

Employees' Retirement System

ANNUAL REPORT
of the
RETIREMENT BOARD

LOCAL YEAR ENDED JUNE 30, 1967



State of Rhode Island and Providence Plantations

ANNUAL REPORT
of the
RETIREMENT BOARD

FISCAL YEAR ENDED JUNE 30, 1967

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MEMBERS OF RETIREMENT BOARD

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SENATOR FRANCIS P. SMITH, Senate Finance Chairman
REPRESENTATIVE ANTHONY J. BARONE, House Finance Chairman

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G. ALDEN WINTER, Warwick

Elected by State Employees

CHARLES W. HILL, Warwick

Elected by Teachers

JAMES E. CONLON, South Kingstown

Representing Municipal Employees

Appointed by the Retirement Board -

PAUL E. BASSETT, Pawtucket

Elected by Municipal Employees -

RALPH D. CUCULO, North Providence

SUPERVISORY STAFF

JOSEPH G. IANNELLI, Chief and Executive Secretary
JOHN F. SULLIVAN, Administrative Assistant
SARTO R. GAMACHE, Senior Accountant
HELEN S. GAUCH, Secretary to Chief

C O N T E N T S

	<u>Page</u>
LETTER OF TRANSMITTAL	1
FINANCIAL AND STATISTICAL FACTS	11
THIRTY-FIRST ANNUAL REPORT	1
MEMBERSHIP AT END OF YEAR	1
FINANCIAL REVIEW	3
FINANCING THE SYSTEM	4
UNFUNDED ACCRUED LIABILITY	5
INVESTMENT OPERATIONS	7
LEGISLATION	9
APPROPRIATIONS FOR 1968 FISCAL YEAR	10
ANNUAL ACTUARIAL VALUATION	11
CONCLUSION	12
REPORT OF THE ACTUARY	14
MEMBERSHIP STATISTICS	15
BASIS OF VALUATION	17
RESULTS OF VALUATION	17
VALUATION BALANCE SHEET	22
CERTIFICATION	26
FINANCIAL STATEMENTS -	
Financial Balance Sheet	28
Statement of Revenues and Expenditures	29
Statement of Cash Receipts and Disbursements	31
Comparative Statement of Investment Receipts and Disbursements	33
Statement of Net Investment Earnings	34

-continued-

C O N T E N T S - continued

	<u>Page</u>
SUMMARY OF INVESTMENT OPERATIONS	35
LISTING OF INVESTMENTS OWNED	36
INVESTMENTS ACQUIRED DURING THE YEAR	56
INVESTMENTS DISPOSED OF DURING THE YEAR	61
APPENDIX -	
Summary of Benefit and Contribution Provisions	65
Statistical Tables	74

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January 22, 1968

To His Excellency
the Honorable John H. Chafee
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, 1967.

Respectfully submitted,

Raymond H. Hawksley
Chairman

FINANCIAL AND STATISTICAL FACTS

<u>At Year-End</u>	<u>1967</u>	<u>1966</u>
Reserves (Net Assets)	\$93,440,134	\$83,118,675
Number of Contributing Members -		
State Employees	11,070	10,488
Teachers	7,729	7,616
Number of Pensioners -		
State Employees	1,394	1,275
Teachers	1,280	1,171
Unfunded Accrued Liability -		
State Employees	\$39,715,316	\$33,760,447
Teachers	\$77,297,416	\$74,430,890
<u>For the Year</u>		
Total Revenue	\$19,116,685	\$16,025,213
Total Expenditures	8,797,516	7,660,187
Member Contributions	7,418,151	6,165,864
State Contributions	4,436,003	3,940,739
Contributions by Cities & Towns	3,372,948	2,158,481
Investment Income	3,885,479	3,737,086
Pension and Benefit Payments	7,319,018	6,380,153
Refunds to Withdrawing Members	1,466,044	1,270,575
Number of retirements	327	301
Deaths among retirants	99	127

Employees' Retirement System of the
State of Rhode Island

THIRTY-FIRST ANNUAL REPORT OF THE RETIREMENT BOARD
FOR THE FISCAL YEAR ENDED JUNE 30, 1967

On behalf of the Retirement Board, there is presented herewith its Thirty-First Annual Report covering operations of the Employees' Retirement System of the State of Rhode Island for the fiscal year ended June 30, 1967.

All pertinent financial and statistical facts are presented in this report. Also included are the results of an actuarial valuation of the assets and liabilities of the system as of the aforesaid date.

MEMBERSHIP AT END OF YEAR

CONTRIBUTING MEMBERS

	<u>Male</u>	<u>Female</u>
<u>State Employees -</u>		
Number	6,063	5,007
Proportion of total	54.8%	45.2%
Aggregate salaries	\$41,757,037	\$25,543,433
Average salary	\$6,887	\$5,102
Average age	46.7	45.9
Average service	8.9	9.1

	<u>Male</u>	<u>Female</u>
<u>Teacher members -</u>		
Number	2,765	4,964
Proportion of total	35.8%	64.2%
Aggregate salaries	\$21,037,486	\$37,491,486
Average salary	\$7,608	\$7,553
Average age	28.7	43.1
Average service	7.8	10.0
<u>PENSIONERS</u>		
<u>State Employees -</u>		
Number	743	575
Proportion of total	56.4%	43.6%
Aggregate pensions	\$1,350,118	\$935,901
Average pension	\$1,817	\$1,627
Average age	71.4	71.0
<u>Teachers-</u>		
Number	211	1,058
Proportion of total	16.6%	83.4%
Aggregate pensions	\$759,312	\$3,621,405
Average pension	\$3,598	\$3,422
Average age	70.6	72.2

The upward trend in membership and pensioners is continuing at a normal rate in keeping with the expanding scope of operations of the system.

FINANCIAL REVIEW

The system has experienced the usual increase in reserves at a higher rate than in the preceding fiscal year. The excess of revenues over expenditures, which was credited to reserves, amounted to \$10,319,169.00 compared to \$7,592,290.00 for the last fiscal year. This increase in reserves is necessary to meet the larger liabilities resulting from the additional pension credits earned by the members during the year towards future pensions.

Total revenues for the year from member contributions, employer contributions and investment income amounted to \$19,116,685.00. Total expenditures by the system for pensions and benefits and refunds, totalled \$8,797,516.00, resulting in the aforesaid excess which was credited to the reserves for future pension payments.

It is noted that investment income for the year amounted to \$3,885,479.00 which included realized gains on the sale of investments of \$77,995.00. The investment income was equal to 20.3% of total revenues. This indicates the extent to which investment income contributes towards the financing of the system's liabilities.

FINANCING THE SYSTEM

The system operates on a jointly contributory basis with the employees and employer sharing equitably in its cost. State employees contribute 5% of salary. Teachers contribute 6% of salary. The remainder of the cost is met by the State and by the cities and towns of the State. The cost of teachers' pensions over and above the contributions by the teachers is shared equally by the State and the cities and towns.

The employer's share of the cost of the system consists of a rate per cent of payroll for each year based upon the projected requirements for pension and benefit payments for a period of 10 years after applying as an offset contributions made by the beneficiaries and after adjustment for other factors with the application of actuarial criteria.

The rates of contribution by the employers which have been in effect since July 1, 1957, are as follows:

State of Rhode Island for State employee members	5.00%
State of Rhode Island and Cities and Towns of the State for teacher-members, each contributing one-half thereof	7.00%

The foregoing percentages are applied to the salaries payable to the members in order to arrive at the amounts to be contributed to the system.

Legislation enacted at the 1967 session of the General Assembly reduced from 10 years to 5 years the period for the projection of expenditures in the calculation of the aforesaid rate. (H-1176, approved May 9, 1967)

A reexamination of the foregoing rates was made during the fiscal year covered by this report by a 10-year projection of expenditures as provided by law. Upon the basis of the results of the projection as reported by the actuary, the Board adopted the following rates for the period subsequent to July 1, 1967:

State of Rhode Island for State employee members	5.55%
State of Rhode Island and Cities and Towns of the State for teacher-members, each contributing one-half thereof	7.80%

In accordance with the 1967 legislation referred to above, projected costs will be calculated every 5 years with the first of these calculations to be made just prior to July 1, 1972 so as to take effect on that date.

UNFUNDED ACCRUED LIABILITY

According to the report of the actuary, the unfunded accrued liability, commonly referred to as the unfinanced past service credits, increased during the year in the sum of \$8,821,395.00. This compares with an increase last year of \$7,812,276.00.

It is noted, however, that the increase in reserves under the method of financing described above, resulting from the excess of revenues over expenditures for the year, was at a greater rate than the increase in such liability. This is evidenced by the steady increase in the rate of funding which represents the extent to which the accrued liabilities are covered by actual present assets. This favorable trend will be observed in the following statement which illustrates the status of the system for the last three years:

	June 30th		
	1967	1966	1965
State employees	70.8%	69.5%	66.9%
Teachers	29.6	29.0	28.5
Composite rate	<u>44.4%</u>	<u>43.4%</u>	<u>42.7%</u>

This favorable trend in the financial condition of the system occurred during the time when lower rates of contribution were in effect for the State and the cities and towns. It is expected that the new and revised rates should bring about continued improvement in the financial stability of the system and possibly at a greater rate than has occurred in the past.

INVESTMENT OPERATIONS

The system's long-term investment account as of June 30, 1967 amounted to \$91,855,751.75 at amortized book value for bonds and cost value for stocks. This represents an increase of \$9,476,906.56 during the year. The following is a summary of the investments according to type of security:

Type of Investment	Amount	Per Cent of Total
United States Government	\$26,209,500.00	28.53%
Federal Land Banks	2,000,000.00	2.18
Federal National Mortgage Association (FNMA)	1,085,000.00	1.18
Export-Import Bank	428,572.00	0.47
International Bank for Reconstruction and Development (World Bank)	600,000.00	0.65
State and Municipal bonds	1,869,000.00	2.03
Railroad Bonds and Equipment Trust Certificates	4,226,000.00	4.61
Corporate Public Utility	21,571,000.00	23.48
Corporate Industrial Bonds	13,227,000.00	14.40
Preferred Stocks	496,351.90	0.54
Common Stocks	15,095,478.73	16.43
Bank Stocks	4,424,558.96	4.82
Mutual Funds	623,290.16	0.68
Totals	<u>\$91,855,751.75</u>	<u>100.00%</u>

The gross amount of investment earnings for the year amounted to \$3,885,479.00. As a proportion of average net assets, these earnings were equal to 4.40%. If related to the investments only without regard to other assets, the average rate of return on investments was 4.51%. The aforesaid earnings include a realized gain from the sale of securities in the amount of \$77,995.00.

The rates of return on the investment account compare most favorably with the investment income of other public pension funds having a like investment authority. Besides, the system has accumulated a substantial capital gain on its common stock investments as will be seen in the following statement:

	Cost	Market Value	Excess of Market Value over cost
Common stocks	\$19,520,037.69	\$27,633,847.00	\$8,113,809.31
Mutual funds	623,290.16	902,586.00	279,295.84
Totals	\$20,143,327.85	\$28,536,433.00	\$8,393,105.15

The market value of equity investments is equal to 41.7% of their cost.

As has been noted, the bond investments are well diversified. The quality of the system's bond holdings is considered high with the majority of the bonds rated "AA" or better by the nationally recognized rating services. All other investments are of prime

quality. Sales of investments have been made principally of low yielding securities as attractive opportunities have developed with the proceeds invested in higher yielding securities.

LEGISLATION

The following bills were enacted at the 1967 session of the General Assembly affecting the system:

H-1176 - The period prescribed for the projection of expenditures in the calculation of the rates of contribution applicable to the State of Rhode Island and the Cities and Towns of the State in the financing of the system was reduced from 10 to 5 years.

H-1177 - Members employed by the University and Colleges were granted the option to join the Teachers Insurance & Annuity Association pension in lieu of the State Retirement plan.

H-1140 - The average annual compensation formula for retirement annuity computations was reduced from 5 to 3 highest consecutive years salary within 10 years of retirement.

H-1813 - The rate of contribution for the purchase of out-of-state teaching credits was increased from 5% to 6% for teachers employed prior to 1951.

S-200 - State employees were granted the privilege of purchasing up to one year of educational leave, either by December 31, 1967 or one year after the return from leave, whichever is later.

S-195 - School nurses in the City of Providence were granted the right to purchase prior service credit provided the City paid the actual costs.

S-709 - Retired teachers may substitute in any state or public school for 75 days in any one year without loss of pension benefits.

APPROPRIATIONS FOR 1968 FISCAL YEAR

Appropriations to the system by the State and the Cities and Towns (on behalf of teacher-members) consist of a rate per cent of payroll according to a formula prescribed by law. This rate is obtained by a projection of expenditures by the system for a period of years after applying credits for certain member contributions and after giving effect to certain actuarial factors.

The rate of contributions by the State is 5% of payrolls on account of State employees. In the case of teacher-members, the State of Rhode Island and the Cities and Towns share equally in a rate of 7% of payrolls involving teachers.

The appropriations budgeted for the system for the 1968 fiscal year with the amounts allocated for the 1967 fiscal year given

for comparison are as follows:

	Fiscal Year Ended June 30th -	
	<u>1968</u>	<u>1967</u>
State Employees -		
5% of total compensation paid to the members during the fiscal year preceding the submission of the budget to the General Assembly	\$3,111,872.00	\$2,740,112.00
Teachers -		
3 1/4% of total compensation paid to the members during the fiscal year preceding the submission of the budget to the General Assembly	\$1,993,978.00	\$1,644,811.00

ANNUAL ACTUARIAL VALUATION

As required by law, an actuarial valuation of the assets and liabilities of the system was completed as of June 30, 1967. The results of this valuation are set forth in the accompanying statement of the actuary.

Briefly, the report shows that the unfunded accrued liability increased during the year as previously explained. This increase was due entirely to the use of a partial method of funding the obligations of the system as discussed in the first part of this report. This increase in the liability was more than offset by revenues over and above expenditures. The effect thereof was to show some improvement in the rate of funding the accrued liabilities.

CONCLUSION

The system is gradually expanding its operations. This is evidenced by a steady upward trend in membership and assets. The increase in assets has been at a slightly greater rate than the increase in pension liabilities. The pension roll is likewise attaining larger proportions which is a factor of normal significance in the development of the system.

