

**Municipal Employees' Retirement  
System**

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**ACTUARIAL VALUATION**

**June 30, 1997**



March 15, 1999

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Dear Members of the Board:

**Subject: Actuarial Valuation as of June 30, 1997**

This is the June 30, 1997 actuarial valuation of the Municipal Employees' Retirement System (MERS). Separate liabilities and contribution rates are determined for each of the participating units. Valuations are prepared annually, as of June 30, the last day of the plan year.

Under Rhode Island General Laws, the employer contribution rates for the units participating within MERS are certified annually by the Employees' Retirement Board. These rates are determined actuarially, based on the plan provisions in effect as of the valuation date and the actuarial assumptions and methodology adopted by the Board. The Board's current policy is that the contribution rates determined by a given actuarial valuation become effective two years after the valuation date. For example, the rates determined by this June 30, 1997 actuarial valuation will be applicable for the year beginning July 1, 1999 and ending June 30, 2000.

#### **Financing objectives and funding policy**

The actuarial cost method and the amortization periods are set by board policy. The entry age cost method is used. (This method is different from the frozen entry age method specified by statute for the other Rhode Island retirement systems: the Employees' Retirement System of Rhode Island, the Judicial Retirement benefit Trust, and the State Police Retirement Benefit Trust.) Each MERS unit contributes the employer normal cost plus an amount required to amortize the unfunded actuarial accrued liability (UAAL). The amortization cost is actually the sum of two pieces: (i) the initial UAAL at the adoption of MERS (or from June 30, 19—if later), is amortized in level payments over a 25-year closed period, and (ii) any subsequent gains, losses or other changes are amortized as a level percentage of the payroll for current active members. This approach should produce relatively level contribution rates over time.



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

The funded ratio (the ratio of the actuarial value of assets to the frozen actuarial accrued liability) is a standard measure of a plan's funded status. In the absence of benefit improvements, it should increase over time, until it reaches 100%. For most of the units, the funded ratio improved from the prior valuation, despite significant changes in the actuarial assumptions, as discussed below.

In addition, the employer contribution rates decreased for most units. Of the 104 participating units, 93 had rate decreases or had rates of 0.00% or were new units, only 11 had rate increases. The most important reason for this was a change in board policy. In prior valuations, even when a unit was significantly overfunded, the "surplus" assets—the excess of the actuarial value of assets over the actuarial accrued liability—was ignored. Such a unit never paid less than the employer normal cost. This policy did not comply with Government Accounting Standards Board Statement No. 27, and it had resulted in moderately overfunded units becoming grossly overfunded. Therefore, beginning with this valuation, the "surplus" assets are reflected in determining the amortization component of the employer contribution rate. The surplus is spread over future years in the same fashion as the shortfall would be.

### **Benefit provisions**

The benefit provisions reflected in this valuation are those which were in effect on June 30, 1997. There were no material changes adopted since the previous actuarial valuation. The benefit provisions are summarized in Appendix B.

### **Assumptions and methods**

In connection with this valuation, we carried out a review of actual plan experience for the last several years. Based on this review, we recommended a number of changes in the actuarial assumptions, and the Board generally adopted these. The one exception was that we recommended leaving the investment return assumption unchanged at 8.00%, but the Board adopted an 8.25% investment return assumption instead. This report was prepared using the 8.25% rate adopted by the Board. Among the other assumptions changed were:

- Future salary increase rates
- Mortality rates
- Retirement rates (for general employees only)
- Termination rates (for general employees only)
- Disability rates
- Inflation rate



In addition, the actuarial value of assets was left at market value rather than being changed back to a smoothed value. This was a change we recommended. Beginning with the next valuation, the actuarial value of assets should be determined using a smoothing technique.

Normally we would have recommended moving back to a smoothed actuarial value with this valuation. However, because this work was not completed until the end of the 1998 fiscal year, we knew that there were going to be significant asset gains that would partially offset the impact of the assumption changes. Rather than allow the contribution rates to increase dramatically this year, followed by a decrease in the following year due to asset gains, we recommended using the market value of assets as the actuarial value for one additional year.

