave of absence without pay for sickness or injury upon making appropriate contributions.

Chapter 62, approved May 6, 1959 and effective as of that date, amends the social security enabling act of the State of Rhode Island. It gives effect to certain amendments made in the Social Security Act permitting members who previously did not elect social security coverage to again make such election and become a member of the group who previously accepted such coverage as supplementary to membership in the retirement system.

The last three described bills involve important revisions of the laws to which they pertain and apply to employees in service. The first named bill, however, benefits persons who are no longer rendering service to the government. The appropriation made by the bill covers only one year's payments on account of the prescribed increase. It does not represent the total obligation under the bill for future payments to the retired teachers for the remainder of their lifetime. This obligation is of considerable proportion.

Chapter 36 further provides that the annual report of the Retirement 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."

No recommendations for changes in the retirement act are made by the Board. In its opinion, the benefit schedule for the system is well-balanced and reasonably adequate. The benefits and qualifying conditions compare quite favorably with those in force for State government employees and public school teachers of other States. Such inequities that existed in prior years have been removed. Federal social security coverage has also been made available to those who choose to accept it. The State of Rhode Island and the cities and towns have assumed an additional cost burden for that purpose.

The actuary has reported that the unfunded accrued liability of the system at June 30, 1959 amounted to \$57,147,615.00. This liability is constantly increasing due, in some measure, to the deferred aspects of the method of financing the system's obligations. The liability is not theoretical in its character. It is an actual liability, actuarially determined. The liability will have to be discharged in future years by steadily increasing allocations to the system on the part of the State and the Cities and Towns.

The Board views with considerable concern the special benefits to individual employees and the recurring proposals for preferential rights or benefits to small segments of the membership. These proposals, unless checked, will prove a serious financial drain to the State of Rhode Island and the Cities and Towns of the State, and may affect adversely the operation of the system in future years.

The policies of the Board are constantly directed toward the operation of the system in accordance with established concepts and standards governing retirement planning and administration in fulfillment of its basic aims and objectives.

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

RAYMOND H. HAWKSLEY, Chairman

JOSEPH M. BOISVERT

JOHN G. McWEENEY

JOHN J. WRENN

CHARLES A. KILVERT

LOUIS V. JACKVONY, JR.

MICHAEL F. WALSH

JAMES E. CONLON

CHARLES W. HILL

JOSEPH B. LEWIS
Secretary

REPORT OF THE ACTUARY

There are presented herewith 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, 1959.

GENERAL SUMMARY

Membership has continued its upward trend both as to State employees and teachers. It is interesting to note that the number of male teacher members has again shown an increase as a proportion of the total number of teachers participating in the system. The proportion now is 29.6% of the total teacher membership as compared with 28% last year. A similar trend is in evidence in teachers' systems in other States.

Of special significance is the comparatively large increase in the number of retirements among State employees. The beneficiary roll increased 47% during the year compared with 6% last year and 8% in the case of the teachers.

Due largely to the amendments enacted during the year, effective as of July 1, 1959, a substantial improvement in the financial condition of the system occurred. Teachers' contributions were increased from 5% to 6% of salary. An upward change also occurred in the rate of contributions on the part of the

State and the cities and towns for financing teachers' pensions from 6% to 7% of salary, and an increase was made in the rate of contribution by the State on account of State employees from 4-1/2% to 5% of salaries. The following statement will illustrate the trend in the contribution credits of the members and the contingent reserves for the last three years:

	J u n e 30th		
	1959	1958	1957
Contribution credits:			
State employees	\$9,605,969.00	\$8,932,463.00	\$7,822,868.00
Teachers	8,440,336.00	7,005,794.00	5,923,327.00
Contingent reserve:			
State employees	12,384,368.00	10,245,060.00	8,782,643.00
Teachers	5,120,666.00	4,276,586.00	3,719,817.00

The retirement plan as presently constituted is well balanced. Its provisions compare most favorably with those in effect for other State government employees or teachers of other States. A large obligation has already been imposed on the State and the cities and towns under the present retirement plan and for social security coverage as a supplement to the plan. Further liberalizing changes may prove damaging to an effective pension policy consistent with reasonable standards and within the financial ability of the States and the cities and towns to meet the ultimate costs.

To facilitate a proper understanding and interpretation of the financial condition of the system on the part of the contributors, the Valuation Balance Sheet accompanying this report has been modified. Technical terms have been eliminated and the accounts have been reorganized to illustrate more clearly the obligations of the system and its true financial condition. The unfunded accrued liability has been separated as between the State of Rhode Island and the Cities and Towns so as to show the respective obligations of the respective units of government.

BASIS OF VALUATION

The benefit and contribution provisions forming the basis of this report are summarized in the appendix. The valuation of the reserves and liabilities was made according to the rates of mortality and separation established by our previous survey of the operating experience of the system completed as of June 30, 1958. The rate of interest assumed in this valuation was 3% per annum. This represents a conservative rate according to the investment experience of the system and the established investment authority.

STATISTICAL DATA

Statistics required for this report were compiled by the office staff under the direction of Joseph B. Lewis, Secretary,

and supplied to us in excellent form. Detailed tables reflecting these statistics are presented in the appendix. A summary of these statistics is as follows:

	<u>State employees</u>	
	<u>Male</u>	<u>Female</u>
Number of members	5,328	3,572
Proportion of total	59.9%	40.1%
Annual Salaries	\$21,921,434.00	\$12,298,519.00
Average Salary	\$4,114.00	\$3,443.00
Average age	45.1	43.0
Average total service	7.7	7.1

	<u>Teacher members</u>	
	<u>Male</u>	<u>Female</u>
Number of members	1,840	4,377
Proportion of total	29.6%	70.4%
Annual Salaries	\$9,658,472.00	\$22,530,813.00
Average Salary	\$5,249.00	\$5,148.00
Average age	40.1	44.7
Average total service	10.1	13.9

Members with Prior Service 1/

	<u>State Employees</u>	
	<u>Male</u>	<u>Female</u>
Number of members	439	234
Proportion of total	65.2%	34.8%
Annual Salaries	\$2,535,554.00	\$1,093,049.00
Average Salary	\$5,776.00	\$4,671.00
Average prior service (Yrs.)	6.7	5.8

	<u>Teacher Members</u>	
	<u>Male</u>	<u>Female</u>
Number of members	669	2,009
Proportion of total	25.0%	75.0%
Annual Salaries	\$4,302,364.00	\$11,882,504.00
Average Salary	\$6,431.00	\$5,915.00
Average prior service (Yrs.)	12.8	17.6

1/ Service prior to July 1, 1936 in the case of State employees, and July 1, 1949 in the case of teachers.

ACTUARIAL VALUATION

An actuarial valuation of a retirement system is undertaken for the purpose of establishing the true financial condition of the system. The liabilities for the several benefit obligations to the participating members, both accrued and prospective, are

determined by the application of actuarial formulas and procedure. In the calculation of these liabilities, the principles used are similar to those that apply to life insurance practice. A determination is made of the reserves required to meet the obligations as they mature. The factors of mortality and interest are basic in such a determination.

The valuation of a retirement system involves **such** basic factors such as turnover in employment, ages at retirement, rates of salary at the time the benefits become payable and rates of disability. It is the function of the actuary to properly appraise and evaluate the effect of these factors in the operation of the system. With the use of certain techniques, rates reflecting these factors are formulated based generally upon past experience, and used in forecasting the course of future operations. A forecast of the future, therefore, is fundamental to a proper evaluation of the financial condition of a retirement system.

A survey of the mortality and turnover experience, completed as of June 30, 1958, provided rates of death and rates of turnover for use in future valuations. These rates, with appropriate modifications reflecting the operating experience for the past year, were used in measuring mortality among the active members and retirants, and the turnover experience among the members. Separate rates were used for State employees and teachers, with a further separation between male and female

individuals to give effect to certain physiological conditions and employment factors.

Earnings on investments have been in a steady upward trend. The established investment authority for the system and a broadening of the investment policy during recent years should result in average interest earnings over the long term above 3% per year under varying cyclical economic conditions. A 3% interest rate, therefore, was assumed in this valuation.

Any variations in future experience from the assumed standards will be adjusted by a revision of the basic factors. Since the financial condition of the system is reappraised each year through the annual actuarial valuation, future balance sheets will give effect to these revisions and changes. It must be considered, however, that because of the long-term character of pension obligations, a forecast of future trends must be based upon operating experience for an extended period of time. Short term fluctuations and transitory factors cannot be permitted to influence the basic assumptions or conclusions.

ACCRUED LIABILITY

The accrued liability consists of pension credits earned by the members in service, and those who have left service with vested rights, as of the date of valuation. The amount of this

liability is \$60,811,278.66. Of this amount, the members are obligated for \$8,632,088.71, and the State and Cities and Towns in the amount of \$52,179,189.95.