Proposals have been made from time to time to liberalize the pension formula or other aspects of the retirement plan. Proposals for a systematic post-retirement increase in pensions have been presented. All such proposals should be thoroughly evaluated in terms of their long term policy and cost implications in order that the security and stability of the system may be assured.

It has been the consistent aim of the Board of Trustees to see to it that the system operates in accordance with recognized principles governing pension plans for public employees. It has also been its policy to maintain high standards of efficiency in administration to the end that the system may fulfill its objectives adequately and effectively to the satisfaction of the employee members and the governmental employers.

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

RAYMOND H. HAWKSLEY, Chairman

FREDERICK C. LEES

ROBERT M. SCHACHT

DR. WILLIAM P. ROBINSON, Jr.

FRANCIS P. SMITH

ANTHONY J. BARONE

G. ALDEN WINTER

CHARLES W. HILL

JAMES E. CONLON

PAUL E. BASSETT

RALPH D. CUCULO

JOSEPH G. IANNELLI,
Chief and Executive Secretary

REPORT OF THE ACTUARY ON AN ACTUARIAL VALUATION
OF THE SYSTEM AS OF JUNE 30, 1967

An actuarial valuation of the Employees' Retirement System of the State of Rhode Island was completed as of June 30, 1967. The purpose of a valuation is to establish the liabilities and reserve requirements for the accrued and prospective pension credits under the prescribed benefit schedule. The true financial condition of the system is determined by means of such valuation. An actuarial balance sheet is prepared to reflect the results of the valuation showing the accrued and prospective liabilities and the present and prospective assets to cover these liabilities.

Because of the long-term character of the pension accumulation period, as well as the length of time for payment of the pension, a forecast of the future must be made based upon an extended period of operations covering the particular group of members comprising the system. Short term fluctuations or transitory factors must be disregarded in this process except to the extent that they affect specific benefits of a current operating character.

In an actuarial valuation a determination is made of the liabilities incurred for the several benefit obligations. The reserves required to meet these accrued liabilities for the lifetime of

the members are also established. The factors of mortality, turnover and interest are basic in such calculations. Other factors are also prominent in actuarial procedure such as rates of salary and their progression until maturity of the obligations, interest earnings, disability incidents and ages of retirement.

Rates reflecting these basic factors were formulated in a survey and investigation of the past operating experience of the system. Separate rates are used for State employees and teacher-members. A further division is made between male and female members to give effect to the diverse physiological conditions and employment characteristics affecting the two sexes. Some variations from these established standards frequently occur in current operations. These are considered by means of an adjustment of the results of the valuation according to the foregoing factors.

MEMBERSHIP STATISTICS

A variety of statistics was compiled and tabulated for this actuarial valuation. These statistics formed the basis of the valuation. A summary thereof is presented below.

<u>ACTIVE MEMBERS</u>	<u>State Employees</u>		<u>Teachers</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
1. Number	6,063	5,007	2,765	4,964
2. Per cent of total	54.8%	45.2%	35.8%	64.2%

	State Employees		Teachers	
	Male	Female	Male	Female
3. Annual salaries	\$41,757,037	\$25,543,433	\$21,037,486	\$37,491,448
4. Average salary	\$6,887	\$5,102	\$7,608	\$7,553
5. Average age	46.7	45.9	38.7	43.1
6. Average service	8.9	9.1	7.8	10.0
7. New entrants	1,150	1,216	420	1,128
8. Average age of above	35.3	34.2	28.0	27.5
9. Refunds	606	630	156	595
10. Age at refund	36.6	33.2	31.7	28.0

RETIREMENTS

1. Number on retirement	743	575	211	1,058
2. Per cent of total	56.4%	43.6%	16.6%	83.4%
3. Average age at June 30, 1967	71.4	71.0	70.6	72.2
4. Retirements during year	109	74	26	118
5. Terminations	38	26	5	30
6. Average age of retirements during year	65.2	64.9	63.8	64.9
7. Average age at death for service retirements	70.5	70.7	69.4	73.5
8. Average number of years on pension for deaths	5.6	5.2	5.2	8.9

BASIS OF VALUATION

The benefit and contribution provisions forming the basis of this valuation are summarized in the appendix. The rate of interest assumption was 3-1/2% per annum. The actuarial functions used were those previously established in the previous actuarial survey and investigation of the system with some modifications to reflect current operating trends.

RESULTS OF VALUATION

A test of progress in the operation of any retirement system is the extent to which coverage is provided for the accrued liabilities for earned pension credits in comparison with the prior period. This assumes that the system is fully funded, that is, the accruing pension credits are financed currently in full measure, and that the unfunded accrued liability is being systematically amortized. Pension liabilities represent discounted sums which include the interest factor, therefore the liabilities for prior years accrue currently at interest at the established rate.

The Employees' Retirement System is subject to partial funding of its liabilities. Contributions by the employer represent the average annual requirements for benefits according to a 10-year projection of payments by the system. (5 years under legislation approved in 1967). The rate per cent of contributions

established in 1957, which was the last computation date, was 5% of payroll for State employees and 7% for teachers, with the latter cost divided equally between the State and cities and towns. Since partial funding results in a deferment of the remainder of the incurred accruing cost, the unfunded accrued liability has been in a steady and persistent upward trend.

In the case of the Employees' Retirement System, operations for the 1967 fiscal year disclosed an increase in the unfunded accrued liability amounting to \$8,821,395.00. This increase is reconciled as follows:

Interest accrual at 3½% on the unfunded accrued liability at June 30, 1966	\$3,786,696.00
Additional current service requirements for the 1966-1967 fiscal year	<u>5,034,699.00</u>
Total	<u>\$8,821,395.00</u>

The full funded cost of financing current service on account of the members of the system as a percentage of salary, as previously determined, is as follows:

State employees	8.5%
Teachers	10.1%
Composite rate	<u>9.2%</u>

In the light of the operating experience during the fiscal year under review, no change in these rates is recommended.

Some improvement in the rate of funding occurred during the year. In the case of State employees, the coverage of accrued liabilities by present assets was equal to 70.8% at June 30, 1967. This compares with 69.5% a year ago. The rate of funding of accrued liabilities for teachers increased during the year from 29.0% to 29.6%. The rate of funding is obtained by the ratio of the proportion of total reserves applicable to each group, representing present assets, to the accrued liability for each group of members.

The foregoing trend is confirmed by an evaluation of the system on a current basis in terms of matured and current liabilities. Viewing the actuarial value (lifetime value) of pensions and benefits being paid by the system as a matured liability, and the accumulated members contribution credits as a current liability, it is noted that the margin of present assets over the liabilities increased during the year.

Excess of Matured and Current Liabilities
over Net Present Assets

	J u n e 30th	
	1967	1966
Accumulated members contributions -	\$ 20,491,165.00	\$18,315,019.00
State employees	22,458,602.00	21,273,744.00
Teachers		
Reserve for Survivors Benefits	1,155,606.00	2,028,901.00
Retirement and Benefits Reserve -		
State employees	22,020,701.00	19,064,445.00
Teachers	44,645,232.00	38,164,731.00
Total	\$110,771,306.00	\$98,846,840.00
Net Present Assets	93,440,134.00	83,118,675.00
<u>Excess</u>	<u>\$ 17,331,172.00</u>	<u>\$15,728,165.00</u>

VALUATION BALANCE SHEET

The Valuation Balance Sheet presented in the following pages displays the true financial condition of the system at June 30, 1967. A retirement system is considered to be in a sound financial condition from the actuarial standpoint when its present assets are equal to the difference between (a) the total of all accrued and prospective liabilities, and (b) the present value of future contributions to be received by the system. A system attaining this status will have provided fully for all actuarial reserve requirements.

VALUATION BALANCE SHEET - JUNE 30, 1967
Statement of Assets, Liabilities and Reserves

A S S E T S

NET PRESENT ASSETS:

Cash
Investments
Accrued Interest Receivable

\$ 1,513,864.00
91,100,034.00
832,947.00

DEFERRED ASSETS:

Present value of future service credits on account of service subsequent to July 1, 1967

State employees -
Members \$ 9,104,798.00
State of Rhode Island 16,438,580.00

Teacher-Members 10,752,139.00
Members 9,446,186.00
State of Rhode Island 9,446,186.00
Cities and Towns

55,187,889.00

UNFUNDED ACCRUED LIABILITY:

Due from employers for unfunded accrued pension credits

State of Rhode Island \$77,297,416.00
Cities and Towns^{1/} 39,715,316.00

117,012,732.00

TOTAL ASSETS

\$265,647,466.00

^{1/} The State of Rhode Island and the cities and towns share equally in the cost of teachers' pensions.

VALUATION BALANCE SHEET - JUNE 30, 1967
Statement of Assets, Liabilities and Reserves

LIABILITIES AND RESERVES

CURRENT LIABILITIES:

Unclaimed benefits \$ 6,711.00

FUTURE SERVICE LIABILITY:

State employees \$25,543,378.00
Teacher-members 29,644,511.00 55,187,889.00

RESERVE REQUIREMENTS:

RESERVE FOR MEMBER CONTRIBUTIONS -

State Employees -
For service retirement and disability annuities \$ 9,898,334.00
For future refunds 10,592,831.00 20,491,165.00

Teacher-Members -
For service retirement and disability annuities \$13,972,002.00
For future refunds 8,486,600.00 22,458,602.00

RESERVE FOR SURVIVOR BENEFITS 1,155,606.00

RESERVE FOR EMPLOYER CONTRIBUTIONS -

For service retirement and disability annuities on active members -
State Employees -
Total requirements \$43,058,206.00
Employee contributions 9,898,334.00 33,159,872.00

Teacher-Members -
Total requirements \$80,493,690.00
Employee contributions 13,972,002.00 66,521,688.00

RETIREMENT AND BENEFITS RESERVE -

State Employees 22,020,701.00
Teacher-Members

44,645,232.00

TOTAL LIABILITIES AND RESERVES

\$265,647,466.00

The following explanation of the several items comprising the assets, liabilities and reserves of the system is given to facilitate an understanding of their function and meaning.

Present Assets require no explanation. They comprise the assets on hand as taken from a report of the accountant of the system.

Deferred Assets consist of the obligations of the members and the employers for service to be rendered subsequent to June 30, 1967. They represent discounted amounts, actuarially determined, giving effect to the factors of mortality, interest, turnover and others that enter into the computation of liabilities for annuities and benefits accruing on account of future service.

Unfunded Accrued Liability constitutes the amounts accrued and unpaid on account of service rendered prior to the balance sheet date. This is an accrued obligation of the State and the cities and towns to be discharged in future years by increased allocations to the system.

Current Liabilities represent accounts payable at the close of the year as shown by the financial statements prepared by the system.

Future Service Liability is an offset to Deferred Assets and represents the present value of the proportionate pension credits to be earned by the members during future service from the balance sheet date to the assumed ages of retirement.

Reserve for Members' Contributions consists of the amounts of the members' contribution credits at the balance sheet date. Part of these credits are subject to refund in future years on account of resignation, dismissal or death. A part of these credits are available to finance a portion of the annuities and benefits to become due in the case of members now in service who will ultimately qualify for retirement.

Reserve for Survivor Benefits represents the accumulation of contributions by the teacher-members and the cities and towns towards the survivor benefit provision specifically applicable to these members.

Reserve for Employer Contributions represents the amounts that must be provided to finance the employer's portion of the accrued pension credits for those employees now in service who will ultimately qualify for pensions at the ages assumed for their retirement.

Retirement and Benefits Reserve constitutes the amount necessary to pay out during the future lifetime of the pensioners on the roll the pensions already granted and in force at the balance sheet date.

CERTIFICATION

The accompanying Valuation Balance Sheet exhibits all assets, accrued liabilities and reserves of the system as of June 30, 1967. Present assets were taken from the financial statements submitted by the accountant 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, 1967, after giving effect to all accrued liabilities and actuarial reserve requirements for the several annuities and benefits under the applicable law in effect at such date.

A. A. Weinberg
Actuary

January 22, 1968

FINANCIAL STATEMENTS

1. Financial Balance Sheet as of June 30, 1967
2. Statement of Revenues and Expenditures for the Fiscal Year Ended June 30, 1967
3. Statement of Cash Receipts and Disbursements for the Fiscal Year Ended June 30, 1967
4. Comparative Statement of Investment Receipts and Disbursements, Fiscal Years Ended June 30, 1967 and 1966
5. Statement of Net Investment Earnings for fiscal Year Ended June 30, 1967

FINANCIAL BALANCE SHEET - JUNE 30, 1967

A S S E T S

Cash			\$ 1,513,864.69
Accrued Interest Receivable		\$91,855,751.75	
Investments			832,947.83
Unamortized Dis-counts	\$895,861.04		
Less-Unamortized Premiums	<u>140,143.53</u>	<u>755,717.51</u>	
Net Investments			<u>91,100,034.24</u>
<u>Total Assets</u>			<u>\$93,446,846.76</u>
 <u>LIABILITIES AND RESERVES</u>			
<u>Current Liabilities</u>			
Unclaimed Benefits		\$ 6,711.94	
<u>Members' Contribution Reserves</u>			
State Employees	\$20,491,165.89		
Teachers	22,458,602.64		
Teachers' Survi-vors	<u>1,155,606.78</u>		
Total Members' Reserves		44,105,375.31	
<u>General Reserves</u>			
State Employees	\$33,042,491.19		
Teachers	14,630,505.94		
Teachers' Survi-vors	1,636,814.07		
Certain State Employees	22,694.89		
Certain Teachers	<u>2,253.42</u>		
Total General Reserves		<u>49,334,759.51</u>	
<u>Total Liabilities and Reserves</u>			<u>\$93,446,846.76</u>

STATEMENT OF REVENUES AND EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 1967

REVENUES

<u>Member Contributions -</u>			
State Employees Teachers	\$ 3,331,295.78		
Teachers' Survivors	3,475,648.12		
Death Benefit Premiums-	356,683.71		
Retired Legislators	\$ 675.00		
Retired Employees	<u>338.16</u>	1,013.16	
Employees Transferred-			
Municipalities		<u>253,511.16</u>	\$ 7,418,151.93
<u>General Fund Appropriations -</u>			
State Employees Teachers	\$ 2,741,612.00		
Certain State Employees	1,673,311.00		
Certain Teachers	17,400.00		
	<u>3,680.00</u>		4,436,003.00
<u>Municipal Contributions -</u>			
Teachers			
Teachers' Survivors	\$ 2,090,242.03		
Employees Transferred to State	360,118.62		
	<u>922,587.37</u>		3,372,948.02
Miscellaneous Refunds			2,275.20
Unclaimed Benefits			1,827.87
<u>Investment Income -</u>			
Investment Earnings	\$ 3,807,484.48		
Gains on Sale of Investments			
	<u>77,995.23</u>		3,885,479.71
<u>TOTAL REVENUES</u>			<u>\$19,116,685.73</u>