Finally, as already discussed, the use of the "surplus" assets was changed. Appendix A summarizes the actuarial assumptions and methods.

#### **Data**

The System's staff supplied member data for retired, active and inactive members as of June 30, 1997. We did not audit this data, but we did apply a number of tests to the data, and we concluded that it was reasonable and consistent with the prior year's data. The System's staff also supplied asset data as of June 30, 1997.

#### **Certification**

All of our work conforms with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board. In our opinion, our calculations also comply with the requirements of Rhode Island state law and, where applicable, the Internal Revenue Code, ERISA, and the Statements of the Governmental Accounting Standards Board. The undersigned are independent actuaries. Both are Enrolled Actuaries and Members of the American Academy of Actuaries, and both are experienced in performing valuations for large public retirement systems.

Sincerely,

A handwritten signature in cursive script that reads "J. Christian Conradi".

J. Christian Conradi, ASA, EA, MAAA  
Actuary

A handwritten signature in cursive script that reads "W. Michael Carter".

W. Michael Carter, FSA, EA, MAAA  
Vice President

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### **Contribution Rates**

The employer contribution rates for MERS are determined actuarially. The rates determined in this valuation become effective two years after the valuation date, i.e., as of July 1, 1999.

The rate consists of two pieces: the normal cost rate and the amortization rate. The actuarial accrued liability is divided into two pieces: The unamortized initial base, and the balance. The balance is the accumulation of all subsequent experience gains/losses, changes in plan provisions, changes in actuarial assumptions, etc. The unamortized initial base is amortized as level payments over the 25-year period from June 30, 1988 (or the date the unit joined MERS, if later). The balance is amortized as a level percentage of pay for the current group of active participants.

The previous policy of requiring an employer contribution equal to the normal cost, even if the unit had surplus assets, was stopped this year because the policy did not conform to the requirements of GASB 25 and because it was making overfunded units even more overfunded.

The previous policy of limiting the year-to-year change in the employer rate was also dropped because it did not comply with GASB 25.

#### **East Greenwich Housing – Authority (#3050)**

This unit joined MERS as of July 1, 1997, but no member data was supplied to us. We understand that the prior actuary had previously determined their fiscal 2000 employer contribution rate as 14.84% (with COLA C). We believe this rate should be used.



### Financial Data and Experience

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

Table 4 shows the net plan assets for each unit. Table 5 shows the distribution of investments by category—over 62% of assets are held in equities—and Table 6 shows a historical summary of the return rates. (The fund earned over 19% during the year ending June 30, 1997.)

Normally, a separate actuarial value of assets would be determined. The actuarial value would be an adjusted market value, with differences between actual and expected returns being phased in over a three- to five-year period. Doing this usually dampens some of the year-to-year fluctuations in the calculated contribution rates.

However, the Board elected to “mark to market” at June 30, 1997. I.e., the actuarial value was set equal to the market value. The Board's intent is to return to a smoothed value in the 1998 valuation.

This change was made in order to minimize the impact of the new actuarial assumptions, discussed below. Because this decision was made after actual returns for the 1998 fiscal year were known, we viewed this as having minimal risk.

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



### **Member Data**

The System's staff supplied member data on computer tape as of June 30, 1997. While we did not audit this data, we did perform various tests to ensure that it was internally consistent, consistent with the prior year's data, and was reasonable overall. Information provided for active members includes: name, social security number, sex, a code indicating whether the member was active or inactive, date of birth, date of hire, salary, and accumulated member contributions without interest.

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

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





### **Benefit Provisions**

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

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



### **Actuarial Methods and Assumptions**

Appendix A includes a summary of the actuarial assumptions and methods used in this valuation. Costs are determined using the Entry Age actuarial cost method. The assumed investment return rate is 8.25%. The Board has adopted a number of new actuarial assumptions in connection with this valuation, based on an analysis of recent plan experience.

The expected inflation rate was set at 3.50%. As noted in the cover letter, we recommended that the expected investment return rate be left unchanged at 8.00%, but the Board decided to increase the rate to 8.25%.

A more modern mortality table was adopted, and new retirement, termination, and disability assumptions were adopted for general employees. New salary assumptions were adopted for both general employees and police and fire employees.