A matured liability exists on account of members who are on retirement. The amount of this liability, which includes present and prospective beneficiaries, is \$22,504,924.00.

The liability for future refunds to those members who may leave service before acquiring vested rights was established at \$9,414,217.00.

The sum of these three liability items, amounted to \$92,730,419.66, and constitutes the total accrued liability. To meet this liability, the system has accumulated assets totalling \$35,582,804.66. The difference between the total accrued liability and the total present assets is \$57,147,615.00 which represents the unfunded accrued liability.

FUTURE SERVICE LIABILITY

The liability for retirement annuities on account of service to be rendered by the members after June 30, 1959, to the dates when these annuities will probably mature, has been established at \$36,308,303.00. This is the present value at that date of such future service pension credits.

In the computation of this liability, assumptions were made as to the probable periods of future service, the credits to be

released by deaths and separations from service, future salary rates and the ages at which the credits may mature. These assumptions were based upon past experience, current operating factors and our estimate of probable future trends.

To meet the foregoing liability, the members will contribute to the system during their future service, assuming the present rates of contribution maintain and the foregoing factors prevail according to assumptions, the amount of \$12,569,995.00, leaving a remainder to be provided from employer contributions (the State and the Cities and Towns) of \$23,738,308.00. These constitute discounted amounts being the present value, as of June 30, 1959, of such future contributions for the assumed periods of service.

VALUATION BALANCE SHEET

A retirement system is considered to be in sound financial condition from the technical standpoint when it has assets equal to the difference between (1) the total of all accrued and prospective liabilities, and (2) the present value of future contributions to be received by the system. This is known as the actuarial reserve. The actuarial reserve may also be defined as the assets on hand in the system equal to all accrued liabilities at the balance sheet date.

The Valuation Balance Sheet showing the results of the valuation made as of August 30, 1959 is presented in the following pages.

Employees' Retirement System of the
State of Rhode Island

VALUATION BALANCE SHEET - JUNE 30, 1959

Statement of Assets, Liabilities and Reserves

A S S E T S

PRESENT ASSETS:

Cash		\$ 556,980.44
Investments		
Bonds (at par value)	\$27,389,500.00	
Stocks (at cost)	<u>7,634,902.13</u>	35,024,402.13
Other		1,422.09

DEFERRED ASSETS:

Future service pension credits on account of service subsequent to July 1, 1959 -

State employees -		
Members	\$ 6,236,908.00	
State of Rhode Island	11,290,133.00	
Teachers -		
Members	7,599,704.00	
State of Rhode Island	5,590,779.00	
Cities and Towns	<u>5,590,779.00</u>	36,308,303.00

UNFUNDED ACCRUED LIABILITY -

Due from employers for unfunded accrued pension credits -

State of Rhode Island	\$38,900,130.00	
Cities and Towns (see foot-note)	<u>18,247,485.00</u>	<u>57,147,615.00</u>

TOTAL ASSETS

\$129,038,722.66

Note: Under the law governing the system, the cities and towns of the State assume one-half of the cost of teachers' pensions.

Employees' Retirement System of the
State of Rhode Island

VALUATION BALANCE SHEET - JUNE 30, 1959
Statement of Assets, Liabilities and Reserves

CURRENT LIABILITIES:

None

RESERVE REQUIREMENTS:

RESERVE FOR MEMBER CONTRIBUTIONS -

State Employees -

For service retirement and disability annuities \$ 3,167,232.22
For future refunds 6,438,737.00

Teacher Members -

For service retirement and disability annuities \$ 5,464,856.49
For future refunds 2,975,480.00

\$ 9,605,969.22
8,440,336.49

RESERVE FOR EMPLOYER CONTRIBUTIONS -

For service retirement and disability annuities on active members -

State Employees

17,829,177.92

Teacher Members

34,350,011.88

RETIREMENT AND BENEFITS RESERVE -

Actuarial Value of Service retirement, disability and beneficiary annuities in force -

State Employees -

Service retirement \$ 5,467,537.00
Disability 350,930.00
Other 258,327.00

6,076,794.00

Teacher Members -

Service retirement \$15,594,437.00
Disability 833,693.00
Other --

16,428,130.00

FUTURE SERVICE LIABILITY

Present value of future service pension credits -

State employees

\$17,527,041.00

Teachers

18,781,262.00

36,308,303.00


TOTAL LIABILITIES AND RESERVES

\$129,038,722.68

CERTIFICATION

The accompanying Valuation Balance Sheet exhibits all assets, accrued liabilities and reserves of the system as of June 30, 1959. Present assets embodied in this statement were taken from the report of the Bureau of Audits, Department of Administration, State of Rhode Island, dated October 30, 1959, on an examination of the financial reports of the system.

In our opinion, the accompanying Valuation Balance Sheet correctly presents the condition of the Employees' Retirement System of the State of Rhode Island at June 30, 1959, giving effect to all accrued liabilities and actuarial reserve requirements for the several annuities and benefits under the applicable law as the same was in effect at such date.


A. A. Weinberg
Actuary

February 24, 1960

FINANCIAL STATEMENTS

Reproduced from the Report on Examination of Financial Records of the Bureau of Audits, Department of Administration, State of Rhode Island, dated October 30, 1959

Employees' Retirement System of the
State of Rhode Island

FINANCIAL BALANCE SHEET - JUNE 30, 1959

A S S E T S

Cash	\$ 556,980.44
Due from other funds	1,422.09
Investments	<u>35,024,402.13</u>
<u>Total Assets</u>	<u>\$35,582,804.66</u>

R E S E R V E S

Reserve for Special Pension Increases	\$ 31,463.81
Annuity Savings Reserve:	
State Employees	9,605,969.22
Teachers	8,440,336.49
Contingent Reserve:	
State Employees	12,384,368.16
Teachers	<u>5,120,666.98</u>
<u>Total Reserves</u>	<u>\$35,582,804.66</u>

Employees' Retirement System of the State of Rhode Island

Statement of Cash Receipts and Disbursements Fiscal Year Ended June 30, 1959

\$ 128,183.13

Cash Balance July 1, 1958

Receipts:

Table with 2 columns: Description and Amount. Includes Members Contribution, State Employees Teachers, State Contribution, State Employees Teachers, Special Pension Increases, Cities and Towns Contributions - Teachers, Income on Investments, Discounts on Investments, Investments Matured or Sold, Premium on Investments, Refunds of Benefits, Transfer-Certain Employees Fund.

Total Receipts

Total Available

9,878,481.65

\$10,006,664.78

Disbursements:

Table with 2 columns: Description and Amount. Includes Refunds of Contribution, Benefits Paid - State Employees, Benefits Paid - Teachers, Monthly Retirement Allowances, Ordinary Death Benefits, Death Retirement Allowances, Special Pension Increases, Monthly Retirement Allowances, Ordinary Death Benefits, Death Retirement Allowances, Purchase of Investments, Accrued Interest on Investments, Premiums on Investments, Commissions, Postage & Insurance - Investments.

Total Disbursements

Cash Balance June 30, 1959

9,448,262.25

\$ 558,402.53

INVESTMENTS - EMPLOYEES' RETIREMENT SYSTEM

June 30, 1959

Table with 4 columns: Description, Rate, Maturities, Par Value (Bonds) or Cost (Stocks). Lists various investments including United States of America bonds and Treasury Bills.

TOTAL UNITED STATES OF AMERICA

\$ 14,977,500

The Twelve Federal Land Banks:

Consolidated Federal Farm Loan

2-1/2 6/ 1/60

\$ 50,000

International Bank for Reconstruction and Development:

Bonds

3-1/2 10/15/71
4-1/4 1/15/79

\$ 400,000
100,000

TOTAL INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

\$ 500,000

INVESTMENTS - EMPLOYEES' RETIREMENT SYSTEM - CONTINUED

<u>Description</u>	<u>Rate</u>	<u>Maturities</u>	<u>Par Value (Bonds) or Cost (Stocks)</u>
State of Rhode Island: Blackstone Valley Sewer District Loan of 1952:			
Series B	2-1/2%	5/ 1/86	\$ 50,000
Series C	2-3/4	8/ 1/83	120,000
Series D	4	9/ 1/75	100,000
Highway Improvement Loan of 1955:			
Series A	3-1/4	3/ 1/84	50,000
Series B	3-1/4	3/ 1/85	100,000
Penal and Charitable Institutions	4	3/ 1/77	10,000
State Office Building - Registered	4	6/ 1/77	12,000
Third Courthouse Loan	4	3/20/81	22,000
Washington Bridge Loan	4	5/ 1/77	6,000
			<u>\$470,000</u>
TOTAL STATE OF RHODE ISLAND			
Municipalities:			
City of Central Falls:			
Refunding	2-3/4	6/ 1/66-67	\$ 13,000
Refunding	2.90	6/ 1/73-74	7,000
Refunding	3.90	8/ 1/71	35,000
School	2-1/4	7/ 1/68	<u>10,000</u>
			\$ 65,000
City of Cranston:			
Construction and Equipment	1-3/4	7/ 1/63	\$ 10,000
School, Series A	2-1/2	6/ 1/76	45,000
School, Series E	2.70	2/15/78-79	68,000
School, Series C	2.90	11/15/76-78	70,000
School, Series B	3.60	7/ 1/69-76	65,000
Sewerage, Series E	1-3/4	10/ 1/80-81	5,000
Sewerage, Series H	1.80	3/ 1/76	10,000
Sewerage, Series D	2	6/ 1/78	4,000
Sewerage, Series I	2-1/2	6/ 1/76	<u>15,000</u>
			292,000
Town of Cumberland:			
School	3-1/2	5/15/77-79	\$ 90,000
School	4.60	10/15/71-72	45,000
Water Supply In- stallation	1.90	1/ 1/76	3,000
Water	3-1/2	5/15/77-79	<u>60,000</u>
			198,000

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INVESTMENTS - EMPLOYEES' RETIREMENT SYSTEM - CONTINUED

<u>Description</u>	<u>Rate</u>	<u>Maturities</u>	<u>Par Value (Bonds) or Cost (Stocks)</u>
City of East Providence:			
Elementary School	3.75%	2/ 1/78	\$ 15,000
School Building	2.20	3/ 1/72	25,000
School Building	2-1/2	7/ 1/70	25,000
School Building	3-1/2	4/ 1/69	7,000
Sewer Trunk Extension	2-1/2	7/ 1/70-76	48,000
Sewer	2.70	2/ 1/67	95,000
Sewer	3-1/2	4/ 1/65-69	145,000
Street and Drainage	2.70	2/ 1/67	5,000
Street and Drainage	3.75	2/ 1/76-78	45,000
			\$410,000
Town of Gloucester:			
School Construction and Extension	2.70	8/ 1/67-69	30,000
Town of Hopkinton:			
School Building and Equipment	2-3/4	12/ 1/82-84	20,000
Town of Jamestown:			
School Construction	3	12/ 1/72-74	30,000
Town of Johnston:			
Sanitary District Sewer School	3-1/2 2.90	9/ 1/87 9/ 1/65-74	\$ 50,000 <u>107,000</u>
			157,000
Town of Lincoln:			
Elementary School Build- ing and Equipment	3-1/2	3/ 1/76	\$ 30,000
Junior High School Building and Equipment	2.35	3/ 1/67	<u>15,000</u>
			45,000
Town of Narragansett:			
Beach Development	3	4/ 1/61-63	\$ 11,000
Beach Repair	2.70	1/ 1/77-80	48,000
School Construction	3.70	5/ 1/82	<u>34,000</u>
			93,000
City of Newport:			
Sewer and Anti- Pollution	3.70	7/ 1/76	\$ 15,000
Water Works	2-1/4	3/ 1/68-70	<u>9,000</u>
			24,000

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INVESTMENTS - EMPLOYEES' RETIREMENT SYSTEM - CONTINUED

Description	Rate	Maturities	Par Value (Bonds) or Cost (Stocks)	
Town of North Kingstown: Land Purchase and School Building School	3.50% 2.75	4/ 1/76 2/ 1/65	\$ 60,000 15,000	\$ 75,000
Town of North Providence: Funding Funding Funding Highway Reconstruct- tion Sewer Sewer Sewer	3 3 3-1/2 3-1/2 3 3 3-1/2	7/ 1/62-72 6/ 1/72-73 7/ 1/63-76 7/ 1/63-76 9/ 1/67 6/ 1/72-74 7/ 1/63	\$ 32,000 10,000 30,000 60,000 35,000 15,000 5,000	187,000
City of Pawtucket: Park Refunding Water	2-1/4 2-3/4 2-5/8	7/ 1/60-61 6/ 1/68 9/ 1/67	\$ 20,000 3,000 5,000	28,000
Town of Portsmouth: Fire District Water	4-1/4	5/ 1/76-79		65,000
City of Providence: Fire Department Modernization Highway Construction Sewer Construction Water Supply Water Supply	2 2 2 4 4-1/4	1/ 1/74 1/ 1/74 1/ 1/74 1/ 3/68 2/ 1/64	\$ 20,000 4,000 16,000 35,000 46,000	121,000
Town of Richmond: School	4	4/ 1/62		2,000
Town of Smithfield: School	2-3/4	6/ 1/67-76		50,000
City of Warwick: Highway School School School Water	2.40 2.70 3.10 3-1/4 4-1/2	10/ 1/73-74 12/ 1/84-86 12/ 1/68 10/ 1/79 10/ 1/72-73	\$ 35,000 30,000 2,000 5,000 24,000	96,000

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INVESTMENTS - EMPLOYEES' RETIREMENT SYSTEM - CONTINUED

Description	Rate	Maturities	Par Value (Bonds) or Cost (Stocks)	
Town of Westerly: School	4.20%	9/ 1/69-70		\$ 50,000
Town of West Warwick: Sewer Sewer Sewer	2-1/2 2.70 2-3/4	7/ 1/59-71 7/ 1/78-79 2/ 1/63	\$ 26,000 30,000 15,000	71,000
City of Woonsocket: Junior High School Sewer Water	4-1/4 4-1/2 4-1/4	4/15/71-77 6/ 1/72-74 6/ 1/66	\$ 48,000 25,000 5,000	78,000
TOTAL MUNICIPALITIES				\$2,187,000
Railroads: Atchison, Topeka and Santa Fe: General Mortgage				\$ 10,000
Baltimore & Ohio Railroad Company: First Consolidated Mortgage, Series B	4	10/ 1/95 9/ 1/80		50,000
Boston & Maine Railroad Co.: Equipment Trust	6	3/ 1/67		25,000
Chasapeake and Ohio Railway Co.: Equipment Trust Equipment Trust Refunding and Improve- ment Mortgage, Series E Refunding and Improve- ment Mortgage, Series H	2-7/8 3 3-1/2 3-7/8	12/ 1/61 2/20/60-70 8/ 1/96 12/ 1/73	\$ 50,000 100,000 9,000 94,000	253,000
Chicago and Union Station: First Mortgage, Series F	3-1/8	7/ 1/63		10,000
Chicago, Burlington & Quincy Railroad Co. First & Refunding Mortgage	2-7/8	8/ 1/70		50,000

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INVESTMENTS - EMPLOYEES' RETIREMENT SYSTEM - CONTINUED

Description	Rate	Maturities	Par Value (Bonds) or Cost (Stocks)	
Chicago, Milwaukee, St. Paul & Pacific R. R.Co.:				
Equipment Trust, Series UU	3-3/8%	7/ 1/59	\$100,000	
Equipment Trust, Series XX	4-1/2	8/ 1/66	50,000	
Equipment Trust, Series XX	4-1/2	2/ 1/67	<u>50,000</u>	\$ 200,000
Gulf, Mobile and Ohio Railroad Co.:				
Equipment Trust, Series G	3-1/8	3/ 1/62		10,000
New York Central Railroad Co.:				
Equipment Trust	3-5/8	9/15/59-60	\$100,000	
Second Equipment Trust of 1952	3-1/8	5/15/63	<u>3,000</u>	103,000
New York, New Haven & Hartford Railroad Co.:				
Equipment Trust, Series A	3-3/4	1/ 1/63-66		70,000
Northern Pacific Railway Co.:				
Equipment Trust	3-1/8	2/16/69		100,000
Pennsylvania Railroad Co.:				
General Mortgage, Series A	4-1/2	6/ 1/65		12,000
Seaboard Air Line Railroad Co.:				
Equipment Trust, Series P	2-7/8	11/ 1/69	\$ 50,000	
Equipment Trust, Series K	3	11/15/65	<u>10,000</u>	60,000
Southern Pacific Company:				
Equipment Trust, Series NN	2-5/8	4/ 1/68	\$ 10,000	
Equipment Trust, Series RR	3-1/8	9/ 1/68	50,000	
Equipment Trust, Series WV	4	11/ 1/68	<u>100,000</u>	160,000