EXPENDITURES

Pensions and Death Benefits -

State Employees	\$2,671,401.34	
Teachers	4,601,858.10	
Teachers' Survivors	23,041.20	
Certain State Employees	20,457.80	
Certain Teachers	<u>2,259.96</u>	\$7,319,018.40

Refunds of Contributions -

State Employees	\$ 815,736.00	
Teachers	608,248.51	
Teachers' Survivors	32,724.62	
Interest, Teachers' Survivors Contribution Refund	435.98	
To Municipalities a/c Teachers	6,913.48	
To Municipalities a/c Teachers' Survivors	<u>1,986.03</u>	1,466,044.62

Unclaimed Benefits 4,118.74

Miscellaneous Refunds 8,226.47

Investment Expenses -

Commissions on Purchases	\$ 77.50	
Postage & Insurance on Purchases	<u>30.30</u>	<u>107.80</u>

TOTAL EXPENDITURES

\$ 8,797,516.1

EXCESS OF REVENUE OVER EXPENDITURES

\$10,319,169.1

Statement of Cash Receipts and Disbursements - continued

Disbursements:

Investments Purchased	\$18,757,316.65	
Accrued Interest on Purchases	81,463.23	
Premiums on Purchases	45,365.25	
Commissions on Purchases	77.50	
Postage and Insurance on Purchases	30.30	\$18,884,252.93
<u>Pension Benefits - Death Benefits -</u>		
<u>Death Retirement Allowances</u>		
State Employees	\$ 2,671,401.34	
Teachers	4,601,858.10	
Teachers' Survivors	23,041.20	
Certain State Employees	20,457.80	
Certain Teachers	2,259.96	7,319,018.40
<u>Refunds of Contributions -</u>		
State Employees	\$ 815,736.00	
Teachers	608,248.51	
Teachers' Survivors	32,724.62	
Interest, Teachers' Survivors Contributions Refund	435.98	1,457,145.11
Municipalities a/c Teachers	\$ 6,913.48	
Municipalities a/c Teachers' Survivors	1,986.03	8,899.51
		3,324.67
Inter-Fund Transfers		4,118.74
Unclaimed Benefits		8,226.47
Miscellaneous Refunds		
TOTAL DISBURSEMENTS		<u>\$27,684,965</u>

CASH BALANCE JUNE 30, 1967

\$ 1,513,865

COMPARATIVE STATEMENT OF INVESTMENT
RECEIPTS AND DISBURSEMENTS
FISCAL YEARS ENDED JUNE 30, 1967 and 1966

	<u>1966-67</u>	<u>1965-66</u>
<u>RECEIPTS</u>		
Interest & Dividends	\$3,605,336.40	\$3,224,695.18
Discounts on Purchases	504,604.17	342,721.10
Gain on Sales	77,994.23	79,420.22
<u>Gross Receipts</u>	<u>\$4,187,935.80</u>	<u>\$3,646,836.50</u>
<u>DISBURSEMENTS</u>		
Accrued Interest on Purchases	\$ 81,463.23	\$ 139,292.01
Premiums on Purchases	45,365.25	23,316.25
Commissions on Purchases	77.50	2,406.25
Postage and Insurance on Purchases	30.30	114.22
<u>Total Disbursements</u>	<u>\$ 126,936.28</u>	<u>\$ 165,128.73</u>
NET INVESTMENT RECEIPTS FOR THE YEAR	<u>\$4,060,999.52</u>	<u>\$3,481,707.77</u>

STATEMENT OF INVESTMENT EARNINGS
FISCAL YEAR ENDED JUNE 30, 1967

Investment Income - Interest
and Dividends

\$3,605,336.40

Add:

Accrued Interest June 30, 1967
Accrued Interest July 1, 1966

\$832,947.83
720,802.93

\$112,144.90

158,212.50

Discounts Amortized

Total Addition

270,357.40

\$3,875,693.80

Less:

Accrued Interest Purchased
Premiums Amortized

\$ 63,753.74
4,455.58

Total Deduction

68,209.32

\$3,807,434.48

Net Investment Earnings for the Year
(not including realized capital
gains of \$77,995.23)

SUMMARY OF INVESTMENT OPERATIONS

JULY 1, 1966 TO JUNE 30, 1967

Total Investments at July 1, 1966

\$82,865,306

Add:

Purchases during year

18,757,317.

\$101,622,623

Deduct:

Redemptions and Sales during year

9,766,871

TOTAL INVESTMENTS AT JUNE 30, 1967

\$ 91,855,752

DETAILED LISTING OF INVESTMENTS OWNED

<u>Description</u>	<u>Rate of Interest</u>	<u>Maturity</u>	<u>Carrying Value</u>
<u>UNITED STATES OF AMERICA</u>			
Treasury notes	3-3/4%	8/15/67	
Treasury bonds	3-3/4	8/15/68	\$ 1,000.00
Treasury bonds	2-1/2	12/15/68	550.00
Treasury bonds	4	10/ 1/69	1,350.00
Treasury bonds	2-1/2	12/15/69	1,550.00
Treasury bonds	4	2/15/70	1,000.00
Treasury bonds	4	8/15/70	1,360.00
Treasury bonds	3-7/8	11/15/71	1,400.00
Treasury bonds	2-1/2	6/15/72	1,000.00
Treasury bonds	4	8/15/72	2,550.00
Treasury bonds	2-1/2	9/15/72	750.00
Treasury bonds	2-1/2	12/15/72	970.00
Treasury bonds	4	8/15/73	700.00
Treasury bonds	4-1/8	11/15/73	1,000.00
Treasury bonds	4-1/8	2/15/74	850.00
Treasury bonds	4-1/8	5/15/74	670.00
Treasury bonds	4-1/4	5/15/74	1,000.00
Treasury bonds	3-7/8	11/15/74	500.00
Treasury bonds	4	2/15/80	1,500.00
Treasury bonds	3-1/4	6/15/83	200.00
Treasury bonds	4-1/8	5/15/85	1,825.00
Treasury bonds	4-1/4	5/15/85	500.00
Treasury bonds	3-1/2	2/15/90	500.00
Treasury bonds	4-1/4	8/15/92	1,945.00
Treasury bonds	4-1/8	5/15/94	2,300.00
			1,000.00
Total United States of America			26,209.00

THE TWELVE FEDERAL LAND BANKS

Consolidated Federal Farm Loan	4-3/8	4/21/75	500.00
Consolidated Federal Farm Loan	5	2/24/76	500.00
Consolidated Federal Farm Loan	5-3/8	7/20/76	500.00
Consolidated Federal Farm Loan	4-1/8	2/20/78	500.00
Total Federal Land Bank bonds			2,000.00

<u>Description</u>	<u>Rate of Interest</u>	<u>Maturity</u>	<u>Carrying Value</u>
<u>FNMA</u>			
Federal National Mortgage Association	5-7/20%	4/1/79	\$ 100,000
Federal National Mortgage Association	5-2/5	6/23/80	340,000
Federal National Mortgage Association	5-1/4	4/ 1/81	445,000
Federal National Mortgage Association	5-1/5	1/19/82	200,000
Total Federal National Mortgage Association			1,085,000
<u>INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT</u>			
Bonds	3-1/2%	10/15/77	400,000
Bonds	4-1/4	1/15/79	100,000
Bonds	5-3/8	4/ 1/92	100,000
Total International Bank for Reconstruction and Development			600,000
<u>STATE OF RHODE ISLAND</u>			
<u>Blackstone Valley Sewer District</u>			
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
Penal and Charitable Institutions	4	3/ 1/77	10,000
State Office Building	4	6/ 1/77	12,000
Third Courthouse Loan	4	3/20/81	22,000
Washington Bridge Loan	4	5/ 1/77	6,000
Total State of Rhode Island			320,000
<u>MUNICIPALITIES</u>			
<u>City of Central Falls:</u>			
Refunding	2.90	6/1/73-74	7,000
Refunding	3.90	8/ 1/71	35,000
School	2-1/4	7/ 1/68	10,000
			52,000
<u>City of Cranston:</u>			
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/ 1/60-81	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	15,000
			282,000

<u>MUNICIPALITIES - continued</u>	<u>Rate of Interest</u>	<u>Maturity</u>	<u>Carrying Value</u>
Town of Cumberland: School	4.60%	10/15/71-71	\$ 45,000
Water Supply Installation	1.90	1/ 1/76	3,000
City of East Providence: Elementary school	3-3/4	2/ 1/78	48,000
School Building	2-1/5	3/ 1/72	15,000
School Building	2-1/2	7/ 1/70	25,000
School Building	3-1/2	4/ 1/69	25,000
School Building	2-1/5	7/ 1/70-76	7,000
Sewer trunk extension	3-1/2	4/ 1/69	48,000
Sewer	3-3/4	2/ 1/76-78	135,000
Street and drainage			45,000
Town of Gloucester: School construction and extension	2.70	8/1/67-69	300,000
Town of Hopkinton: School building and equipment	2-3/4	12/1/82-84	30,000
Town of Jamestown: School construction	3	12/1/72-74	20,000
Town of Johnston: School	2.90	9/ 1/71-74	30,000
Town of Lincoln: Elementary school building and equipment	3-1/2	3/ 1/76	87,000
Town of Narragansett: Beach repair	2.70	1/1/77-80	48,000
School construction	3.70	5/ 1/82	34,000
City of Newport: Sewer and anti-pollution	3-70	7/ 1/76	15,000
Water works	2-1/4	3/ 1/68-70	9,000

<u>MUNICIPALITIES - continued</u>	<u>Rate of Interest</u>	<u>Maturity</u>	<u>Carrying Value</u>
Town of North Kingstown: Land purchase and school building	3-1/2	4/ 1/76	\$ 60,000
Town of North Providence: Funding	3	7/1/67-72	17,000
Funding	3	6/1/72-73	10,000
Funding	3-1/2	7/1/75-76	25,000
Highway reconstruction	3-1/2	7/1/75-76	20,000
Sewer	3	9/ 1/67	35,000
Sewer	3	6/1/72/74	15,000
			<u>122,000</u>
City of Pawtucket: Refunding	2-3/4	6/ 1/68	3,000
Water	2-5/8	9/ 1/67	5,000
			<u>8,000</u>
City of Providence: Fire department modernization	2	1/ 1/74	20,000
Highway construction	2	1/ 1/74	4,000
Sewer construction	2	1/ 1/74	16,000
Water supply	4	1/ 3/68	35,000
			<u>75,000</u>
Town of Smithfield: School	2-3/4	6/1/68-76	40,000
Town of Warwick: Highway	2-2/5	10/1/73-74	35,000
School	2-7/10	12/1/84-86	30,000
School	3-1/10	12/ 1/68	2,000
School	3-1/4	10/ 1/79	5,000
Water	4-1/2	10/1/72-73	24,000
			<u>96,000</u>
Town of Westerly: School	4-1/5	9/1/69-70	50,000
Town of West Warwick: Sewer	2-1/2	7/1/67-71	10,000
Sewer	2-7/10	7/1/78-79	30,000
			<u>40,000</u>
City of Woonsocket: Junior High School	4-1/4	4/15/71-77	48,000
Sewer	4-1/2	6/1/72-74	25,000
			<u>73,000</u>
Total Municipalities			\$ 1,549,000

Description	Rate of Interest	Maturity	Carrying Value
<u>RAILROADS</u>			
Alabama Great Southern Railroad:	5-1/2%	8/1/79-80	\$ 198.00
Equipment trust			250.00
American Car & Foundry Co:	5-1/2	4/15/82	100.00
Equipment trust			129.00
Atchison, Topeka and Santa Fe Railway:	4	1- / 1/95	50.00
General mortgage			50.00
Atlantic Coast Line Railway:	5-5/8	8/15/79	9.00
Bonds			194.00
Baltimore & Ohio Railroad Company:			253.00
First consolidated mortgage, Series B	4	9/ 1/80	100.00
Chesapeake and Ohio Railway Co:	3	2/20/70	200.00
Equipment trust			50.00
Refunding and improvement mortgage, Series E	3-1/2	8/ 1/96	350.00
Refunding and improvement mortgage Series H	3-7/8	12/ 1/73	200.00
Chicago, Burlington & Quincy Railroad Co.:			115.00
Equipment trust	4	1/15/71	315.00
Equipment trust	4	8/ 1/77	
First and refunding mortgage	2-7/8	8/ 1/70	
Great Northern Railway Co.:			
Equipment trust	4-1/8	3/ 1/73	
Equipment trust	4-1/4	4/15/75	
Louisville & Nashville Railroad Co.:			
Equipment trust, Series EE	4	3/15/75	100.00
Equipment trust, Series II	4-1/8	3/ 1/72	200.00
Equipment trust, Series RR	5-1/8	3/15/75	387.00
Equipment trust, Series QQ	4-3/8	8/15/77	134.00
			821.00

Description	Rate of Interest	Maturity	Carrying Value
<u>RAILROADS - continued</u>			
Norfolk & Western Railway Co.:			
Equipment trust, Series D	3-1/4%	4/ 1/69	\$ 50,000
Equipment trust, Series I	3-7/8	1/ 1/74	250,000
Equipment trust, Series J	4	5/ 1/75	100,000
			<u>400,000</u>
North American Car Corp.:			
Equipment trust	4-3/5	12/15/69-70	100,000
Equipment trust	4-7/10	12/15/72-74	150,000
			<u>250,000</u>
Northern Pacific Railway Co.:			
Equipment trust	3-1/8	2/16/69	100,000
Equipment trust	3-7/8	1/10/70	200,000
			<u>300,000</u>
Seaboard Air Line Railroad Co.:			
Equipment trust, Series P	2=7/8	11/ 1/69	50,000
Equipment trust, Series W	4	2/ 1/72	250,000
Equipment trust, Series X	4-1/8	4/15/75	100,000
			<u>400,000</u>
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 VV	4	11/ 1/68	100,000
Equipment trust, Series 21	4	5/ 1/69	100,000
Equipment trust, Series 33	5-5/8	12/ 1/72	100,000
			<u>360,000</u>
Southern Railway Company:			
Equipment trust	4-1/4	11/15/72	100,000
St. Louis & San Francisco Railway Co.:			
Equipment trust, Series O	4-3/8	5/15/71	200,000
			<u>200,000</u>
Total railroads			\$ 4,476,000