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

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

GASB 25 requires that plans calculate an Annual Required Contribution (ARC), and, if actual contributions received are less than the ARC, this must be disclosed. The ARC must be calculated in accordance with certain parameters. In particular, it must include a payment to amortize the unfunded actuarial accrued liability. This amortization payment eventually will have to be computed using a funding period no greater than 30 years, but a 40-year maximum amortization period may be used during a ten-year transition period. Further, the amortization payment included in the ARC may be computed as a level amount, or it may be computed as an amount that increases with payroll. However, if payments are computed on a level percent of payroll approach, the payroll growth assumption may not anticipate future membership growth.

For MERS, the calculated contribution rate shown in Table 1 is the ARC. Table 8 demonstrates that the average amortization period is less than 30 years for all but one unit (Tiogue Fire, which has no contribution requirement).



**Municipal Employees' Retirement System  
Actuarial Valuation – June 30, 1997**

**TABLE 1**

**Contribution Rates  
For Fiscal Year Ending June 30, 2000**

Unit Number	Unit	Code(s)	Member Rate	Employer Rate		Total
				Employer Normal Cost	Amortization Rate	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>General Employee Units</b>						
3001	Barrington		6.00%	3.89%	-19.76%	0.00%
3002	Bristol	B	7.00%	3.26%	-14.10%	0.00%
3003	Burrillville	C	7.00%	4.99%	-17.98%	0.00%
3004	Central Falls		6.00%	2.51%	12.43%	14.94%
3005	Charlestown	C	7.00%	3.29%	5.40%	8.69%
3007	Cranston	B	7.00%	4.18%	-17.80%	0.00%
3008	Cumberland		6.00%	3.48%	-5.32%	0.00%
3009	East Greenwich		6.00%	3.06%	-26.17%	0.00%
3010	East Providence	B	7.00%	4.18%	-3.06%	1.12%
3011	Exeter/West Greenwich		6.00%	4.33%	-10.46%	0.00%
3012	Foster		6.00%	3.75%	1.59%	5.34%
3013	Glocester	C	7.00%	4.81%	-2.44%	2.37%
3014	Hopkinton	C	7.00%	4.39%	-18.60%	0.00%
3015	Jamestown	C	7.00%	4.07%	-5.76%	0.00%
3016	Johnston	C	7.00%	4.26%	-12.64%	0.00%
3017	Lincoln		6.00%	4.21%	1.90%	6.11%
3021	Newport	B	7.00%	3.70%	-4.86%	0.00%
3022	New Shoreham	B	7.00%	4.06%	-4.23%	0.00%
3023	North Kingstown		6.00%	3.42%	-9.68%	0.00%
3024	North Providence		6.00%	2.83%	-14.33%	0.00%
3025	North Smithfield	C	7.00%	4.96%	-27.73%	0.00%
3026	Pawtucket	C	7.00%	3.55%	-9.29%	0.00%
3027	Union Dire District	2	6.00%	3.61%	1.88%	5.49%
3029	Richmond		6.00%	4.14%	-2.13%	2.01%
3030	Scituate	B	7.00%	4.13%	-10.50%	0.00%
3031	Smithfield		6.00%	3.30%	-25.00%	0.00%
3032	South Kingstown		6.00%	3.18%	-15.87%	0.00%
3033	Tiverton		6.00%	3.58%	-33.57%	0.00%
3034	Warren	C	7.00%	4.03%	-6.09%	0.00%
3036	Westerly		6.00%	-1.92%	116.61%	114.69%
3037	West Greenwich		6.00%	4.31%	-4.40%	0.00%
3039	Woonsocket		6.00%	3.09%	-28.26%	0.00%
3040	Chariho School District		6.00%	3.48%	-4.32%	0.00%
3041	Foster/Glocester	B	7.00%	5.35%	2.13%	7.48%
3042	Tiogue Fire & Lighting	C	7.00%	5.11%	55.32%	60.43%
3043	Narragansett Housing		6.00%	3.05%	-2.20%	0.85%
3045	Coventry Lighting District		6.00%	-0.40%	-37.53%	0.00%
3046	Hope Valley Fire	C	7.00%	5.71%	-26.62%	0.00%
3051	Cranston Housing	C	7.00%	4.62%	-16.27%	0.00%
3052	East Providence Housing	B	7.00%	5.05%	-12.88%	0.00%
3053	Pawtucket Housing	B	7.00%	3.78%	-24.87%	0.00%
3056	Cumberland Housing	C	7.00%	5.21%	-7.73%	0.00%