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INVESTMENTS - EMPLOYEES' RETIREMENT SYSTEM - CONTINUED

Description	Rate	Maturities	Par Value (Bonds) or Cost (Stocks)	
Southern Railway Company:				
Equipment Trust, Series TT	3%	8/ 1/63	\$	10,000
Texas, New Mexico Railway Co.:				
Equipment Trust Series A	2-3/4	5/ 1/61		10,000
Wabash Railroad Company:				
Equipment Trust, Series D	2-3/4	1/ 1/63	\$ 10,000	
Equipment Trust, Series G	3	4/ 1/67	<u>50,000</u>	<u>60,000</u>
TOTAL RAILROADS				<u>\$1,193,000</u>
Public Utilities:				
American Telephone & Telegraph Co.:				
Debentures	3-3/8	12/ 1/73	\$200,000	
Debentures	3-7/8	7/ 1/90	100,000	
Debentures	4-3/8	4/ 1/85	200,000	
Debentures	5	11/ 1/83	<u>50,000</u>	550,000
Appalachian Electric Power Co.:				
First Mortgage	3-1/4	12/ 1/70	\$ 50,000	
First Mortgage	4	5/ 1/88	100,000	
First Mortgage	4-5/8	3/ 1/87	<u>25,000</u>	175,000
Central Illinois Light Co.:				
First Mortgage	4	7/ 1/88		100,000
Central Maine Power Co.:				
First and General Mortgage	3-3/8	4/ 1/85	\$ 50,000	
First and General Mortgage	3-1/2	10/ 1/70	<u>18,000</u>	68,000
Central Power and Light Co.:				
First Mortgage, Series I	4-3/4	4/ 1/89		25,000

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INVESTMENTS - EMPLOYEES' RETIREMENT SYSTEM - CONTINUED

Description	Rate	Maturities	Par Value (Bonds) or Cost (Stocks)
Columbia Gas System, Inc.: Debentures, Series E	3-5/8%	9/ 1/80	\$ 150,000
Commonwealth Edison Company: Sinking Fund Debentures	3-1/8	10/ 1/2004	75,000
Consolidated Edison Company: First Refunding Mortgage, Series M	4-1/4	10/ 1/86	\$100,000
First Refunding Mortgage, Series N	5	10/ 1/87	50,000
First Refunding Mortgage, Series O	4	6/ 1/88	<u>75,000</u>
Consolidated Natural Gas Co.: Debentures	4-3/8	8/ 1/83	225,000
Consumers Power Co.: First Mortgage	4-3/4	10/ 1/87	100,000
Delaware Power and Light Co.: First Mortgage and Collateral Trust	3-7/8	6/ 1/88	250,000
Detroit Edison Company: Refunding Mortgage	3-1/4	5/15/80	100,000
Duke Power Company: First Mortgage Refunding	3	1/ 1/75	100,000
Duquesne Light Company: First Mortgage	3-1/8	7/ 1/84	50,000
Florida Light and Power Co.: First Mortgage	3-1/8	6/ 1/78	100,000
General Telephone Company of California: First Mortgage	4-1/2	9/ 1/86	\$ 50,000
First Mortgage	5	6/ 1/87	<u>50,000</u>

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INVESTMENTS - EMPLOYEES' RETIREMENT SYSTEM - CONTINUED

Description	Rate	Maturities	Par Value (Bonds) or Cost (Stocks)
Idaho Power Co.: First Mortgage	5%	5/15/89	\$ 100,000
Illinois Bell Telephone Co.: First Mortgage, Series C	3-1/8	4/ 1/84	\$ 45,000
First Mortgage, Series E	4-1/4	3/ 1/88	65,000
First Mortgage, Series F	4-3/8	3/ 1/94	<u>100,000</u>
Indiana and Michigan Electric Co.: First Mortgage	4-3/4	11/ 1/88	210,000
Long Island Lighting Company: First Mortgage, Series H	3-3/8	11/ 1/85	50,000
Narragansett Electric Co.: First Mortgage, Series A	3	9/ 1/74	\$ 8,000
First Mortgage, Series E	3-1/2	3/ 1/86	<u>200,000</u>
New England Power Co.: First Mortgage, Series H	4	6/ 1/88	208,000
New Jersey Bell Telephone Co.: Debentures	3-1/4	5/ 1/84	200,000
New York Telephone & Telegraph Co.: Refunding Mortgage, Series H	3	10/15/89	\$100,000
Refunding Mortgage, Series K	4-1/8	7/ 1/93	<u>100,000</u>
Niagara Mohawk Power Company: General Mortgage	3-7/8	6/ 1/88	200,000
			300,000

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INVESTMENTS - EMPLOYEES' RETIREMENT SYSTEM - CONTINUED

Description	Rate	Maturities	Par Value (Bonds) or Cost (Stocks)
Northern States Power Co.: First Mortgage	4%	7/ 1/88	\$ 100,000
Oklahoma Gas and Electric Co.: First Mortgage	3-7/8	6/ 1/88	200,000
Pacific Gas & Electric Co.: First and Refunding Mortgage, Series Z	3-3/8	12/ 1/88	\$ 50,000
First and Refunding Mortgage, Series AA	4-1/2	12/ 1/86	<u>50,000</u>
Pacific Telephone & Telegraph Co.: Debentures	3-1/8	11/15/89	\$100,000
Debentures	3-5/8	8/15/91	50,000
Debentures	4-3/8	8/15/88	<u>100,000</u>
Pennsylvania Electric Co.: First Mortgage	3-1/8	3/ 1/84	90,000
Philadelphia Electric Co.: First Refunding Mortgage	3-1/8	4/ 1/85	50,000
Public Service Company of New Hampshire: First Mortgage, Series H	3-1/4	11/ 1/84	75,000
Public Service Electric & Gas Co.: Debenture	4-5/8	3/ 1/77	\$ 60,000
First Refunding Mortgage	4-5/8	8/ 1/88	65,000
First Refunding Mortgage	5-1/8	6/ 1/89	<u>125,000</u>
Southern Bell Telephone & Telegraph Company: Debentures	5	6/ 1/86	50,000
Southern California Gas Company: First Mortgage, Series C	5-1/8	7/ 1/83	60,000

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INVESTMENTS - EMPLOYEES' RETIREMENT SYSTEM - CONTINUED

Description	Rate	Maturities	Par Value (Bonds) or Cost (Stocks)
Southwestern Public Service Company: First Mortgage	3.35%	2/1/81	\$ 50,000
Tampa Electric Co.: First Mortgage	4-1/4	7/ 1/88	50,000
Tennessee Gas Trans- mission Co.: First Mortgage Pipe Line	3-7/8	2/ 1/76	\$ 50,000
First Mortgage Pipe Line	4-3/4	11/ 1/76	<u>73,000</u>
Union Electric Company of Missouri: First Mortgage	4-3/8	3/ 1/88	100,000
Virginia Electric and Power Co.: First Refunding Mortgage	3-7/8	6/ 1/88	200,000
Washington Water Power Co.: First Mortgage	3-1/2	6/ 1/64	16,000
Wisconsin Public Service Corp.: First Mortgage	3-1/4	10/ 1/84	50,000
Wisconsin Telephone Company: Debentures	4-1/2	7/ 1/92	<u>25,000</u>
TOTAL PUBLIC UTILITIES			<u>\$5,525,000</u>
Industrials: Beacon Associates, Inc.: Sinking Fund Subor- dinated Debentures	5-3/4	1/ 1/70	\$ 100,000
Bethlehem Steel Corporation: Consolidated Mortgage Sinking Fund, Series K	3	1/ 1/79	100,000

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INVESTMENTS - EMPLOYEES' RETIREMENT SYSTEM - CONTINUED

<u>Description</u>	<u>Rate</u>	<u>Maturities</u>	<u>Par Value (Bonds or Cost (Stocks)</u>
Burroughs Corporation: Sinking Fund Debentures	4-3/8%	7/ 1/83	\$ 175,00
C.I.T. Financial Corp.: Debentures	3-5/8 4-1/4	9/ 1/70 10/ 1/71	\$100,000 <u>100,000</u>
Continental Oil Co.: Sinking Fund Debentures	3	11/ 1/84	100,00
Douglas Aircraft Co., Inc.: Convertible Subordinate Debentures	4	2/ 1/77	10,00
General Electric Company: Debentures	3-1/2	5/ 1/76	200,00
General Motors Acceptance Corp.: Debentures	3-1/2	3/15/72	\$150,000
Debentures	3-5/8	9/ 1/75	100,000
Debentures	4	3/ 1/79	100,000
Debentures	5	8/15/77	<u>25,000</u>
National Tea Company: Sinking Fund Debentures	5	8/ 1/77	40,00
Phillips Petroleum Co.: Sinking Fund Debentures	2-3/4	2/ 1/64	27,00
Proctor & Gamble Corp.: Debentures	3-7/8	9/ 1/81	50,00
Sears, Roebuck Acceptance Corporation: Debentures	5	7/15/82	50,00
Sears, Roebuck & Co.: Sinking Fund De- bentures	4-3/4	8/ 1/83	210,00
Standard Oil Company of Indiana: Debentures	4-1/2	10/ 1/83	200,00