Description	Rate of Interest	Maturity	Carrying Value
PUBLIC UTILITIES			
Alabama Power Co.: First mortgage bonds	4-7/8%	9/ 1/95	\$ 100,00
American Telephone & Telegraph Co.: Debentures	3-3/8	12/ 1/73	200,00
Debentures	3-3/8	4/ 1/85	200,00
Debentures	4-3/8	4/ 1/85	125,00
Debentures	3-7/8	7/ 1/90	100,00
Debentures	4-5/8	2/ 1/94	250,00
Debentures	5-1/2	1/ 1/97	100,00
Debentures	4-3/4	6/ 1/98	250,00
Debentures	5-1/8	4/ 1/2001	100,00
Appalachian Electric Power Co.: First mortgage bonds	3-1/4	12/ 1/70	1,425,00
First mortgage bonds	4-5/8	3/ 1/87	475,00
First mortgage bonds	4	5/ 1/88	25,00
Baltimore Gas & Electric Co.: First refunding mortgage sinking fund	4-7/8	6/ 1/80	100,00
Bell Telephone Company of Pennsylvania: Debentures	3	4/15/74	89,00
Debentures	4-3/4	5/ 1/2001	100,00
Buffalo Niagara Electric Co.: Mortgage bonds	2-3/4	11/ 1/75	200,00
Carolina Power & Light Co.: First mortgage bonds	5-1/8	4/ 1/96	300,00
Central Illinois Light Co.: First mortgage bonds	4	7/ 1/88	500,00
Central Maine Power Co.: First and general mortgage bonds	3-1/2	10/ 1/70	18,00
First and general mortgage bonds	3-3/8	4/ 1/85	50,00
First and general mortgage bonds	4-7/8	5/ 1/87	18,00
Central Power and Light Co.: First mortgage, Series I	4-3/4	4/ 1/89	176,00
Cincinnati Gas & Electric Co.: First mortgage bonds	4-1/8	5/ 1/87	25,00
Cleveland Electric Illuminating Co.	3	7/ 1/70	100,00

Description	Rate of Interest	Maturity	Carrying Value
PUBLIC UTILITIES - continued			
Columbia Gas System, Inc.: Debentures, Series E	3-5/8%	9/ 1/80	\$ 150,000
Debentures	4-7/8	10/ 1/90	150,000
Commonwealth Edison Company: Sinking fund debentures	4-1/4	3/ 1/87	300,000
Sinking fund debentures	3-1/8	10/ 1/2004	50,000
Connecticut Light & Power Co.: First refunding mortgage, Series I	3	9/ 1/74	75,000
First refunding mortgage, Series I	4-7/8	2/ 1/90	125,000
Consolidated Edison Company of New York: First refunding mortgage, Series AA	4-5/8	12/ 1/93	100,000
First refunding mortgage, Series B	2-5/8	4/ 1/77	200,000
First refunding mortgage, Series M	4-1/4	10/ 1/86	100,000
First refunding mortgage, Series N	5	10/ 1/87	200,000
First refunding mortgage, Series O	4	6/ 1/ 88	225,000
Consolidated Natural Gas Co.: Debentures	4-7/8	6/ 1/82	100,000
Debentures	4-3/8	8/ 1/83	84,000
Debentures	5	2/ 1/85	200,000
Consumers Power Co.: First mortgage bonds	4-5/8	8/ 1/91	133,000
First mortgage bonds	4-5/8	8/ 1/89	417,000
Dayton Power & Light Co.: First mortgage bonds	3-1/4	2/ 1/82	250,000
Delaware Power & Light Co.: First mortgage and collateral trust	3-7/8	6/ 1/88	500,000
Detroit Edison Co.: General refunding mortgage, Series K	3-3/8	11/15/76	100,000
General refunding mortgage, Series O	3-1/4	5/15/80	200,000
			100,000
			300,000

Description	Rate of Interest	Maturity	Carrying Value
<u>PUBLIC UTILITIES - continued</u>			
Duke Power Company: First refunding mortgage	3% 4-1/2	1/ 1/75 2/ 1/92	\$ 100,000 100,000 200,000
First refunding mortgage			60,000
Duquesne Light Co.: First mortgage bonds	3-1/8	7/ 1/84	100,000
Florida Power & Light Co.: First mortgage bonds	3-1/8 4-5/8	6/ 1/78 3/ 1/95	100,000 200,000
Florida Power Corp.: First mortgage bonds	4-3/4	10/ 1/90	91,000
First mortgage bonds	4-7/8	11/ 1/95	250,000
General Telephone Company of California: First mortgage bonds	4-1/2	9/ 1/86	341,000
First mortgage bonds	5	6/ 1/87	50,000
First mortgage bonds	5	12/ 1/95	50,000
Debentures	5-3/4	3/ 1/92	100,000 200,000 400,000
Gulf States Utilities Co.: First mortgage bonds	5-1/4 4-7/8	12/ 1/89 7/ 1/90	100,000 200,000 300,000
First mortgage bonds			25,000
Houston Lighting & Power Co.: First mortgage bonds	4-3/4	11/ 1/87	75,000
First mortgage bonds	4-7/8	8/ 1/89	100,000
Idaho Power Co.: First mortgage bonds	5	5/15/89	100,000
Illinois Bell Telephone Co.: First mortgage, Series C	3-1/8	4/ 1/84	53,000
First mortgage, Series E	4-1/4	3/ 1/88	100,000
First mortgage, Series F	4-3/8	3/ 1/94	100,000 253,000
Indiana and Michigan Electric Co.: Sinking fund debentures	5-1/8	6/ 1/86	100,000
First mortgage bonds	4-3/4	11/ 1/88	50,000 150,000
Iowa Power & Light Co.: First mortgage bonds	4-5/8	1/ 1/91	200,000
Kansas Gas & Electric Co.: First mortgage bonds	4-5/8	1/ 1/91	250,000
Long Island Lighting Company: First mortgage, Series H	3-5/8	11/ 1/85	50,000
First mortgage, Series D	3-5/8	12/ 1/76	250,000 300,000

-45-

Description	Rate of Interest	Maturity	Carrying Value
<u>PUBLIC UTILITIES - continued</u>			
Louisiana Power & Light Co.: First mortgage bonds	5%	4/ 1/90	\$ 200,000
Michigan Bell Telephone Co.: Debentures	4-5/8	8/ 1/96	175,000
Michigan Consolidated Gas Co.: First mortgage bonds	3-1/2	8/ 1/76	100,000
Minnesota Power & Light Co.	4-3/4	3/ 1/87	50,000
Monongahela Power Co.	3	9/ 1/77	50,000
Narragansett Electric Co.: First mortgage, Series A	3	9/ 1/74	121,000
First mortgage, Series E	3-1/2	3/ 1/86	200,000
New England Gas & Electric Co.: Series C	4	9/ 1/71	321,000
New England Power Co.: First mortgage, Series H	4	6/ 1/88	129,000
New Jersey Bell Telephone Co.: Debentures	3-1/4 4-7/8	5/ 1/84 11/ 1/2000	200,000 100,000 200,000
New Jersey Power & Light Co.: Debentures	5	10/ 1/90	100,000
New Orleans Public Service, Inc.: First mortgage bonds	5	6/ 1/91	100,000
New York Power & Light Co.: First mortgage bonds	2-3/4	3/ 1/75	100,000
New York State Electric & Gas Corp.: First mortgage bonds	4-5/8	5/ 1/91	200,000
New York Telephone Co.: Refunding mortgage, Series E	3-1/8	2/ 1/78	150,000
Refunding mortgage, Series H	3	10/15/89	110,000
Refunding mortgage, Series K	4-1/8	7/ 1/93	100,000
Refunding mortgage, Series P	4-7/8	1/ 1/2006	250,000
Niagara Mohawk Power Company: General mortgage bonds	3-7/8	1/ 1/88	510,000
General mortgage bonds	4-3/4	4/ 1/90	300,000
Northern Illinois Gas Co.: First mortgage bonds	5	6/ 1/84	200,000 500,000
			91,000

Description	Rate of Interest	Maturity	Carrying Value
<u>PUBLIC UTILITIES - continued</u>			
Northern States Power Co.:			
First mortgage bonds	2-3/4%	10/ 1/75	\$ 50,000
First mortgage bonds	4	7/ 1/88	100,000
First mortgage bonds	2-3/4	1/ 1/74	191,000
			<hr/> 341,000
Ohio Bell Telephone Co.:			
Debentures	5	2/ 1/2006	250,000
Ohio Edison Co.:			
First mortgage bonds	2-3/4	4/ 1/75	75,000
First mortgage bonds	4-3/4	6/ 1/91	100,000
			<hr/> 175,000
Ohio Power Co.:			
First mortgage bonds	3	4/ 1/71	100,000
First mortgage bonds	4-7/8	11/ 1/87	100,000
			<hr/> 200,000
Oklahoma Gas & Electric Co.:			
First mortgage bonds	2-3/4	2/ 1/75	100,000
First mortgage bonds	3-7/8	6/ 1/88	200,000
First mortgage bonds	5-1/8	1/ 1/97	100,000
			<hr/> 250,000
Pacific Gas & Electric Co.:			
First and refunding mortgage, Series L	3	6/ 1/74	100,000
First and refunding mortgage, Series K	3	6/ 1/71	250,000
First and refunding mortgage, Series AA	4-1/2	12/ 1/86	50,000
First and refunding mortgage, Series Z	3-3/8	12/ 1/88	50,000
First and refunding mortgage, Series GG	4-1/2	6/ 1/93	200,000
First and refunding mortgage, Series LL	4-5/8	6/ 1/97	150,000
First and refunding mortgage, Series MM	5-3/8	6/ 1/98	150,000
			<hr/> 950,000
Pacific Power & Light Co.:			
First mortgage bonds	5	10/ 1/95	100,000
Pacific Telephone & Telegraph Co.:			
Debentures	4-3/8	8/15/88	100,000
Debentures	3-1/8	11/15/89	100,000
Debentures	3-5/8	8/15/91	50,000
Debentures	4-5/8	5/ 1/2000	150,000
			<hr/> 400,000

Description	Rate of Interest	Maturity	Carrying Value
<u>PUBLIC UTILITIES - continued</u>			
Pennsylvania Electric Co.:			
First mortgage bonds	2-3/4%	6/ 1/76	\$ 100,000
First mortgage bonds	3-1/8	3/ 1/84	100,000
First mortgage bonds	3-3/8	1/ 1/72	200,000
			<hr/> 400,000
Pennsylvania Power & Light Co.:			
First mortgage bonds	3	10/ 1/75	550,000
Peoples Gas Light & Coke Co.:			
First and refunding mortgage, Series J	4-5/8	5/ 1/86	182,000
Philadelphia Electric Co.:			
First refunding mortgage	3-1/8	4/ 1/85	80,000
First refunding mortgage	5	10/ 1/89	100,000
			<hr/> 180,000
Public Service Company of Colorado:			
First mortgage bonds	4-3/8	5/ 1/87	100,000
First mortgage bonds	4-1/2	10/ 1/91	200,000
			<hr/> 300,000
Public Service Company of New Hampshire:			
First mortgage, Series H	3-1/4	11/ 1/84	96,000
Public Service Electric & Gas Co.:			
Debentures	4-5/8	5/ 1/77	101,000
Debentures	5-3/4	6/ 1/91	200,000
First refunding mortgage	4-3/4	9/ 1/95	250,000
First refunding mortgage	4-5/8	8/ 1/88	65,000
First refunding mortgage	5-1/8	6/ 1/89	200,000
			<hr/> 816,000
Southern California Edison Co.:			
First mortgage	3-1/8	8/15/76	130,000
First refunding mortgage, Series M	4-3/8	9/ 1/85	100,000
First and refunding mortgage, Series T	5-1/4	5/15/91	250,000
			<hr/> 480,000
Southwestern Bell Telephone Co.:			
Debentures	3-1/8	5/ 1/83	100,000
Southwestern Gas & Electric Co.:			
First mortgage, Series A	3-1/4	2/ 1/70	250,000
Southwestern Public Service Company:			
First mortgage bonds	3.35	2/ 1/81	50,000

Description	Rate of Interest	Maturity	Carrying Value
<u>PUBLIC UTILITIES - continued</u>			
Tampa Electric Co.:	4-1/4%	7/ 1/88	\$ 50,000
First mortgage bonds			
Tennessee Gas Transmission Co.:	3-7/8	2/ 1/76	50,000
First mortgage pipeline	4-3/4	11/ 1/76	58,000
First mortgage pipeline	5-1/4	11/ 1/79	78,000
First mortgage pipeline			<u>186,000</u>
Texas Electric Service Co.:	4-1/2	2/ 1/95	100,000
First mortgage bonds			
Texas Power & Light Co.:	4-1/2	1/ 1/91	250,000
First mortgage bonds			
Union Electric Company of Missouri:	4-3/8	3/ 1/88	100,000
First mortgage bonds			
The Union Light, Heat & Power Co.:	5	7/1/89	200,000
First mortgage bonds			
United Gas Corp.:	5	11/ 1/80	88,000
First mortgage and collateral trust			
Utah Power & Light Co.:	4-7/8	9/ 1/90	100,000
First mortgage bonds			
Virginia Electric & Power Co.:			
First refunding mortgage, Series O	3-7/8	6/ 1/88	200,000
First refunding mortgage, Series P	4-5/8	9/ 1/90	150,000
			<u>350,000</u>
Washington Gas Light Co.:	4-7/8	5/ 1/86	100,000
Refunding mortgage			
West Penn Power Co.:	2-7/8	3/ 1/79	100,000
First mortgage, Series N	4-7/8	12/ 1/95	250,000
First mortgage, Series U			<u>350,000</u>
Western Union Telegraph Co.:	5-1/4	2/ 1/87	250,000
Sinking fund debenture			
Wiscon Power & Light Co.:	3-1/4	8/ 1/71	250,000
First mortgage, Series A			
Wisconsin Public Service Corp.:	3-1/4	10/ 1/84	100,000
First mortgage bonds			
Wisconsin Telephone Company:	4-1/2	7/ 1/92	25,000
Debentures			
Total public utilities			<u>21,771,000</u>