**Municipal Employees' Retirement System  
Actuarial Valuation – June 30, 1997**

**TABLE 1  
Continued**

**Contribution Rates  
For Fiscal Year Ending June 30, 2000**

Unit Number	Unit	Code(s)	Member Rate	Employer Rate		Total
				Employer Normal Cost	Amortization Rate	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
3057	Lincoln Housing	B	7.00%	6.68%	-24.17%	0.00%
3059	Bristol Housing		6.00%	2.94%	-35.97%	0.00%
3065	Burrillville Housing		6.00%	4.73%	-34.61%	0.00%
3066	North Providence Housing	B	7.00%	4.84%	-19.46%	0.00%
3067	East Smithfield Water	C	7.00%	4.94%	-18.26%	0.00%
3068	Greenville Water		6.00%	2.04%	-16.48%	0.00%
3069	Newport Housing	C	7.00%	3.95%	3.00%	6.95%
3071	Warren Housing		6.00%	4.25%	-32.67%	0.00%
3072	Johnston Housing		6.00%	3.16%	-22.55%	0.00%
3077	Tiverton Local 2670A	C	7.00%	5.28%	-11.98%	0.00%
3078	Barrington DPW	C,2	7.00%	2.00%	-27.62%	0.00%
3079	Coventry Housing		6.00%	3.60%	-13.56%	0.00%
3080	South Kingstown Housing	3	---	---	---	---
3083	West Warwick Housing		6.00%	6.52%	-8.31%	0.00%
3084	Smithfield Housing		6.00%	2.87%	-1.42%	1.45%
3096	Central Falls Housing		6.00%	3.82%	3.66%	7.48%
3098	Lime Rock Administrative Services		6.00%	3.37%	-0.63%	2.74%
3099	Central Falls Schools		6.00%	3.64%	-2.01%	1.63%
3100	Bristol/Warren Schools	B	7.00%	5.17%	-11.08%	0.00%
<b>Police &amp; Fire Units</b>						
4029	Richmond Fire	2	7.00%	6.06%	-0.49%	5.57%
4042	Valley Falls Fire	D	8.00%	7.76%	23.49%	31.25%
4046	Lime Rock Fire	3	---	---	---	---
4047	North Smithfield Voluntary Fire	D	8.00%	9.97%	-1.12%	8.85%
4050	East Greenwich Fire	C,D	9.00%	12.23%	-4.49%	7.74%
4054	East Greenwich Police	C,D	9.00%	12.32%	-17.71%	0.00%
4055	North Kingstown Fire	D	8.00%	8.48%	-15.25%	0.00%
4056	North Kingstown Police	C,D	9.00%	11.33%	-9.69%	1.64%
4057	Harris Fire	C,2	8.00%	6.82%	8.41%	15.23%
4058	North Providence Fire	D	8.00%	8.59%	-5.44%	3.15%
4059	Barrington Fire (25)	2	7.00%	5.62%	-0.33%	5.29%
4060	Barrington Police	D	8.00%	7.58%	4.19%	11.77%
4061	Barrington Fire (20)	D	8.00%	7.42%	-47.38%	0.00%
4062	Warren Police	C,D	9.00%	11.57%	-2.22%	9.35%
4063	South Kingstown Police & Fire	C,1	9.00%	9.12%	-24.35%	0.00%
4064	Primrose Volunteer Fire	B,D	9.00%	10.19%	-25.29%	0.00%
4073	Scituate Police	3	---	---	---	---
4076	North Smithfield Police	C,D	9.00%	13.38%	-12.54%	0.84%
4077	Tiverton Fire	D	8.00%	7.82%	-17.55%	0.00%
4082	Foster Police	D	8.00%	9.17%	-9.30%	0.00%
4085	Woonsocket Police	C,D	9.00%	12.87%	-2.05%	10.82%