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INVESTMENTS - EMPLOYEES' RETIREMENT SYSTEM - CONTINUED

<u>Description</u>	<u>Rate</u>	<u>Maturities</u>	<u>Par Value (Bonds or Cost (Stocks)</u>
Standard Oil Company of New Jersey: Debentures	2-3/8%	5/15/71	\$ 100,000
The Texas Company: Debentures	3-5/8	5/ 1/83	200,000
United States Steel Corporation: Sinking Fund Debentures	4	7/15/83	<u>350,000</u>
TOTAL INDUSTRIALS			\$2,487,000
Bank Stocks:			
Bank of America - 6,200 shares			\$ 232,554
Bankers Trust Company of New York - 1,600 shares			90,357
Chase Manhattan Bank - New York - 3,100 shares			141,675
Chemical Corn Exchange Bank Co., New York - 2,100 shares			85,969
Continental-Illinois National Bank & Trust Company of Chicago - 3,400 shares			270,096
First America Corp. - 500 shares			10,375
First City National Bank, Houston - 653 shares			29,954
First National Bank of Boston - 2,100 shares			133,559
First National City Bank of New York - 2,100 shares			107,617

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INVESTMENTS - EMPLOYEES' RETIREMENT SYSTEM - CONTINUED

<u>Description</u>	<u>Rate</u>	<u>Maturities</u>	<u>Par Value (Bonds or Cost (Stocks)</u>
First Pennsylvania Banking & Trust Company - 500 shares			\$ 21,48
Franklin National Bank - New York - 1,034 shares			25,28
The Hanover Bank - New York - 1,200 shares			41,67
Industrial National Bank of Providence - 19,513 shares			499,27
Irving Trust Company - New York - 7,344 shares			197,68
Manufacturers Trust Co. - New York - 2,000 shares			82,71
Marine Midland Corporation - 300 shares			5,68
Merchants National Bank of Boston - 1,500 shares			65,00
Morgan Guaranty Trust Company of New York - 6,100 shares			405,84
National Shawmut Bank of Boston - 2,100 shares			99,31
New York Trust Company - New York - 400 shares			23,12
The Philadelphia National Bank - 1,000 shares			38,25
Plantations Bank of Rhode Island - 2,600 shares			152,47
Rhode Island Hospital Trust Company - 11,050 shares			922,66
Second Bank - State Street Trust Co. - 1,800 shares			113,63
Transamerica Corp. - 500 shares			10,37

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INVESTMENTS - EMPLOYEES' RETIREMENT SYSTEM - CONTINUED

<u>Description</u>	<u>Rate</u>	<u>Maturities</u>	<u>Par Value (Bonds or Cost (Stocks)</u>
United States Trust Company of New York - 1,000 shares			\$ 70,631
TOTAL BANK STOCKS			\$3,877,188
Investment Companies and Trusts:			
Affiliated Fund, Inc. - 41,200 shares			\$ 251,031
Boston Fund, Inc. - 21,900 shares			354,129
Diversified Investment Fund, Inc. - 21,700 shares			200,995
Fundamental Investors, Inc. - 29,500 shares			461,896
Incorporated Income Fund - 19,300 shares			152,568
Incorporated Investors - 29,000 shares			252,244
Massachusetts Investors Trust - 19,400 shares			219,691
The George Putnam Fund of Boston - 4,300 shares			50,052
Shawmut Association - 1,000 shares			23,750
Wellington Fund, Inc. - 18,500 shares			252,086
TOTAL INVESTMENT COMPANIES AND TRUSTS			\$2,218,442
Corporate Stocks:			
Blackstone Valley Gas & Electric Co.: 5.6% Preferred - 1,000 shares			\$ 101,820

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INVESTMENTS - EMPLOYEES' RETIREMENT SYSTEM - CONTINUED

Description	Rate	Maturities	Par Value (Bonds or Cost (Stocks)
Boston Edison Company - 4.25% Cumulative Preferred - 500 shares			50,813
Brockton Edison Company: 6.40% Preferred - 1,000 shares			109,000
Narragansett Electric Company - 4-1/2% Cumulative Preferred - 2,200 shares			106,700
Southern California Edison Co. - 4.24% Cumulative Preferred - 2,000 shares 4.78% Cumulative Preferred - 1,500 shares			51,100 38,325
American Cyanamid Co. - 800 shares			43,318
Bethlehem Steel Corporation - 1,300 shares			69,028
Campbell Soup Co. - 500 shares			26,098
Cleveland Electric Illuminating Co. - 450 shares			23,469
Commonwealth Edison Co. - 400 shares			24,580
General Electric Co. - 300 shares			24,719
General Motors Corporation - 3,500 shares			119,728
Gorham Manufacturing Co. - 2,000 shares			52,000
International Nickel Co. of Canada, Ltd. - 450 shares			42,266

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INVESTMENTS - EMPLOYEES' RETIREMENT SYSTEM - CONTINUED

Description	Rate	Maturities	Par Value (Bonds or Cost (Stocks)
Iowa Electric Light & Power Co. - 1,700 shares			\$ 49,300
Middle South Utilities, Inc. - 1,000 shares			49,809
Montgomery Ward & Co. - 500 shares			22,280
National Steel Corporation - 500 shares			33,500
Panhandle Eastern Pipe Line - 500 shares			27,723
Sears, Roebuck & Co. - 600 shares			27,098
Sinclair Oil Corporation - 400 shares			27,333
Socony Mobil Oil Company, Inc. - 1,000 shares			49,105
Standard Oil Company of New Jersey - 2,400 shares			137,597
Union-Bag Camp Paper Corporation - 1,500 shares			70,606
Union Carbide Corporation - 200 shares			25,453
Union Electric Co. - 700 shares			24,492
United States Steel Corporation - 750 shares			71,518
Western Massachusetts Companies 2,000 shares			40,500
TOTAL CORPORATE STOCKS			\$ 1,539,272
TOTAL INVESTMENTS - EMPLOYEES' RETIREMENT SYSTEM			\$35,024,402

A P P E N D I X

Summary of Benefit and Contribution Provisions

Statistical Tables

Employees' Retirement System of the State of Rhode Island

SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS

B E N E F I T S

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. Any member completing 30 years of service may retire under age 60 on a reduced allowance which is the actuarial equivalent of the amount payable at age 60.

In the case of a member withdrawing from service prior to the attainment of age 60, the right to a retirement benefit vests in the member if his service credit is 10 years or more. 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 of a member is compulsory on the first day of the calendar month next following that in which he attained age 70, unless the member requests permission to continue in service, in which case the retirement board may permit his continuation in service beyond such age for periods of one year.

The service retirement allowance is equal to 1-2/3% of average compensation^{1/}, multiplied by the number of years of total service, not to exceed 45 years, subject to a maximum of 75% of the rate of compensation at the date of retirement.

Options

A member, upon or after attainment of age 60, and the completion of 10 years of service, has certain specific options whereby he may receive a lesser amount of service re-

^{1/} 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.

tirement allowance for himself in order to provide, on an actuarial equivalent basis, an annuity for a designated beneficiary to become payable upon his death, whether death occurs while in service or thereafter while on retirement.

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 credited service of the member.

A member qualifying for this benefit but not having completed 15 years of service, is entitled to receive the benefit prescribed 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.

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.

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, without 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 amount of \$500.00 and a maximum of \$5,000.00.

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.

Members of the General Assembly may continue coverage under this benefit after withdrawal from the General Assembly by making an annual contribution of \$15.00.

Occupational death benefit

Upon death of a member due to occupational causes, his accumulated contributions, including interest, are payable to such person 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 upon death of the widow, 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 minor child or children, the benefit is payable to a dependent father or mother for life.

Death benefit after retirement

Upon death of a retired member who did not elect any of the optional provisions of the Act, his beneficiary is entitled to a refund of the excess, if any, of the total member contributions at date of retirement, without interest, over the total retirement benefits paid to him. The minimum payment in such a case is an amount equal to five monthly installments of the retirement allowance, or the sum of \$300.00, whichever is the greater.

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

State employee members of the System are required to contribute at the rate of 5% of salary. This rate is uniform for all employees, both male and female.

Teacher members contribute 6% of salary. This rate is the same for all teachers.

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 fiscal year are to 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 from July 1, 1947.

The State's contribution to the System on account of State employees is equal to 5% of total salaries, effective July 1, 1957.

In the case of teacher-members, the rate of employer contribution, shared equally by the State and the cities and towns, is 7% of total salaries, effective as of July 1, 1958.

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.

Contributions for leaves of absence during any year may be made for the purpose of receiving 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 school or institution not operated for profit is allowed, not exceeding a total of 10 years, upon payment of certain contributions. Such credit is available, however, only if the outside service was rendered more than 10 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. The minimum was increased in 1952 under a formula which provided an additional amount of not less than \$200.00 per year.