Description	Rate of Interest	Maturity	Carrying Value
<u>BANKS</u>			
The Chase Manhattan Bank	4.60%		
First National City Bank of New York	4	6/ 1/90	\$
Philadelphia National Bank	5-1/2	7/ 1/90	350,000
Total banks		3/ 1/92	<u>65,000</u>
			<u>200,000</u>
<u>INDUSTRIAL AND MISCELLANEOUS</u>			
Allied Chemical and Dye Corp.:			615,000
Debentures			
Aluminum Co. of America:	3-1/2	4/ 1/78	
Sinking fund debentures			
American Can Co.:	3-7/8	4/ 1/83	300,000
Debentures			
Debentures	3-3/4	4/ 1/88	50,000
	4-3/4	7/15/90	100,000
Anheuser Busch, Inc.:			100,000
Debentures			
Beneficial Finance Co.:	4-1/2	3/ 1/89	200,000
Debentures			
Debentures	5	11/ 1/77	150,000
	4-3/4	5/15/93	100,000
Bethlehem Steel Corporation:			100,000
Consolidated mortgage sinking fund, Series K			200,000
Debentures	3	1/ 1/79	100,000
	5.40	1/15/92	350,000
Burroughs Corporation:			450,000
Sinking fund debentures			
Caterpillar Tractor Co.:	4-3/8	7/ 1/83	
Mortgage bonds			
C.I.T. Financial Corp.:	4-1/2	11/ 1/77	172,000
Debentures			
Debentures	3-5/8	9/ 1/70	300,000
Debentures	4-3/4	7/ 1/70	100,000
	4-1/4	10/ 1/71	100,000
Commercial Credit Corp.:			100,000
Debentures			
Debentures	4-7/8	9/15/87	300,000
	4-1/4	10/ 1/74	150,000
			<u>100,000</u>
			<u>250,000</u>
Continental Can Co.:			
Debentures	4-5/8	10/ 1/85	248,000
Continental Oil Co.:			
Sinking fund debentures	3	11/ 1/84	161,000
Dana Corp.:	6	12/ 1/91	200,000
Debentures			

Description	Rate of Interest	Maturity	Carrying Value
<u>INDUSTRIAL AND MISCELLANEOUS - continued</u>			
Eaton Yale & Towne, Inc.:	5-1/2%	3/15/92	\$ 250,000
Debentures	5-1/2	3/15/73	428,572
Eximbank Portfolio Participation	5	10/15/81	200,000
Family Finance Corp.:			
Debentures	4-7/8	5/ 1/80	77,000
General American Transportation Corp.:	4.60	11/15/85	125,000
Equipment trust			202,000
Equipment trust			
General Aniline & Film Corp.:	5-7/8	12/ 1/91	250,000
Debentures	3-1/2	5/ 1/76	300,000
General Electric Company:			
Debentures	3	7/15/69	250,000
General Motors Acceptance Corp.:	3-1/2	3/15/72	150,000
Debentures	3-5/8	9/ 1/75	100,000
Debentures	5	8/15/77	25,000
Debentures	4	3/ 1/79	200,000
Debentures	4-7/8	12/ 1/87	200,000
Debentures			925,000
W. T. Grant Co.:			
Convertible sub. debentures	4-3/4	1/ 1/87	250,000
Gulf Oil Corp.:	5.35	6/15/91	250,000
Debentures			
Household Finance Corp.:	4-7/8	9/15/93	150,000
Debentures	5	7/ 1/92	250,000
Debentures			400,000
International Harvester Co.:			
Debentures, Series A	4-5/8	11/ 1/79	350,000
Liggett & Myers Tobacco Co.:	6	5/ 1/92	500,000
Sinking fund debentures			
Local Finance Corporation:			
Debentures	5-1/2	6/ 1/78	200,000
Lone Star Cement Co.:			
Debentures	4-7/8	7/ 1/90	250,000
Montgomery Ward & Co.:			
Debentures	4-7/8	8/ 1/90	250,000
National Cash Register:			
Sinking fund debentures	5.60	6/15/91	200,000
Convertible subordinated debentures	4-1/4	4/15/92	25,000
			225,000

Description	Rate of Interest	Maturity	Carrying Value
<u>INDUSTRIAL AND MISCELLANEOUS - continued</u>			
National Tea Company:	5%		
Sinking fund debentures			
Northwest Bancorporation:			
Debentures	4-3/4	8/ 1/77	\$ 28,000
The Outlet Co.:			
Bonds	5-1/2	10/15/90	250,000
Peabody Coal Company:			
Sinking fund debentures	5-1/4	7/ 1/86	100,000
Procter & Gamble Co.:			
Debentures	3-7/8	10/ 1/76	87,000
R. J. Reynolds Tobacco Co.:	3	9/ 1/81	100,000
Debentures			
Sears, Roebuck Acceptance Corporation:			
Debentures	5	10/ 1/73	100,000
Sears, Roebuck & Co.:			
Sinking fund debentures	4-3/4	7/15/82	50,000
Shell Oil Co.:			
Sinking fund debentures	4-5/8	8/ 1/83	572,000
Standard Oil Company of Indiana:			
Debentures	4-1/2	8/ 1/86	500,000
Standard Oil Company of New Jersey:			
Debentures		10/ 1/83	192,000
Texaco, Inc.:	2-3/8	5/15/71	250,000
Debentures	3-5/8	5/ 1/83	300,000
Union Carbide Corp.:	5.30	5/ 1/97	1,000,000
Debentures			
United States Steel Corporation:			
Sinking fund debentures	4	7/15/83	350,000
Weyerhaeuser Co.:	5.20	5/ 1/91	500,000
Sinking fund debentures			
Total Industrial and Miscellaneous			
			\$12,590,572

Description	Number of Shares	Carrying Value
<u>BANK STOCKS</u>		
Bank of America	9,310	\$ 376,229
BT New York Corp.	5,777	230,343
The Chase Manhattan Bank - New York	8,940	347,961
Chemical Bank New York Trust Co.	4,200	109,094
Continental-Illinois National Bank & Trust Company of Chicago	14,960	270,096
First National Bank of Boston	6,098	224,559
First National City Bank of New York	8,202	259,571
Industrial National Bank of Rhode Island	21,450	460,561
Charter New York Corporation	8,269	197,677
Manufacturers Hanover Trust Company	4,976	124,392
Morgan Guaranty Trust Company of New York	5,500	302,421
Rhode Island Hospital Trust Company	20,714	751,490
Shawmut Association, Inc.	2,940	99,312
State Street Bank & Trust Co.	5,670	113,635
United States Trust Company of New York	4,200	242,831
Total Banks		\$ 4,110,172
<u>INVESTMENT COMPANIES AND TRUSTS</u>		
Affiliated Fund, Inc.	47,436	251,031
Incorporated Income Fund	19,757	152,568
Massachusetts Investors Trust	19,690	219,691
Total Investment Companies and Trusts		623,290
<u>OTHER CORPORATE STOCKS</u>		
Abbott Laboratories	3,000	57,468
Aetna Life Insurance	3,750	143,213
Allegheny Power System, Inc.	7,300	188,699
Allied Chemical Corp.	5,306	234,388
Amerada Petroleum Corporation	2,400	90,738
American Cyanamid Co.	6,000	155,287
American Electric Power Co., Inc.	6,149	187,496
American Home Products Corp.	5,000	147,029
American Hospital Supply Co.	2,000	44,574

Description	Number of Shares	Carrying Value
<u>OTHER CORPORATE STOCKS - continued</u>		
American Telephone & Telegraph Co.		
Arizona Public Service Co.	3,500	\$ 207,666
Automatic Canteen Co. of America	5,800	166,550
Beech-Nut Life Savers, Inc.	4,030	132,005
Bethlehem Steel Corporation	5,000	166,784
Blackstone Valley Gas & Electric Co. - 5.6% preferred	3,000	140,486
Boston Edison Company - 4.25% cumulative preferred	1,000	101,820
Campbell Soup Co.	500	50,813
Caterpillar Tractor Co.	7,500	126,531
Central & Southwest Corp.	4,000	108,310
Cleveland Electric Illuminating Co.	4,000	143,432
Commonwealth Edison Co.	3,954	103,482
Connecticut General Life Insurance Co.	4,613	131,576
Consolidated Edison Company of New York	1,500	210,358
Consumers Power Co.	3,500	136,856
Continental Casualty Co.	4,400	109,088
Continental Oil Company of Delaware	2,500	175,496
Corn Products Co.	3,334	173,062
Corning Glass Works	5,000	239,475
Crown Zellerbach Corp.	1,000	152,022
Diamond International Corp.	2,500	126,255
E. I. DuPont de Nemours & Co., Inc.	5,000	92,483
Eastman Kodak Co.	1,500	331,248
Federal Insurance Co.	3,050	184,404
Florida Power & Light Co.	4,500	310,013
The Foxboro Co.	1,200	91,334
Franklin Life Insurance Co.	5,250	136,065
General Electric Co.	2,313	90,909
General Foods Corporation	4,000	315,714
General Motors Corporation	3,000	233,052
General Public Utilities Corporation	5,290	119,726
Gillette Co.	6,802	205,415
Ginn & Co.	3,500	118,074
W. T. Grant Co.	5,000	141,424
Gulf Oil Corporation	3,000	48,336
Gulf States Utilities Co.	4,000	160,329
Harcourt, Brace & World Co., Inc.	7,000	134,079
Hartford Fire Insurance Co.	2,400	76,159
Holt, Rhinehart & Winston, Inc.	6,120	171,692
Honeywell, Inc.	2,730	74,422
Honeywell, Inc. - 3% convertible preference	3,000	203,560
	1,500	147,594

Description	Number of Shares	Carrying Value
<u>OTHER CORPORATE STOCKS - continued</u>		
Indiana General Corp.	3,850	\$ 130,586
Insurance Co. of North America	2,500	216,653
International Business Machines Corp.	2,153	412,397
International Harvester Co.	4,000	98,174
International Nickel Co. of Canada, Ltd.	3,000	145,098
International Paper Co.	5,580	170,497
Iowa Electric Light & Power Co.	7,200	128,065
Johns-Manville Corp.	4,000	201,605
Kimberly Clark Corp.	2,500	184,383
McGraw-Hill Publishing Co., Inc.	2,300	66,528
Merck & Co., Inc.	3,000	79,936
Middle South Utilities, Inc.	8,000	97,913
Minnesota Mining & Manufacturing Co.	2,200	148,681
Mobil Oil Corp.	8,000	187,447
Monsanto Co.	4,677	230,602
Montgomery Ward & Co.	4,000	155,753
Narragansett Electric Company - 4-1/2% cumulative preferred	2,200	106,700
National Cash Register	2,500	183,826
National Steel Corporation	2,000	74,736
Niagara Mohawk Power Corp.	7,000	155,043
North American Aviation, Inc.	1,000	51,191
Northeast Utilities	6,000	75,375
Northern States Power Co.	4,500	157,271
The Norwich Pharmacal Co.	3,000	130,390
Ohio Edison Co.	6,000	136,499
Owens Corning Fiberglas Corp.	1,800	151,828
Panhandle Eastern Pipeline	4,100	97,956
J. C. Penney Co.	2,000	87,375
Pfizer (Chas.) Co.	2,000	63,649
Phillips Petroleum Co.	4,000	202,587
Plough, Inc.	2,000	67,290
Polaroid Corp.	1,500	68,027
Procter & Gamble Co.	2,000	128,188
Radio Corp. of America	6,865	103,677
Scott Paper Co.	6,000	192,189
Sears, Roebuck & Co.	4,000	96,043
Sinclair Oil Corporation	4,000	182,822
Southern California Edison Co. - 4.2% cumulative preferred	2,000	51,100
4.7% cumulative preferred	1,500	38,325
Standard Oil Company of California	2,625	156,597
Standard Oil Company of New Jersey	5,000	276,039

Description	Number of Shares	Carrying Value
<u>OTHER CORPORATE STOCKS - continued</u>		
Texas Utilities Co.	5,250	\$ 209,367
Transamerica Corp.	3,500	143,523
Union Bag - Camp Paper Corporation	6,765	170,834
Union Carbide Corporation	6,000	212,286
Union Electric Co.	7,400	424,701
U. S. Fidelity & Guaranty Co.	8,500	165,337
United States Gypsum Co.	3,200	165,525
United States Steel Corporation	2,500	225,011
Virginia Electric & Power Co.	1,000	278,597
Western Bancorporation	5,000	144,728
Westinghouse Electric Corp.	10,000	314,384
	5,000	195,893
Total Other Corporate Stocks		
TOTAL INVESTMENTS - EMPLOYEES' RETIREMENT FUND		15,906,218
		\$91,855,752

INVESTMENTS ACQUIRED DURING THE YEAR

<u>Description</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Par Value</u>
<u>FEDERAL LAND BANKS</u>			
Consolidated Federal Farm Loans	5-3/8%	7/20/76	\$ 500,000
<u>FEDERAL NATIONAL MORTGAGE ASSOCIATION</u>			
Participation Certificates	5.35	4/ 1/79	100,000
Participation Certificates	5.40	6/23/80	340,000
Participation Certificates	5-1/4	4/ 1/81	445,000
Participation Certificates	5.20	1/19/82	200,000
			<u>1,085,000</u>
<u>INTERNATIONAL BANK FOR RECONSTRUCTION DEVELOPMENT</u>			
Bonds	5-3/8	4/ 1/92	100,000
<u>CERTIFICATES OF DEPOSIT</u>			
Industrial National Bank	5-3/8	4/12/67	400,000
Rhode Island Hospital Trust Co.	5-3/8	3/ 9/67	<u>435,000</u> 835,000
<u>COMMERCIAL PAPER</u>			
Avco Delta Corp.	Disct.	1/12/67	100,000
Avco Delta Corp.	Disct.	2/ 9/67	250,000
Beneficial Finance Corp.	Disct.	11/10/66	200,000
Beneficial Finance Corp.	Disct.	12/ 8/66	200,000
C. I. T. Corporation	Disct.	9/ 9/66	170,000
C. I. T. Corporation	Disct.	2/ 9/67	250,000
John Deere Credit Co.	Disct.	4/12/67	400,000
John Deere Credit Co.	Disct.	5/12/67	400,000
John Deere Credit Co.	Disct.	6/12/67	400,000
General Motors Acceptance Corp.	Disct.	9/ 8/66	100,000
General Motors Acceptance Corp.	Disct.	10/13/66	250,000
Liggett & Meyers	Disct.	7/20/66	300,000
Sears, Roebuck & Co.	Disct.	1/30/67	1,800,000
Sears, Roebuck & Co.	Disct.	4/11/67	250,000
Sears, Roebuck & Co.	Disct.	3/13/67	250,000
Sears, Roebuck & Co.	Disct.	2/15/67	250,000
Sears, Roebuck & Co.	Disct.		<u>5,570,000</u>