**Municipal Employees' Retirement System  
Actuarial Valuation – June 30, 1997**

**TABLE 1  
Continued**

**Contribution Rates  
For Fiscal Year Ending June 30, 2000**

Unit Number (1)	Unit (2)	Code(s) (3)	Member Rate (4)	Employer Rate		Total (7)
				Employer Normal Cost (5)	Amortization Rate (6)	
3057	Lincoln Housing	B	7.00%	6.68%	-24.17%	0.00%
3059	Bristol Housing		6.00%	2.94%	-35.97%	0.00%
3065	Burrillville Housing		6.00%	4.73%	-34.61%	0.00%
3066	North Providence Housing	B	7.00%	4.84%	-19.46%	0.00%
3067	East Smithfield Water	C	7.00%	4.94%	-18.26%	0.00%
3068	Greenville Water		6.00%	2.04%	-16.48%	0.00%
3069	Newport Housing	C	7.00%	3.95%	3.00%	6.95%
3071	Warren Housing		6.00%	4.25%	-32.67%	0.00%
3072	Johnston Housing		6.00%	3.16%	-22.55%	0.00%
3077	Tiverton Local 2670A	C	7.00%	5.28%	-11.98%	0.00%
3078	Barrington DPW	C,2	7.00%	2.00%	-27.62%	0.00%
3079	Coventry Housing		6.00%	3.60%	-13.56%	0.00%
3080	South Kingstown Housing	3	---	---	---	---
3083	West Warwick Housing		6.00%	6.52%	-8.31%	0.00%
3084	Smithfield Housing		6.00%	2.87%	-1.42%	1.45%
3096	Central Falls Housing		6.00%	3.82%	3.66%	7.48%
3098	Lime Rock Administrative Services		6.00%	3.37%	-0.63%	2.74%
3099	Central Falls Schools		6.00%	3.64%	-2.01%	1.63%
3100	Bristol/Warren Schools	B	7.00%	5.17%	-11.08%	0.00%

**Police & Fire Units**

4029	Richmond Fire	2	7.00%	6.06%	-0.49%	5.57%
4042	Valley Falls Fire	D	8.00%	7.76%	23.49%	31.25%
4046	Lime Rock Fire	3	---	---	---	---
4047	North Smithfield Voluntary Fire	D	8.00%	9.97%	-1.12%	8.85%
4050	East Greenwich Fire	C,D	9.00%	12.23%	-4.49%	7.74%
4054	East Greenwich Police	C,D	9.00%	12.32%	-17.71%	0.00%
4055	North Kingstown Fire	D	8.00%	8.48%	-15.25%	0.00%
4056	North Kingstown Police	C,D	9.00%	11.33%	-9.69%	1.64%
4057	Harris Fire	C,2	8.00%	6.82%	8.41%	15.23%
4058	North Providence Fire	D	8.00%	8.59%	-5.44%	3.15%
4059	Barrington Fire (25)	2	7.00%	5.62%	-0.33%	5.29%
4060	Barrington Police	D	8.00%	7.58%	4.19%	11.77%
4061	Barrington Fire (20)	D	8.00%	7.42%	-47.38%	0.00%
4062	Warren Police	C,D	9.00%	11.57%	-2.22%	9.35%
4063	South Kingstown Police & Fire	C,1	9.00%	9.12%	-24.35%	0.00%
4064	Primrose Volunteer Fire	B,D	9.00%	10.19%	-25.29%	0.00%
4073	Scituate Police	3	---	---	---	---
4076	North Smithfield Police	C,D	9.00%	13.38%	-12.54%	0.84%
4077	Tiverton Fire	D	8.00%	7.82%	-17.55%	0.00%
4082	Foster Police	D	8.00%	9.17%	-9.30%	0.00%
4085	Woonsocket Police	C,D	9.00%	12.87%	-2.05%	10.82%