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. This amount was increased in 1952 under a formula which provided an additional payment of not less than \$200.00 per year.

TABLE 1

Number of Members - STATE EMPLOYEES - and Total Salaries at June 30, 1959 - Classified by Age

MALE

Age June 30, 1959	Number of Members	Aggregate Annual Salary Rate	Age June 30, 1959	Number of Members	Aggregate Annual Salary Rate
16	1	\$ 2,184.00	53	153	
17	1	2,600.00	54	155	\$ 681,297.00
18	3	7,987.00			667,165.00
19	17	45,684.00	55	159	
			56	162	744,296.00
20	28	72,678.00	57	127	692,496.00
21	37	102,222.00	58	137	539,496.00
22	56	162,458.00	59	155	593,207.00
23	59	170,751.00			624,440.00
24	75	231,669.00	60	117	
			61	142	506,257.00
25	77	253,798.00	62	102	575,628.00
26	71	241,905.00	63	98	390,148.00
27	79	255,694.00	64	89	382,075.00
28	77	283,810.00			383,287.00
29	99	369,199.00	65	89	
			66	71	390,573.00
30	93	350,985.00	67	54	304,770.00
31	94	366,803.00	68	34	222,685.00
32	89	350,839.00	69	25	136,475.00
33	101	423,457.00			113,293.00
34	101	426,191.00	70	24	
			71	15	88,725.00
35	117	487,627.00	72	17	54,891.00
36	97	382,377.00	73	9	80,564.00
37	108	454,195.00	74	5	40,015.00
38	114	502,230.00			18,401.00
39	114	488,760.00	75	12	
			76	7	35,690.00
40	105	441,636.00	77	7	17,659.00
41	97	441,508.00	78	2	27,919.00
42	112	500,941.00	79	6	16,654.00
43	130	521,724.00			28,555.00
44	115	500,313.00	80	3	
			81	5	10,327.00
45	111	480,027.00	82	1	19,422.00
46	119	520,028.00	83	1	6,877.00
47	131	586,615.00	84	2	1,020.00
48	137	595,741.00			1,470.00
49	131	589,403.00	85	1	
					300.00
50	144	571,135.00	Totals	5,328	\$21,921,434.00
51	150	667,837.00			
52	152	672,346.00			

TABLE 2

Number of Members - STATE EMPLOYEES - and Total Salaries at June 30, 1959 - Classified by Age

FEMALE

Age June 30, 1959	Number of Members	Aggregate Annual Salary Rate	Age June 30, 1959	Number of Members	Aggregate Annual Salary Rate
			53	83	\$ 323,514.00
17	26	64,328.00	54	82	302,642.00
18	56	144,248.00			
19			55	83	293,488.00
			56	85	300,273.00
20	81	210,778.00	57	94	371,532.00
21	84	233,222.00	58	70	248,672.00
22	76	223,714.00	59	75	283,086.00
23	69	207,221.00			
24	63	194,445.00	60	52	175,166.00
			61	61	235,145.00
25	56	169,416.00	62	45	164,747.00
26	57	179,716.00	63	45	158,338.00
27	54	169,766.00	64	49	166,087.00
28	57	195,137.00			
29	66	229,036.00	65	28	91,501.00
			66	33	126,313.00
30	61	204,273.00	67	30	106,543.00
31	58	197,773.00	68	21	88,043.00
32	79	266,290.00	69	10	44,640.00
33	67	226,175.00			
34	61	214,096.00	70	9	46,799.00
			71	8	34,574.00
35	59	197,757.00	72	6	21,165.00
36	57	196,975.00	73	10	32,790.00
37	77	261,664.00	74	6	19,953.00
38	75	257,838.00			
39	83	272,926.00	75	3	11,893.00
			76	4	22,819.00
40	64	219,123.00	77	2	6,435.00
41	89	325,508.00	78	2	5,541.00
42	92	322,153.00	79	1	2,102.00
43	90	314,966.00			
44	98	357,447.00	80	1	2,990.00
			81	1	3,439.00
45	84	286,914.00	Totals	3,572	\$12,298,519.00
46	92	346,725.00			
47	82	297,162.00			
48	91	325,510.00			
49	94	336,955.00			
50	88	311,724.00			
51	93	315,295.00			
52	89	319,533.00			

TABLE 3

Number of Members - STATE EMPLOYEES -
at June 30, 1959 Classified by Length of Service

MALE

Length of Service	Number of Members	Aggregate Annual Salaries	Length of Service	Number of Members	Aggregate Annual Salaries
0	702	\$ 2,582,535.00	30	16	\$
1	508	1,872,909.00	31	8	95,654.00
2	414	1,465,771.00	32	18	41,418.00
3	403	1,545,774.00	33	9	105,621.00
4	246	880,170.00	34	4	53,988.00
5	348	1,378,246.00	35	10	24,247.00
6	260	914,823.00	36	--	77,309.00
7	315	1,174,275.00	37	6	---
8	200	746,249.00	38	4	36,370.00
9	303	1,227,651.00	39	3	27,998.00
10	159	716,593.00	40	5	14,953.00
11	245	1,144,630.00	41	1	31,481.00
12	87	410,654.00	42	1	6,429.00
13	111	518,989.00	43	1	3,972.00
14	60	280,260.00	44	3	5,083.00
15	81	364,070.00	45	1	13,336.00
16	139	595,851.00	46	--	7,836.00
17	131	625,224.00	47	1	---
18	59	239,315.00	48	1	7,086.00
19	135	656,478.00			9,957.00
20	57	308,910.00	50	1	4,420.00
21	39	246,554.00			
22	59	350,598.00	54	1	6,877.00
23	47	344,462.00			
24	19	109,727.00	Totals	5,328	\$21,921,434.00
25	24	169,345.00			
26	20	95,907.00			
27	17	100,596.00			
28	28	171,862.00			
29	18	108,971.00			

TABLE 4

Number of Members - STATE EMPLOYEES -
at June 30, 1959 Classified by Length of Service

FEMALE

Length of Service	Number of Members	Aggregate Annual Salaries	Length of Service	Number of Members	Aggregate Annual Salaries
0	492	\$ 1,424,408.00	30	5	\$
1	397	1,166,594.00	31	10	21,404.00
2	401	1,221,631.00	32	9	43,573.00
3	253	842,386.00	33	7	44,922.00
4	217	690,395.00	34	4	25,894.00
5	157	538,732.00	35	1	17,175.00
6	160	541,945.00	36	4	4,605.00
7	184	630,625.00	37	1	16,268.00
8	113	372,411.00	38	5	22,410.00
9	184	663,868.00	39	2	7,983.00
10	105	405,211.00	40	1	3,822.00
11	110	469,333.00	41	1	5,322.00
12	84	323,481.00	42	2	6,644.00
13	76	306,979.00	43	1	5,083.00
14	58	233,313.00	43	2	11,520.00
15	77	312,851.00	46	1	3,429.00
16	76	315,312.00	52	1	9,478.00
17	81	312,040.00			
18	54	204,468.00	Totals	3,572	\$12,298,519.00
19	59	242,432.00			
20	20	77,544.00			
21	35	160,331.00			
22	48	239,499.00			
23	20	92,067.00			
24	16	61,949.00			
25	5	22,884.00			
26	7	33,927.00			
27	7	37,918.00			
28	13	68,010.00			
29	7	36,433.00			

TABLE 5

Service Retirement Annuities Classified
by Age and Amounts of Annual Payments

STATE EMPLOYEES

Age at June 30, 1959	<u>M A L E</u>		Age at June 30, 1959	<u>F E M A L E</u>	
	Number	Annual Payments		Number	Annual Payments
50	1	\$ 1,110.84	50	--	\$ ---
58	--	---	58	1	626.78
60	--	---	60	1	1,699.41
61	3	7,948.65	61	--	---
62	5	7,084.82	62	5	6,841.58
63	9	17,749.47	63	2	5,275.49
64	3	2,503.89	64	5	5,000.64
65	13	17,635.87	65	9	15,718.37
66	8	12,877.10	66	11	15,485.83
67	24	35,546.90	67	8	8,760.83
68	10	18,593.41	68	4	5,009.78
69	19	22,981.12	69	11	16,377.99
70	9	10,795.28	70	9	7,639.79
71	18	28,223.41	71	15	18,432.43
72	11	17,723.17	72	13	11,862.99
73	12	18,680.77	73	8	9,732.29
74	9	10,606.23	74	10	9,849.60
75	17	21,828.79	75	6	6,917.05
76	9	8,941.99	76	11	16,547.12
77	16	18,088.73	77	8	12,149.53
78	3	2,316.89	78	5	2,793.27
79	3	1,542.98	79	5	5,398.91
80	5	5,451.33	80	1	917.86
81	9	5,620.51	81	--	---
82	5	2,224.67	82	4	4,562.10
83	4	9,886.92	83	1	2,166.10
84	2	1,874.26	84	2	843.20
85	4	4,442.49	85	1	563.04
86	3	1,472.69	86	--	---
87	1	2,568.84	87	1	1,337.40
89	2	2,028.96			
91	1				
Totals	238	\$320,643.82	Totals	157	\$192,509.38