<u>Description</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Par Value</u>
<u>RAILROADS</u>			
Alabama Great Southern Equipment Trust	5-1/2%	8/ 1/79	\$ 104,000
Alabama Great Southern Equipment Trust	5-1/2	2/ 1/80	94,000
Atlantic Coastline Railway Bonds	5-5/8	8/15/79	129,000
Chesapeake & Ohio Railroad Refunding Improvement Series H	3-7/8	12/ 1/73	100,000
Louisville, Nashville Railroads Equipment Trust, Series QQ	4-3/8	8/15/77	134,000
Seaboard Airline Railroad Co. Equipment Trust, Series X	4-1/8	4/15/75	100,000
Southern Pacific Railway Equipment Trust, Series 33	5-5/8	12/ 1/72	<u>100,000</u> 761,000
<u>PUBLIC UTILITIES</u>			
American Telephone & Telegraph Co. - Debentures	5-1/2	1/ 1/97	250,000
Bell Telephone of Pennsylvania Debentures	3	4/15/74	100,000
Buffalo Niagara Electric Co. Mortgage Bonds	2-3/4	11/ 1/75	500,000
Consolidated Edison, New York First Refunding Mortgage Series N	5	10/ 1/87	125,000
Consumers Power Co. First Mortgage Bonds	4-5/8	8/ 1/89	250,000
Dayton Power & Light Co. First Mortgage Bonds	3-1/4	2/ 1/82	100,000
General Telephone Co. of California Debentures	5-3/4	3/ 1/92	200,000
Narragansett Electric Co. First Mortgage, Series A	3	9/ 1/74	92,000
Northern States Power Co. First Mortgage Bonds	2-3/4	2/ 1/74	191,000
Oklahoma Gas & Electric Co. First Mortgage Bonds	5-1/8	1/ 1/97	250,000
Pennsylvania Power First Mortgage Bonds	3	10/ 1/75	500,000

Description	Interest Rate	Maturity	Par Value
<u>PUBLIC UTILITIES - continued</u>			
Pennsylvania Electric Co. First Mortgage Bonds	2-3/4%	6/ 1/76	\$ 100,000
Southern California Edison Co. First & Refunding Mortgage Series T	5-1/4	5/15/91	250,000
Virginia Electric & Power Co. First Refunding Mortgage Series P	4-5/8	9/ 1/90	50,000
			<u>2,958,000</u>
<u>INDUSTRIALS AND MISCELLANEOUS</u>			
A C F Industries Equipment Trust	5-1/2	4/15/82	250,000
Anheuser - Busch Inc. Debentures	4-1/2	3/ 1/89	150,000
Bethlehem Steel Corporation Debentures	5.4	1/15/92	350,000
Brown & Sharpe Manufacturing Co. Convertible Debentures	6-1/2	11/15/86	100,000
Caterpillar Tractor Co. Mortgage Bonds	4-1/2	11/ 1/77	300,000
Chase Manhattan Bank Notes	4.6	6/ 1/90	250,000
Dana Corp. Debentures	6	12/ 1/91	200,000
Eaton Yale & Towne Inc. Debentures	5-1/2	3/15/92	250,000
General American Transportation Equipment Trust	4.6	11/15/85	125,000
General Aniline Corporation Debentures	5-7/8	12/ 1/91	250,000
Gulf Oil Corporation Debentures	5.35	6/15/91	250,000
Liggett & Meyers Tobacco Co. Sinking Fund Debentures	6	5/ 1/92	500,000
National Cash Register Convertible Subordinated Debentures	4-1/4	4/15/92	25,000
Outlet Company Bonds	5-1/2	7/ 1/86	100,000
Philadelphia National Bank Notes	5-1/2	3/ 1/92	200,000

Description	Interest Rate	Maturity	Par Value
<u>INDUSTRIALS AND MISCELLANEOUS - continued</u>			
Shell Oil Corp. Sinking Fund Debentures	4-5/8	8/ 1/86	\$ 200,000
Union Carbide Corp. Debentures	5.3	3/ 1/97	1,000,000
Weyerhaeuser Co. Sinking Fund Debentures	5.2	5/ 1/91	250,000
			<u>4,750,000</u>
<u>BANK STOCKS</u>			
Western Bancorporation		Number of Shares	Cost
		2,900	\$ 90,712.09
<u>CORPORATE STOCKS</u>			
Allegheny Power System, Inc.		2,300	56,478.37
American Electric Power Co.		850	34,129.73
American Telephone & Telegraph Co.		1,100	34,241.77
Arizona Public Service Co.		2,800	63,241.77
Beech Nut Life Savers, Inc.		1,000	71,133.25
Caterpillar Tractor Co.		2,000	43,907.50
Central & Southwest Corp.		1,000	71,684.76
Connecticut General Insurance		1,000	39,385.00
Consolidated Edison Co. of New York		500	63,508.25
Continental Casualty Co.		1,000	35,365.00
Continental Oil Co.		1,000	49,120.95
Corn Products Co.		334	19,709.75
Crown Zellerbach Corp.		3,500	157,621.00
Federal Insurance Co.		500	23,210.00
Florida Power Co.		1,000	60,862.93
General Foods Corp.		1,200	91,333.81
General Electric Co.		1,500	114,173.48
General Public Utilities Corp.		500	43,988.75
Ginn & Co.		2,762	81,495.45
Honeywell Inc.		2,300	69,292.10
Insurance Co. Of North America		1,500	91,863.70
International Paper Co.		500	37,607.40
Iowa Electric Co.		1,500	43,185.95
Johns - Manville Corp.		1,200	31,558.92
Kimberly Clark Corp.		1,000	47,814.46
Monsanto Co.		500	26,909.20
National Cash Register Co.		1,000	43,857.27
Niagara Mohawk Power Corp.		925	63,333.76
Northern States Power Co.		3,000	65,607.50
		1,000	32,752.02

<u>Description</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Par Value</u>
<u>FIXED INTERESTS - continued</u>			
Pennington Electric Co. First Mortgage Bonds	2-3/4%	6/ 1/76 \$	100,000
Southern California Edison Co. First & Remaining Mortgage Series F	5-1/4	5/15/91	250,000
Virginia Electric & Power Co. First Remaining Mortgage Series F	4-5/8	9/ 1/90	2,958,000
			<u>2,958,000</u>

INDUSTRIALS AND MISCELLANEOUS

A O F Industries Equipment Trust	5-1/2	4/15/82	250,000
Andrews - Busch Inc. Debentures	4-1/2	3/ 1/89	150,000
Bethlehem Steel Corporation Debentures	5-4	1/15/92	350,000
Exxon & Sarge Manufacturing Co. Convertible Debentures	6-1/2	11/15/86	100,000
Caterpillar Tractor Co. Mortgage Bonds	4-1/2	11/ 1/77	300,000
Chase Manhattan Bank Notes	4-6	6/ 1/90	250,000
Dana Corp. Debentures	6	12/ 1/91	200,000
Daton Yale & Toume Inc. Debentures	5-1/2	3/15/92	250,000
General American Transportation Equipment Trust	4-6	11/15/85	125,000
General Milling Corporation Debentures	5-7/8	12/ 1/91	250,000
Gulf Oil Corporation Debentures	5-3/5	6/15/91	250,000
Liggett & Meyers Tobacco Co. Sinking Fund Debentures	6	5/ 1/92	500,000
National Cash Register Convertible Subordinated Debentures	4-1/4	4/15/92	25,000
Outlet Company Bonds	5-1/2	7/ 1/86	100,000
Philadelphia National Bank Notes	5-1/2	3/ 1/92	200,000

<u>Description</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Par Value</u>
<u>INDUSTRIALS AND MISCELLANEOUS - continued</u>			
Shell Oil Corp. Sinking Fund Debentures	4-5/8		
Union Carbide Corp. Debentures	5-3	5/ 1/86	\$ 200,000
Weyerhaeuser Co. Sinking Fund Debentures	5-4	3/ 1/97	1,200,000
		5/ 1/91	200,000
			<u>4,058,000</u>

BANK STOCKS

Western Bancorporation

CORPORATE STOCKS

<u>Description</u>	<u>Number of Shares</u>	<u>Cost</u>
Allegheny Power System, Inc.	2,900	\$ 90,712.05
American Electric Power Co.	582	56,408.37
American Telephone & Telegraph Co.	1,100	34,129.73
Arizona Public Service Co.	2,500	63,241.77
Bech Wit Life Savers, Inc.	1,000	77,133.25
Caterpillar Tractor Co.	1,000	71,484.85
Central & Southwest Corp.	500	39,382.00
Connecticut General Insurance Consolidated Edison Co. of New York	1,000	63,508.00
Continental Oil Co.	1,000	35,365.00
Corn Products Co.	3M	49,122.95
Crown Tellerback Corp.	3,500	19,709.72
Federal Insurance Co.	500	157,621.00
Florida Power Co.	1,000	23,210.00
General Foods Corp.	1,200	60,862.93
General Electric Co.	1,500	91,333.81
General Public Utilities Corp.	500	114,117.46
Ginn & Co.	2,782	43,968.75
Honeywell Inc.	2,300	81,493.45
Insurance Co. of North America	1,500	69,292.10
International Paper Co.	500	91,863.70
Iowa Electric Co.	1,500	37,607.46
Johns - Manville Corp.	1,200	43,185.92
Kimberly Clark Corp.	1,000	37,458.92
Monsanto Co.	500	47,811.46
National Cash Register Co.	1,000	26,909.20
Nagara Mohawk Power Corp.	925	43,857.27
Northern States Power Co.	3,000	63,333.76
	1,000	65,607.50
		<u>32,152.02</u>

Description	Number of Shares	Cost
CORPORATE STOCKS - continued		
Phillips Petroleum Co.	1,000	\$ 63,578.10
Proctor & Gamble Co.	500	36,919.20
Standard Oil Co. of California	1,050	70,121.23
Texas Utilities Co.	500	30,725.23
Union Carbide Corp.	2,000	104,500.50
Union Electric Co.	1,500	36,275.20
United States Fidelity & Guaranty Co.	1,000	61,138.20
		<u>\$2,077,390.16</u>

INVESTMENTS DISPOSED OF DURING THE YEAR

Description	Interest Rate	Maturity	Par Value
UNITED STATES OF AMERICA			
Treasury Bills			
Treasury Bills			
FEDERAL HOME LOAN BANKS			
Notes			
CERTIFICATES OF DEPOSIT			
Rhode Island Hospital Trust			200,000
Rhode Island Hospital Trust			350,000
Industrial National Bank			850,000
			<u>\$ 500,000</u>
			<u>350,000</u>
			<u>850,000</u>
			<u>1,335,000</u>
COMMERCIAL PAPER			
Avco Delta Corp.			
Avco Delta Corp.			
Beneficial Finance Co.			
Beneficial Finance Co.			
Commercial Investment Trust Corp.			
Commercial Investment Trust Corp.			
John Deere Credit Co.			
John Deere Credit Co.			
John Deere Credit Co.			
General Motors Acceptance Corp.			
Genesco			
Liggett & Meyers Tobacco Co.			
Sears, Roebuck & Co.			
Sears, Roebuck & Co.			
Sears, Roebuck & Co.			
Sears, Roebuck & Co.			
Sears, Roebuck & Co.			
Sears, Roebuck & Co.			
Sears, Roebuck & Co.			
			<u>100,000</u>
			<u>250,000</u>
			<u>100,000</u>
			<u>250,000</u>
			<u>200,000</u>
			<u>200,000</u>
			<u>170,000</u>
			<u>250,000</u>
			<u>400,000</u>
			<u>400,000</u>
			<u>400,000</u>
			<u>400,000</u>
			<u>100,000</u>
			<u>500,000</u>
			<u>250,000</u>
			<u>300,000</u>
			<u>1,800,000</u>
			<u>250,000</u>
			<u>250,000</u>
			<u>250,000</u>
			<u>6,070,000</u>

<u>Description</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Par Value</u>
<u>MUNICIPALITIES</u>			
City of Central Falls Refunding	2.75%	6/ 1/67	\$ 10,000
Town of East Providence Drainage	2.70	2/ 1/67	5,000
Town of East Providence Lateral Sewer	2.70	2/ 1/67	95,000
Town of Lincoln Junior High School	2.35	3/ 1/67	15,000
Town of North Providence Funding	3	7/ 1/66	3,000
Portsmouth Water District Water	4-1/4	5/1/76-79	65,000
Town of Smithfield School	2.75	6/ 1/67	10,000
Town of West Warwick Sewer	2-1/2	7/ 1/66	2,000
			<u>205,000</u>
<u>RAILROADS</u>			
Atchison, Topeka & Santa Fe Railway Equipment Trust, Series A	5-3/8	3/15/67	300,000
Boston, Maine Railroad Equipment Trust	6	3/ 1/67	25,000
Chicago, Burlington & Quincy Railroad Equipment Trust	4	2/ 1/67	50,000
Chicago, Burlington & Quincy Railroad Equipment Trust	3-1/2	4/ 1/67	50,000
Chicago, Milwaukee & St. Paul Railroad Equipment Trust, Series XX	4-1/2	8/ 1/67	50,000
Chicago, Milwaukee & St. Paul Railroad Equipment Trust, Series XY	4-1/2	2/ 1/67	50,000
Wabash Railroad Equipment Trust, Series G	3	4/ 1/67	50,000
			<u>575,000</u>

<u>Description</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Par Value</u>
<u>PUBLIC UTILITIES</u>			
Baltimore Gas & Electric Co. First Refunding Mortgage Sinking Fund	4-7/8%	6/ 1/80	\$ 34,000
Consolidated Natural Gas Co. Debentures	5	2/ 1/85	<u>12,000</u>
			46,000
<u>CORPORATE AND OTHER</u>			
Brown & Sharpe Manufacturing Co. Convertible Debentures	6-1/2	11/15/86	100,000
Eximbank Portfolio Participation		9/15/66	35,714
		3/15/67	<u>35,714</u>
			171,428
<u>BANK STOCKS</u>			
Plantations Bank of Rhode Island		Number of Shares	<u>Cost</u>
		6,500	\$ 204,473.57
<u>CORPORATE STOCK</u>			
McKesson Robbins Inc.		2,500	109,969.81

IN FORCE AND EFFECT

APPENDIX

Summary of Benefit and Contribution Provisions

Statistical Tables

Upon or after attainment of age 60 and the completion of 10 years of service or beginning of service on or after 50 years of service, a member may elect to receive a lump sum amount of service retirement allowance for himself in order to provide for an immediate cash need. An annuity for a designated beneficiary may be elected upon his death, whether death occurs while in service or after his retirement.

Various company names and financial data, including 'Consolidated Gas Co.' and 'Department'.

CORPORATE AND OTHER

Financial data for 'Brown & White Manufacturing Co.' and 'Ximbank Portland Cement Co.'.

THE STOCKS

Financial data for 'Plantations Bank of Rhode Island' and 'Oregon Lumber Co.'.

SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS
In force and effect July 1, 1967

BENEFITS

Retirement is optional with a service retirement allowance. A member completing 30 years of service may retire under age 60 on a reduced allowance at least 10 years of service equivalent of the amount payable at age 60. A member may retire under age 60 on a full service retirement allowance after 35 years of total service.

A member withdrawing from service prior to the attainment of age 60, the right to a retirement benefit vests if service credit is 10 years or more. If the member does not take a refund, the retirement allowance will become available upon his attainment of age 60.

Retirement is compulsory on the first day of the calendar month next following attainment of age 70, unless the member requests permission to continue in service beyond such age for a period of one year.

The service retirement allowance is equal to 1-2/3% of average compensation, 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.

Upon or after attainment of age 60, and the completion of 10 years of service, or beginning at age 55 after 20 years of service, a member may elect to receive a lesser amount of service retirement 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 after retirement.

Average annual compensation earnable for the 3 consecutive years within the total service when such average was the highest.

Occupational disability. A benefit is available to any member having at least 7 years of credited service. The benefit is equal to the amount of the service retirement allowance earned during 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 provided after the age of 45 years. His benefit is limited to 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. A member becoming disabled while under age 65 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. 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 \$250.00 for each year of total service of the member. The payment from State contributions is subject to a minimum amount of \$1,000.00 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 \$1,000.00 is reduced by the amount 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.

A State employee member retiring on or after July 1, 1964 and a teacher-member retiring on or after May 26, 1966, receives continued coverage for ordinary death benefit but on a reduced basis, reduced to the extent of 25% for each full year of retirement, to a minimum of 25% of the amount of benefit in effect for the member at date of retirement but not less than \$1,000.

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

Occupational death. 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 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.

CONTRIBUTIONS

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 is a uniform rate for all teachers.

By 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 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 contributions, shared equally by the State and the cities and towns, is 7% of total salaries, effective as of July 1, 1958.

MODIFICATIONS AFFECTING MEMBERS OF THE GENERAL ASSEMBLY

Members of the General Assembly became eligible for participation in the system effective July 1, 1960. Members contribute 20% of salary. A member may retire beginning at age 60 after 10 years of service. The retirement annuity is equal to \$1,500.00 for 10 years of service increased \$150.00 for each year of service above 10 years up to a maximum of \$3,000.00 per year.

If a former member of the General Assembly (not on retirement) reenters service of any agency or division of the State government other than as a member of the General Assembly and renders at least 2 years of service, he may elect the above formula or the regular service retirement allowance described hereinbefore, whichever is greater.

EXTENSION TO PUBLIC SCHOOL TEACHERS - MODIFICATIONS

On 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 prescribed contributions. Such credit is available, however, only if the outside service was rendered more than 10 years before retirement.

Effective July 1, 1962, any teacher may retire after 35 years of service regardless of age.

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.

A 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.

SUMMARY OF PROVISIONS FOR SURVIVORS' BENEFITS FOR SCHOOL TEACHERS

Beginning July 1, 1963, survivors' benefits are provided certain designated beneficiaries of teachers, namely, a widow or widower, a dependent parent and minor children under age 18.

Specifically the beneficiaries under this provision are:

(a) a widow who was married to the deceased teacher at least one year prior to death, or was the mother of his son or daughter, or legally adopted his son or daughter while married to him while such son or daughter was under age 18, or was married to him at the time both of them legally adopted a child under age 18;

(b) a widower who was married to the teacher for not less than one year prior to the date of her death, is the father of her children, or legally adopted a child while married to her while the child was under age 18;

(c) a natural parent, a stepparent of the deceased member by marriage contracted before the member attained age 18, or an adopting parent who adopted the deceased teacher before the teacher attained age 18;

(d) children including a stepchild who was in that capacity for at least one year before the death of the member or an adopted child of the member regardless of length of adoption;

(e) former divorced wife who is the mother of his child or children, who legally adopted his child or children while married to him and while they were under age 18, was married to the member at the time both of them legally adopted a child under age 18.

Widows' benefits. Payable during widowhood at age 62 or over of the widow, provided she was living with the husband at time of death. The amount of benefit payable is as follows:

<u>Last annual salary</u>	<u>Monthly benefit</u>	<u>Last annual salary</u>	<u>Monthly benefit</u>
\$1200	\$ 48.70	\$3600	\$ 86.70
1800	60.30	4200	95.70
2400	69.30	4800 and over	104.80
3000	78.40		

Benefits for annual salary not shown in this schedule must be determined by the retirement board.

Mother's benefit. Payable to a widow who is not entitled to a widow's benefit provided (a) she has in her care a child of a member entitled to child's benefits and was living with the teacher-member at the time of his death, and (b) she has not remarried. The amount of benefit payable is as follows:

<u>Last annual salary</u>	<u>Widow and 1 child</u>	<u>Widow and 2 children</u>	<u>Widow and 3 or more children</u>
	\$ 88.50	\$ 88.50	\$ 88.50
\$1200	109.60	120.00	120.00
1800	126.00	161.60	161.60
2400	142.60	202.40	202.40
3000	157.60	236.40	240.00
3600	174.00	254.00	254.00
4200	190.60	254.00	254.00
4800			

Benefits for salaries not shown above must be determined by the retirement board.

When the youngest child attains age 16, the widow is entitled to receive the widow's annuity provided she has attained age 62, otherwise she must wait until she attains such age.

Child's benefits. These benefits are payable on account of any unmarried child under age 18 who was dependent upon the teacher at time of his death or the child was disabled which had its origin prior to age 18. The monthly amounts of benefit payable are as follows:

<u>Last annual salary</u>	<u>One child</u>	<u>Two children</u>	<u>Three or more children</u>
\$1200	\$ 44.30	\$ 88.50	\$ 88.50
1800	54.80	109.60	120.00
2400	63.00	126.00	161.60
3000	71.30	142.60	202.40
3600	78.80	157.60	236.40
4200	87.00	174.00	254.00
4800	95.30	190.60	254.00

Benefits for amounts of salary not shown above must be determined by the retirement board.

Widower's benefit. Payable to the widower of a deceased teacher member upon attainment of age 62 who is not entitled to a social security benefit from his own earnings equal to or greater than the amount of this benefit. The rates of benefit are the same as those prescribed for a widow.

Parent's benefit. Payable to a dependent parent or parents of a teacher who did not leave a widow, widower or eligible child surviving him, who had attained age 65 and payable while the parent is unmarried, and is not entitled to a social security benefit from his own earnings equal to or greater than the amount of this benefit. The rates of benefit are the same as those prescribed for a widow.

Refunds. Any member who dies while in service, leaving no dependents eligible for benefits, is entitled to a refund of his contributions towards this benefit, plus interest.

If a member leaves the service before retirement with 5 years of service or more, he is entitled to a refund of his contributions for this purpose. If service is less than 5 years, no refund is payable.

Social security. The survivors' annuity provisions described herein do not apply to teachers of any city or town who prior to July 1, 1963 elected coverage for its teachers under the federal social security act.

Financing. A survivors' benefit fund was created to which teachers make additional contributions equal to 1-1/2% of salary up to salary of \$4,800 per year which are to be matched equally by the cities and towns. The State of Rhode Island, through the Employees' Retirement Board, is designated as administrator of this program. The State assumes the cost of administration.

No member or dependents are eligible for benefits unless contributions had been made for at least 6 consecutive calendar months prior to death or retirement. However, any teacher who retired between April 21, 1962 and September 1, 1963 may become eligible for this program by contributing for at least 6 months, 3% of salary based upon his last rate of salary, provided he makes written application to the retirement board on or before September 1, 1963.

TABLE 1. Number of STATE EMPLOYEES and Annual Salaries - Classified by Age

M A L E			
Age	Number	Annual Salaries	Number
17	13	\$ 49,053	148
18	24	88,869	170
19	38	144,650	132
20	34	132,691	149
21	38	146,402	150
22	39	174,857	170
23	58	280,228	171
24	70	356,506	183
25	92	503,925	165
26	65	334,119	199
27	85	490,349	154
28	68	402,096	163
29	111	689,383	139
30	95	619,410	133
31	83	552,650	133
32	99	646,435	85
33	122	812,585	91
34	116	866,005	87
35	101	680,502	32
36	124	854,171	36
37	143	988,832	33
38	123	863,487	70
39	138	1,061,228	71
40	120	859,716	24
41	134	1,005,092	8
42	143	1,118,683	12
43	164	1,249,911	7
44	124	850,939	1
45	136	1,046,731	1
46	143	1,082,981	2
47	150	1,143,426	1
48	137	987,769	1
49	155	1,140,219	2
		Totals	6,063
		Average age -	46.7 years
		Average annual salary -	\$6,887

TABLE 2. Number of STATE EMPLOYEES and Annual Salaries - Classified by Age

F E M A L E			
Age	Number	Annual Salaries	Number
17	5	\$ 20,221	188
18	32	122,366	137
19	88	329,858	178
20	84	310,797	151
21	94	356,601	149
22	85	348,394	154
23	87	372,930	140
24	75	351,609	154
25	88	437,628	154
26	78	399,900	163
27	52	264,119	143
28	47	256,302	137
29	62	312,435	112
30	47	238,994	96
31	41	210,239	102
32	52	261,718	74
33	46	220,713	66
34	33	165,368	54
35	60	334,048	67
36	59	312,098	68
37	63	353,339	69
38	75	423,141	70
39	80	404,174	71
40	102	542,025	72
41	98	512,543	73
42	97	483,167	74
43	104	532,271	75
44	118	612,052	76
45	133	645,496	77
46	131	671,953	Total
47	154	785,537	5,007
48	132	689,781	\$25,543,433
49	164	836,953	
		Average age -	45.9 years
		Average annual salary -	\$5,102

TABLE 3. Number of STATE EMPLOYEES and Annual Salaries - Classified by Length of Service

Length of Service	M A L E	
	Number	Annual Salaries
1	543	\$ 3,333,158
2	362	2,182,367
3	476	2,728,083
4	443	2,996,474
5	338	2,063,699
6	342	2,222,259
7	270	1,770,712
8	346	2,268,228
9	240	1,689,042
10	223	1,462,237
11	207	1,474,606
12	194	1,456,254
13	159	1,095,393
14	173	1,205,944
15	144	1,061,137
16	135	1,031,518
17	98	765,288
18	161	1,422,698
19	90	805,494
20	133	1,155,847
21	84	711,506
22	36	326,209
23	31	244,940
24	44	362,339
25	58	517,877
26	51	464,022
27	48	457,639
28	42	382,178
29	21	205,697
30	22	246,201
31	119	1,381,775
37	2	11,584
No service indicated	428	2,263,038
Total	6,063	\$41,757,037

Average length of service - 8.9 years

Number of STATE EMPLOYEES and Annual Salaries - Classified by Length of Service

Length of Service	F E M A L E	
	Number	Annual Salaries
1	611	\$ 2,663,935
2	277	1,160,753
3	347	1,527,960
4	633	2,455,023
5	310	1,430,734
6	292	1,403,774
7	223	1,170,767
8	214	1,085,876
9	172	955,658
10	192	1,053,132
11	149	830,839
12	141	832,818
13	89	518,138
14	89	518,555
15	83	473,406
16	95	597,968
17	48	323,992
18	124	936,065
19	49	321,433
20	72	533,111
21	56	365,105
22	35	244,023
23	41	315,836
24	41	283,293
25	29	214,228
26	43	303,753
27	33	256,171
28	14	110,845
29	15	119,720
30	19	165,787
31	75	583,972
32	3	18,360
33	1	5,247
34	1	14,273
35	1	1,748,853
No service indicated	391	\$25,543,433
Total	5,007	

Average length of service 7.8 years

TABLE 5. Number of TEACHER MEMBERS and Annual Salaries - Classified by Age

M A L E		
Age	Number	Annual Salaries
22	5	\$ 28,881
23	67	429,359
24	91	579,399
25	144	839,813
26	105	615,141
27	101	608,602
28	84	556,165
29	103	626,644
30	112	675,200
31	102	734,870
32	102	733,625
33	76	521,518
34	105	822,019
35	84	642,797
36	102	787,183
37	90	732,685
38	90	749,739
39	79	620,785
40	53	393,309
41	75	657,083
42	71	595,527
43	74	567,985
44	63	480,366
45	57	458,447
46	60	450,177
47	48	396,596
48	45	331,498
49	38	289,024
50	41	339,882
51	23	206,721
52	41	343,425
53	50	421,547
54	38	336,655
Total		2,765 \$21,037,486
Average age		- 38.7 years
Average annual salary		- \$7,608

TABLE 6. Number of TEACHER MEMBERS and Annual Salaries - Classified by Age

F E M A L E		
Age	Number	Annual Salaries
22	72	\$ 474,716
23	344	2,191,274
24	265	1,618,764
25	266	1,472,971
26	170	974,011
27	164	989,521
28	101	676,988
29	73	457,271
30	85	570,716
31	71	500,289
32	71	507,768
33	55	399,099
34	46	330,858
35	52	401,019
36	61	467,877
37	78	593,289
38	53	383,212
39	79	587,541
40	98	677,875
41	81	587,022
42	76	508,689
43	64	463,897
44	73	593,797
45	68	523,609
46	85	692,568
47	102	784,983
48	96	709,690
49	109	892,809
50	112	931,989
51	78	647,919
52	95	898,785
53	112	\$ 944,225
54	115	975,910
55	105	898,527
56	121	1,080,975
57	150	1,241,639
58	153	1,378,348
59	109	988,556
60	159	1,378,864
61	125	1,092,156
62	121	1,073,021
63	93	820,456
64	84	757,419
65	76	688,500
66	44	412,082
67	62	490,265
68	35	273,090
69	19	169,445
70	19	172,812
71	14	106,481
72	4	26,170
78	1	11,729
Total	4,964	\$37,491,486
Average age		- 43.1 years
Average annual salary		- \$7,553