TABLE 6

Cash Refund Annuities - Option 1 - Classified
by Age and Amount of Annual Payments

STATE EMPLOYEES

Age at June 30, 1959	<u>M A L E</u>		Age at June 30, 1959	<u>F E M A L E</u>	
	Number	Annual Annuities		Number	Annual Annuities
68	--	\$ ---	68	1	\$ 1,172.73
69	1	2,720.33	69	1	455.09
70	1	2,083.17	70	--	---
71	1	1,308.56	71	--	---
73	2	1,408.52	73	--	---
76	1	460.02	76	1	2,687.41
77	--	---	77	3	3,684.56
78	4	3,074.53	78	1	322.10
79	3	2,296.24	79	1	1,477.59
80	1	1,425.91	80	1	1,375.69
81	5	7,197.58	81	--	---
82	1	954.08	82	1	1,029.85
84	--	---	84	1	1,454.24
85	2	3,608.58	85	--	---
87	3	1,213.02	87	--	---
88	1	1,095.90	88	--	---
Totals	26	\$28,846.44	Totals	11	\$13,659.26

TABLE 7

Optional Annuities Classified by Age and
Amounts of Annual PaymentsSTATE EMPLOYEESJoint and Last Survivor - Option 2

Ages at June 30, 1959	M A L E		Ages at June 30, 1959	F E M A L E	
	Number	Annual Annuities		Number	Annual Annuities
68/68	1	\$ 2,581.08	68/68	--	\$ ---
68/69	1	1,494.12	68/69	--	---
69/74	1	802.32	69/74	--	---
70/63	1	1,551.76	70/63	--	---
70/68	1	1,011.24	70/68	--	---
71/69	1	1,447.60	71/69	--	---
71/70	1	1,831.59	71/70	--	---
71/82	1	1,037.52	71/82	--	---
72/73	1	3,628.18	72/73	--	---
75/69	--	---	75/69	1	1,601.16
78/71	1	1,120.66	78/71	--	---
78/79	1	269.80	78/79	--	---
81/88	1	898.93	81/88	--	---
82/79	1	1,417.83	82/79	--	---
86/89	1	1,787.16	86/89	--	---
Totals	14	\$20,879.79		1	\$1,601.16

Joint and Last Survivor - Option 3

M A L E		
66/55	1	\$ 2,676.50
66/57	1	1,692.77
66/63	1	2,598.87
68/66	1	2,171.62
69/66	1	5,639.40
77/72	1	558.34
79/66	1	3,106.81
79/77	1	2,467.34
82/70	1	1,757.24
Totals	9	\$22,668.89

TABLE 8

Disability Annuities Classified by Age
and Amount of Annual PaymentsSTATE EMPLOYEESOrdinary Disability

Age at June 30, 1959	M A L E		Amount of Annual Payments	Age at June 30, 1959	F E M A L E		Amount of Annual Payments
	Number				Number		
51	1	\$ 854.55	51	--			
53	1	2,217.62	53	--		\$ ---	
54	1	982.31	54	--		---	
55	1	709.26	55	1		1,548.63	
57	1	2,803.38	57	--		---	
58	--	---	58	1		512.23	
59	1	1,193.00	58	1		1,131.66	
60	--	---	59	2		3,015.84	
61	--	---	60	1		992.39	
64	1	2,741.35	61	2		1,563.86	
72	--	---	64	--		---	
74	1	539.09	72	1		460.20	
79	--	---	74	--		---	
80	2	1,743.36	79	1		299.52	
Totals	10	\$13,783.92	80	--		---	
				10		\$9,524.33	

Ordinary Disability Annuity - Option 1

M A L E			F E M A L E		
64	1	\$ 643.97	64	--	\$ ---
67	--	---	67	1	645.41
Totals	1	\$ 643.97		1	\$ 645.41

Accidental Disability Annuity

M A L E			F E M A L E		
60	--	\$ ---	60	1	\$ 876.00
72	--	---	72	1	1,648.44
73	1	351.36	73	--	---
Totals	1	\$ 351.36		2	\$ 2,524.44

TABLE 9

Beneficiary Annuities Classified by Age and Amount of Annual Payments

STATE EMPLOYEES

Accidental Death Benefits

<u>M A L E</u>		Amount of Annual Payments	<u>F E M A L E</u>		Amount of Annual Payments
Age at June 30, 1959	Number		Age at June 30, 1959	Number	
53	--	\$ ---	53	1	\$ 374.40
55	--	---	55	1	509.64
59	--	---	59	1	426.40
73	--	---	73	1	426.40
Totals	--	\$ ---		4	\$1,736.84

Beneficiary Annuities - Option 2

<u>M A L E</u>		Amount of Annual Payments	<u>F E M A L E</u>		Amount of Annual Payments
Age at June 30, 1959	Number		Age at June 30, 1959	Number	
64	1	\$ 1,150.80	64	--	\$ ---
65	2	2,612.70	65	--	---
66	--	---	66	1	1,515.36
67	--	---	67	1	2,357.40
68	1	4,525.80	68	--	---
69	2	2,943.27	69	--	---
73	2	5,688.84	73	--	---
74	--	---	74	1	774.00
75	--	---	75	1	2,064.25
82	1	271.73	82	--	---
86	1	1,787.16	86	--	---
Totals	10	\$18,980.30		4	\$6,711.01

TABLE 10

Number of Members - TEACHERS - and Total Salaries at June 30, 1959 - Classified by Age

MALE

Age June 30, 1959	Number of Members	Aggregate Annual Salaries	Age June 30, 1959	Number of Members	Aggregate Annual Salaries
21	1	\$ 3,600.00	50	38	\$ 237,976.00
22	9	33,500.00	51	38	233,494.00
23	31	110,200.00	52	36	216,944.00
24	37	136,400.00	53	36	232,120.00
			54	26	160,000.00
25	31	108,724.00	55	36	245,212.00
26	57	215,446.00	56	32	207,005.00
27	64	247,919.00	57	31	198,204.00
28	60	239,438.00	58	25	158,735.00
29	74	303,396.00	59	21	138,405.00
30	78	321,621.00	60	15	104,032.00
31	80	350,606.00	61	11	72,217.00
32	56	253,357.00	62	21	152,403.00
33	70	322,834.00	63	14	100,383.00
34	70	337,030.00	64	14	81,620.00
35	66	332,585.00	65	6	43,075.00
36	57	292,694.00	66	8	50,705.00
37	52	265,953.00	67	5	32,620.00
38	52	263,160.00	68	2	12,450.00
39	53	303,736.00	69	5	31,550.00
40	48	264,985.00	70	4	28,125.00
41	43	249,108.00	71	1	5,800.00
42	45	261,197.00			
43	26	141,426.00	Totals	1,840	\$9,658,472.00
44	41	235,929.00			
45	46	274,963.00			
46	33	199,908.00			
47	43	256,317.00			
48	46	291,897.00			
49	46	297,468.00			

TABLE 11

Number of Members - TEACHERS - and Total Salaries at June 30, 1959 - Classified by Age

FEMALE

Age June 30, 1959	Number of Members	Aggregate Annual Salaries	Age June 30, 1959	Number of Members	Aggregate Annual Salaries
20	1	\$ 1,000.00	50	159	\$ 907,367.00
21	4	12,300.00	51	142	796,909.00
22	64	233,820.00	52	167	962,456.00
23	167	608,316.00	53	144	836,658.00
24	151	570,152.00	54	144	828,033.00
25	126	487,196.00	55	130	755,983.00
26	114	450,292.00	56	116	682,456.00
27	96	379,691.00	57	120	693,593.00
28	68	270,723.00	58	74	442,685.00
29	93	387,341.00	59	100	579,881.00
30	70	290,504.00	60	88	519,798.00
31	78	342,832.00	61	76	444,229.00
32	68	326,318.00	62	68	401,132.00
33	63	303,546.00	63	74	443,888.00
34	61	278,549.00	64	62	361,180.00
35	40	204,970.00	65	45	274,890.00
36	46	228,410.00	66	38	228,397.00
37	50	238,130.00	67	28	170,263.00
38	67	335,553.00	68	42	246,718.00
39	72	362,111.00	69	26	161,595.00
40	67	312,103.00	70	15	90,206.00
41	95	480,107.00	71	2	10,880.00
42	94	502,412.00	72	1	5,600.00
43	76	385,163.00	73	1	2,500.00
44	89	468,835.00	74	1	5,800.00
45	95	498,099.00	76	1	2,050.00
46	109	590,695.00			
47	106	561,704.00			
48	134	737,396.00			
49	149	826,498.00			
			Totals	4,377	\$22,530,813.00