TABLE 2. Number of Teacher Numbers and Annual Salaries - Classified by Length of Service

Length of Service	Number	Annual Salaries	Length of Service	Number	Annual Salaries
1	835	\$ 5,807,537	33	18	\$ 158,684
2	204	1,721,754	34	13	125,411
3	300	2,031,329	35	18	148,252
4	245	1,878,709	36	17	168,430
5	251	1,656,715	37	11	147,201
6	191	1,382,653	38	16	144,908
7	145	1,032,046	39	19	171,198
8	131	920,223	40	13	150,412
9	134	1,085,250	41	14	150,709
10	187	1,530,549	42	18	158,288
11	151	1,016,767	43	14	165,096
12	123	982,380	44	14	165,975
13	163	1,278,380	45	13	118,137
14	167	1,493,673	46	1	66,683
15	91	849,596	47	2	19,549
16	50	450,354	48	2	19,207
17	37	289,441	49	2	20,376
18	878	7,785,150	50	3	19,798
19	10	79,550	51	2	20,911
20	8	80,169	55	1	8,702
21	13	128,251	No service indicated	161	1,034,081
22	11	100,835	Total	4,964	\$37,491,486
23	9	89,461			
24	8	78,321			
25	15	143,720			
26	20	183,816			
27	7	67,788			
28	14	124,267			
29	9	91,128			
30	14	140,361			
31	12	222,694			
32	16	135,173			

Average length of service - 10.0 years

TABLE 3. Number of Teacher Numbers and Annual Salaries - Classified by Length of Service

Length of Service	Number	Annual Salaries	Length of Service	Number	Annual Salaries
1	1	\$ 60,490	11	1	\$ 189,000
2	1	64,200	12	1	189,000
3	1	89,000	13	1	211,300
4	1	91,300	14	1	211,300
5	1	116,300	15	1	211,300
6	1	123,300	16	1	211,300
7	1	123,300	17	1	211,300
8	1	123,300	18	1	211,300
9	1	123,300	19	1	211,300
10	1	123,300	20	1	211,300
11	1	123,300	21	1	211,300
12	1	123,300	22	1	211,300
13	1	123,300	23	1	211,300
14	1	123,300	24	1	211,300
15	1	123,300	25	1	211,300
16	1	123,300	26	1	211,300
17	1	123,300	27	1	211,300
18	1	123,300	28	1	211,300
19	1	123,300	29	1	211,300
20	1	123,300	30	1	211,300
21	1	123,300	31	1	211,300
22	1	123,300	32	1	211,300
23	1	123,300			
24	1	123,300			
25	1	123,300			
26	1	123,300			
27	1	123,300			
28	1	123,300			
29	1	123,300			
30	1	123,300			
31	1	123,300			
32	1	123,300			

Average length of service - 9.1 years

TABLE 9. Number of STATE EMPLOYEE Pensioners Classified by Age and Total Annual Pension Payments

M A L E			F E M A L E		
Age	Number	Annual Payments	Age	Number	Annual Payments
			81	13	\$ 26,790.50
38	1	\$ 1,012.20	82	9	19,433.44
39	1	771.44	83	8	17,133.51
		949.48	84	6	5,878.63
43	1	1,125.72	85	7	7,595.92
48	1	936.65	86	7	12,654.49
49	1		87	7	6,393.04
		4,860.34	88	5	7,797.17
54	2	3,660.12	89	4	9,785.48
55	2	7,001.67			
56	4	12,077.51	90	2	4,065.69
57	7	8,931.13	91	2	8,961.87
58	4	2,747.55	93	1	1,312.29
59	1		95	1	619.92
		25,394.52			
60	8	28,817.26	105	1	1,213.67
61	13	52,576.58			
62	21	65,774.24	Totals	743	\$1,350,118.67
63	29	29,212.24			
64	15				
		54,257.19			
65	26	91,500.35			
66	38	74,800.32			
67	35	57,460.54			
68	34	83,491.97			
69	47				
		76,581.06			
70	51	78,090.08			
71	41	65,193.31			
72	46	79,305.10			
73	48	69,322.52			
74	42				
		40,085.22			
75	27	69,123.60			
76	35	46,612.59			
77	30	26,630.06			
78	23	34,574.37			
79	22	27,606.12			
80	14				

Average age - 71.4 years

Average annual payment - \$1,817.12

TABLE 10. Number of STATE EMPLOYEE Pensioners Classified by Age and Total Annual Pension Payments

M A L E			F E M A L E		
Age	Number	Annual Payments	Age	Number	Annual Payments
			77	12	\$ 18,963.66
36	1	\$ 959.27	78	18	22,630.97
47	1	1,014.95	79	6	12,594.85
49	1	919.22			
		1,183.31	80	18	22,815.34
51	1	941.02	81	12	17,745.36
52	1	1,150.80	82	9	13,738.15
53	2	2,326.27	83	4	7,596.50
54			84	8	14,425.82
		3,968.38			
55	1	3,042.60	85	8	13,658.63
56	1	947.46	86	3	4,139.13
57	4	7,065.56	87	3	3,301.48
58	4	8,722.29	88	4	2,377.25
59	3		89	2	3,029.11
		27,254.87			
60	17	16,936.41	90	2	1,939.14
61	9	17,490.38	92	1	1,170.68
62	12	29,995.85	93	2	2,019.85
63	14	47,825.75	Totals	575	\$935,901.83
64	22				
		70,412.79			
65	33	68,413.58			
66	37	46,285.23			
67	24	34,189.87			
68	24	52,928.57			
69	34				
		67,367.41			
70	42	48,939.83			
71	32	44,452.89			
72	34	31,465.32			
73	23	55,963.88			
74	28				
		38,896.68			
75	30	42,665.47			
76	30				

Average age - 71.0 years

Average annual payment - \$1,627.66

TABLE 11. Number of TEACHER Pensioners Classified by Age and Total Annual Pension Payments

<u>M A L E</u>		
<u>Age</u>	<u>Number</u>	<u>Annual Payments</u>
	1	\$ 899.19
51	1	2,140.92
57	1	3,773.79
58	3	15,188.30
59		
	4	12,642.80
60	3	13,320.87
61	12	46,735.92
62	7	36,132.09
63	13	47,839.96
64		
	10	42,505.37
65	7	25,198.05
66	10	38,300.22
67	16	50,443.24
68	12	57,488.80
69		
	9	28,677.93
70	21	84,187.59
71	10	36,126.93
72	6	20,598.28
73	5	19,811.37
74		
	7	19,710.17
75	6	18,601.06
76	4	10,899.82
77	7	23,986.49
78	11	31,013.83
79		
	6	18,310.88
80	6	15,926.61
81	5	13,392.91
82	1	5,570.29
83	2	7,228.80
84		
	1	2,281.67
85	1	1,779.63
86	1	1,575.67
89		
	1	3,564.00
90	1	2,457.84
95		
Totals	211	\$759,312.29

Average age - 70.6 years

Average annual payment - \$3,598.64

TABLE 12. Number of TEACHER Pensioners Classified by Age and Total Annual Pension Payments

<u>F E M A L E</u>					
<u>Age</u>	<u>Number</u>	<u>Annual Payments</u>	<u>Age</u>	<u>Number</u>	<u>Annual Payments</u>
51	1	\$ 1,522.50	80	23	\$ 67,916.63
53	2	4,801.01	81	35	94,818.35
			82	18	41,033.28
55	4	14,244.39	83	18	47,626.37
56	1	2,182.60	84	18	46,364.98
57	2	8,181.30			
58	8	32,320.60	85	18	40,920.97
59	12	33,147.35	86	6	15,742.17
			87	3	6,620.40
60	20	66,458.38	88	12	21,016.63
61	26	93,755.36	89	6	7,878.27
62	27	113,914.16			
63	28	96,905.26	90	2	3,004.17
64	37	127,481.87	93	1	1,891.80
65	33	130,419.40	97	1	1,792.06
66	28	105,167.70	99	1	3,510.00
67	41	155,521.38			
68	46	153,624.23	Totals	1,058	\$3,621,405.99
69	51	204,502.58			
70	57	203,748.75			
71	77	284,916.55			
72	53	208,301.95			
73	46	168,347.30			
74	65	245,851.56			
75	48	166,231.52			
76	52	183,062.97			
77	50	168,789.61			
78	42	132,066.78			
79	39	114,802.85			

Average age - 72.2 years

Average annual payment - \$3,422.88

TABLE 13. Retirements Among STATE EMPLOYEES
By Age at Retirement and Annual
Payments

M A L E			F E M A L E		
Age	Number	Annual Payments	Number	Annual Payments	
54	1	\$ 1,203.78	--	\$ --	
55	1	2,262.98	--	--	
56	2	1,493.00	2	2,966.72	
57	2	6,932.59	12	18,693.63	
58		24,023.06	1	632.49	
60	8	9,990.49	5	9,289.24	
61	5	34,007.57	2	7,700.06	
62	11	16,550.85	9	21,845.57	
63	8	7,397.50			
64	6	12,898.98	6	5,714.49	
65	10	21,766.64	7	14,818.91	
66	7	27,221.93	7	21,801.06	
67	10	2,873.80	5	10,746.11	
68	4	21,296.23	6	9,536.51	
69	9		4	5,639.03	
		14,056.42	1	930.90	
70	11	5,142.48	1	1,192.62	
71	1	4,445.33	--	--	
72	4	1,800.00	1	1,456.95	
73	1	--	--	--	
74	--	--	--	--	
77	1	3,000.00	69	\$132,964.29	
Totals	102	\$218,363.63			

Average age at retirement - 65.2 years
Average annual payment - \$2,140.82

TABLE 13 - continued

M A L E			F E M A L E		
Age	Number	Annual Payments	Number	Annual Payments	
36	--	\$ --	1	\$ 959.27	
54	1	3,656.56	1	190.68	
55	--	--	1	3,968.38	
58	1	649.74	--	--	
Totals	2	\$4,306.30	3	\$5,118.33	

Average age at retirement - 56.0 years
Average annual payment - \$2,153.15

OPTION 2			OPTION 3		
Ages	Number	Annual Payments	Ages	Number	Annual Payments
60/58	1	3,692.52	65/64	1	\$ 807.78
67/66	1	4,837.56	69/61	1	3,643.50
69/70	1	1,500.84	Totals	2	\$4,451.28
70/62	1	1,769.76			
72/70	1	624.36			
Totals	5	\$12,425.04			

Average ages - 67.0/62.5 years
Average payment - \$2,225.64

Average ages - 67.6/65.2 years
Average payment - \$2,485.01

TABLE 14. Terminations of Pensions Among STATE EMPLOYEES Pensioners by Age at Death and Years on Pension

Age at Death	Years on Pension		Male	Female
	Male	Female		
47	--	1	--	2
57	1	--	5	5
58	--	1	3	2
		1	5	3
60	1	1		
61	2	1	5	4
62	--	1	4	1
63	2	--	3	1
64	3	--	7	--
		1	8	--
65	2	1	9	--
66	2	2	10	3
67	2	1	11	1
68	2	1	1	--
69	3	--	13	1
		1	16	1
70	1	--	19	1
71	--	1		
72	2	2	26	--
73	3	--		
74	2	--	Totals	38
		1		26
75	2	1		
76	--	1		
77	1	1		
78	2	1		
79	1	2		
		1		
80	--	2		
82	1	--		
83	1	--		
		--		
86	1	--		
88	1	--		
89	--	1		
Totals	38	26		

Average years on pension - 5.6 yrs. 5.2 yrs.

Average age at death - 70.5 yrs. 70.7 yrs.

TABLE 15. Retirements Among TEACHER MEMBERS by Age at Retirement and Annual Payments

M A L E			F E M A L E		
Age	Number	Annual Payments	Number	Annual Payments	
55	--	\$ --	2	\$ 8,902.10	
56	--	--	1	3,182.60	
57	--	--	1	4,135.84	
58	1	4,774.79	3	2,569.14	
59	3	15,188.30	4	16,863.45	
60	4	12,642.80	11	35,333.65	
61	1	4,540.60	11	44,191.14	
62	3	13,251.19	13	59,987.29	
63	3	20,554.13	6	21,792.08	
64	--	--	6	31,040.96	
65	1	6,908.62	11	44,051.73	
66	2	12,287.60	7	29,204.53	
67	2	10,302.35	8	32,193.26	
68	--	--	8	30,467.65	
69	5	28,813.11	15	69,291.27	
70	--	--	4	18,852.77	
71	1	3,281.16	2	8,274.10	
72	--	--	1	6,891.00	
74	--	--	2	9,046.60	
Totals	26	\$132,544.65	115	\$476,271.16	

Average age - 63.8 years

64.9 years

Average annual payment - \$5,097.87

\$4,141.49

ORDINARY DISABILITY

Age	Number	Annual Payments
51	1	\$1,522.50
53	1	2,134.34
55	1	3,808.01
Totals	3	\$7,464.85

Average age - 53.0 years
Average annual payment - \$2,488.28

TABLE 16. Terminations of Pensions Among
TEACHER Pensioners by Age at
Death and Years on Pension

Age at Death	Years on Pension		Male	Female
	Male	Female		
47	--	1	--	1
55	--	1	--	2
62	--	2	1	3
65	--	1	1	2
66	2	2	--	1
68	--	1	--	2
69	--	1	1	3
70	1	1	1	--
71	1	1	1	--
72	--	3	--	3
74	1	--	--	2
75	--	2	--	2
76	--	2	--	1
77	--	1	--	3
78	--	1	--	1
80	--	3	--	2
81	--	1	--	2
82	--	1	--	1
83	--	1	--	1
84	--	1	--	1
86	--	1	--	1
87	--	1	--	1
88	--	1	--	1
Totals	5	30	5	30

Average years
on pension -- 5.2 yrs. 8.9 yrs.

Average age
at death - 69.4 yrs. 73.5 yrs.