TABLE 12

Number of Members - TEACHERS - at June 30, 1959 - Classified by Length of Service

MALE

Length of Service	Number of Members	Aggregate Annual Salaries	Length of Service	Number of Members	Aggregate Annual Salaries
0	238	\$ 898,325.00	30	22	\$ 141,790.00
1	173	720,906.00	31	24	160,837.00
2	135	580,007.00	32	14	99,203.00
3	136	619,330.00	33	15	93,632.00
4	111	532,355.00	34	16	105,665.00
5	67	334,557.00	35	6	38,200.00
6	53	265,905.00	36	4	30,025.00
7	80	397,911.00	37	2	11,975.00
8	91	484,839.00	38	3	30,875.00
9	87	521,973.00	39	2	12,150.00
10	36	210,222.00	40	2	14,450.00
11	24	139,378.00	41	2	13,475.00
12	49	299,107.00	42	--	---
13	21	137,737.00	43	1	6,275.00
14	14	83,647.00	46	1	5,900.00
15	9	61,230.00	49	1	7,900.00
16	30	185,773.00	53	1	7,675.00
17	24	152,010.00			
18	25	140,772.00			
19	37	236,567.00			
20	36	236,824.00	Totals	1,840	\$9,658,472.00
21	35	222,324.00			
22	29	191,118.00			
23	43	266,295.00			
24	29	187,053.00			
25	10	63,405.00			
26	14	102,410.00			
27	26	169,488.00			
28	38	260,222.00			
29	24	176,755.00			

TABLE 13

Number of Members - TEACHERS - at
June 30, 1959 - Classified by Length of Service

FEMALE

Length of Service	Number of Members	Aggregate Annual Salaries	Length of Service	Number of Members	Aggregate Annual Salaries
0	440	\$ 1,710,063.00	30	82	
1	429	1,798,860.00	31	70	\$ 499,434.00
2	270	1,154,470.00	32	86	427,674.00
3	266	1,226,242.00	33	74	512,828.00
4	237	1,145,325.00	34	74	450,084.00
5	274	1,360,818.00	35	48	455,329.00
6	163	809,591.00	36	42	291,361.00
7	88	426,649.00	37	41	256,652.00
8	76	360,482.00	38	30	250,908.00
9	135	714,634.00	39	46	180,605.00
10	47	250,575.00	40	36	279,893.00
11	44	246,174.00	41	32	222,000.00
12	51	284,033.00	42	32	197,361.00
13	54	311,663.00	43	26	195,148.00
14	45	251,260.00	44	16	157,980.00
15	49	273,193.00	45	26	99,247.00
16	54	312,470.00	46	14	152,133.00
17	73	414,732.00	47	12	86,007.00
18	55	307,648.00	48	6	75,055.00
19	60	342,844.00	49	2	40,800.00
20	54	327,815.00	50	2	11,975.00
21	61	348,960.00	51	1	11,455.00
22	71	411,929.00	52	1	5,800.00
23	70	414,735.00			6,100.00
24	65	391,246.00	Totals	4,377	\$22,530,813.00
25	50	292,645.00			
26	46	269,791.00			
27	103	620,995.00			
28	74	445,219.00			
29	74	439,923.00			

TABLE 14

Service Retirement Annuities Classified
by Age and Amounts of Annual Payments

TEACHERS

<u>M A L E</u>			<u>F E M A L E</u>		
Age at June 30, 1959	Number	Annual Payments	Age at June 30, 1959	Number	Annual Payments
60	2	\$ 5,150.47	60	--	\$ ---
61	1	3,645.84	61	9	24,947.30
62	4	10,066.93	62	16	47,844.16
63	4	10,805.43	63	13	33,705.04
64	2	6,896.22	64	15	44,818.76
65	2	7,157.67	65	22	60,733.09
66	5	11,579.24	66	22	62,909.56
67	3	7,410.53	67	19	55,291.57
68	3	6,489.83	68	26	77,223.03
69	4	11,620.81	69	28	82,423.05
70	4	10,272.60	70	21	57,041.86
71	5	12,150.48	71	40	116,604.49
72	9	21,099.22	72	43	120,236.26
73	5	20,050.96	73	37	89,444.99
74	3	8,832.53	74	28	79,836.12
75	9	24,007.85	75	23	58,666.62
76	1	3,573.50	76	25	60,738.15
77	2	4,239.63	77	23	58,213.31
78	1	1,850.40	78	18	36,288.73
79	--	---	79	23	41,604.99
80	2	4,253.95	80	20	29,855.58
81	3	11,136.00	81	12	18,533.15
82	--	---	82	2	3,004.17
83	--	---	83	1	1,500.76
84	--	---	84	2	3,335.88
85	--	---	85	1	1,891.80
86	--	---	86	--	---
87	1	2,457.84	87	1	1,599.58
88	--	---	88	--	---
89	--	---	89	1	1,792.06
91	--	---	91	1	1,830.25
Totals	75	\$204,747.93		492	\$1,271,914.31

TABLE 15

Cash Refund Annuities - Option 1 - Classified by Age and Amount of Annual Payments

TEACHERS

F E M A L E

Age at June 30, 1959	Number	Annual Annuities
69	1	\$ 2,199.73
70	1	2,006.10
76	1	1,562.67
77	1	3,227.49
78	<u>1</u>	<u>2,684.16</u>
Totals	5	<u>\$11,680.15</u>

TABLE 16

Optional Annuities Classified by Age and Amounts of Annual Payments

TEACHERS

Joint and Last Survivor - Option 2

<u>M A L E</u>			<u>F E M A L E</u>		
Ages at June 30, 1959	Number	Annual Annuities	Ages at June 30, 1959	Number	Annual Annuities
61/57	1	\$ 3,633.36	61/57	--	\$ ---
62/58	1	2,117.88	62/58	1	1,160.40
65/57	1	2,396.86	65/57	--	---
67/60	1	1,559.60	67/60	--	---
68/51	1	1,041.13	68/51	--	---
69/42	--	---	69/42	1	899.19
70/67	1	1,527.27	70/67	--	---
73/67	1	1,920.84	73/67	--	---
73/83	1	1,853.65	73/83	--	---
75/72	1	2,063.21	75/72	--	---
76/76	1	1,975.53	76/76	--	---
77/73	--	---	77/73	1	1,841.34
Totals	10	\$20,089.33		3	\$3,900.93

Joint and Last Survivor - Option 3

<u>M A L E</u>			<u>F E M A L E</u>		
64/63	1	\$ 2,342.29	64/63	--	\$ ---
67/59	--	---	67/59	1	3,195.60
67/60	2	5,968.94	67/60	--	---
67/69	1	2,931.35	67/69	--	---
68/70	--	---	68/70	1	1,626.67
72/70	1	5,208.32	72/70	--	---
74/75	1	3,720.00	74/75	--	---
75/60	1	2,023.53	75/60	--	---
80/70	1	1,415.74	80/70	--	---
81/71	1	2,113.35	81/71	--	---
Totals	9	\$25,753.52		2	\$4,822.27

TABLE 17

Disability Annuities Classified by Age
and Amount of Annual Payments

TEACHERS

Ordinary Disability

<u>M A L E</u>			<u>F E M A L E</u>		
Age at June 30, 1959	Number	Amount of Annual Payments	Age at June 30, 1959	Number	Amount of Annual Payments
49	1	\$1,331.93	49	--	
51	--	---	51	5	\$8,449.81
52	--	---	52	1	1,017.41
54	--	---	54	1	2,002.32
55	--	---	55	1	1,229.40
56	1	1,399.54	56	1	1,217.07
58	--	---	58	1	2,204.93
59	2	3,178.60	59	1	2,241.75
60	2	3,295.55	60	1	1,661.09
Totals	6	\$9,205.62	61	3	4,681.58
	==	=====	62	1	2,451.00
			63	2	2,452.78
			64	3	6,293.44
			65	1	1,410.83
			66	3	4,227.18
			67	3	3,791.56
			69	1	1,204.12
			Totals	29	\$46,536.27
				==	=====

Accidental Disability Annuities

<u>M A L E</u>			<u>F E M A L E</u>		
Age at June 30, 1959	Number	Amount of Annual Payments	Age at June 30, 1959	Number	Amount of Annual Payments
44	--	---	44	1	\$2,666.67
				==	=====