**Municipal Employees' Retirement System  
Actuarial Valuation – June 30, 1997**

**TABLE 1  
Continued**

**Contribution Rates  
For Fiscal Year Ending June 30, 2000**

Unit Number (1)	Unit (2)	Code(s) (3)	Member Rate (4)	Employer Rate		Total (7)
				Employer Normal Cost (5)	Amortization Rate (6)	
4086	Charlestown Police	C,D	9.00%	14.25%	3.85%	18.10%
4087	Hopkinton Police	C,D	9.00%	13.51%	-10.40%	3.11%
4088	Glocester Police	C,D	9.00%	11.42%	-3.45%	7.97%
4089	West Greenwich Police/Rescue	D	8.00%	6.33%	2.25%	8.58%
4090	Burrillville Police	C,D	9.00%	13.46%	-3.90%	9.56%
4091	Cumberland Rescue	D	8.00%	10.13%	-6.85%	3.28%
4092	Washington Fire	D	8.00%	9.98%	0.42%	10.40%
4093	Woonsocket Fire	C,D	9.00%	12.91%	-1.47%	11.44%
4094	Bristol Fire		7.00%	7.75%	-9.69%	0.00%
4095	Cumberland Hill Fire	C,D	9.00%	7.52%	14.59%	22.11%
4098	Coventry Fire		7.00%	5.60%	-3.26%	2.34%
4099	South Kingstown EMT	C,D	9.00%	14.87%	-3.39%	11.48%
4100	Tiogue Fire		7.00%	5.61%	-2.29%	3.32%
4101	North Cumberland	D	8.00%	9.25%	6.93%	16.18%
4102	Central Coventry Fire	D	8.00%	7.84%	5.48%	13.32%
4103	Hopkins Hill Fire		7.00%	5.74%	-3.28%	2.46%
4104	Cranston Police	C,D,2,4	10.00%	12.91%	3.08%	15.99%
4105	Cranston Fire	C,D,2,4	10.00%	13.05%	4.03%	17.08%
4106	Cumberland Fire	D	8.00%	3.98%	6.15%	10.13%
4107	Lincoln Rescue		7.00%	5.54%	0.67%	6.21%
4108	New Shoreham Police	B	8.00%	7.19%	3.97%	11.16%
4109	Warren Fire	D	8.00%	12.98%	17.34%	30.32%

B - Municipality has adopted COLA Plan B

C - Municipality has adopted COLA Plan C

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

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

2 - New unit. 3 - Closed unit.

4 - Cranston fire and police are contributing 10% due to special plan provision



**Comparison of Employer Contribution Rates**

<u>Unit Number</u>	<u>Unit</u>	<u>Code(s)</u>	<u>June 30, 1997 Actuarial Valuation, for FY 2000</u>	<u>June 30, 1996 Actuarial Valuation, for FY 1999</u>	<u>June 30, 1995 Actuarial Valuation, for FY 1998</u>
(1)	(2)	(3)	(4)	(5)	(6)
<b>General Employee Units</b>					
3001	Barrington		0.00%	1.71%	1.45%
3002	Bristol	B	0.00%	0.88%	0.48%
3003	Burrillville	C	0.00%	3.08%	2.67%
3004	Central Falls		14.94%	19.92%	19.03%
3005	Charlestown	C	8.69%	9.45%	10.90%
3007	Cranston	B	0.00%	1.82%	1.46%
3008	Cumberland		0.00%	3.49%	2.48%
3009	East Greenwich		0.00%	1.48%	1.07%
3010	East Providence	B	1.12%	2.10%	1.99%
3011	Exeter/West Greenwich		0.00%	2.33%	3.01%
3012	Foster		5.34%	4.08%	5.64%
3013	Glocester	C	2.37%	2.38%	2.58%
3014	Hopkinton	C	0.00%	3.05%	3.05%
3015	Jamestown	C	0.00%	1.26%	0.55%
3016	Johnston	C	0.00%	1.88%	1.39%
3017	Lincoln		6.11%	7.42%	13.35%
3021	Newport	B	0.00%	0.74%	0.43%
3022	New Shoreham	B	0.00%	1.77%	1.83%
3023	North Kingstown		0.00%	2.06%	1.67%
3024	North Providence		0.00%	1.22%	0.84%
3025	North Smithfield	C	0.00%	3.95%	3.82%
3026	Pawtucket	C	0.00%	1.28%	1.18%
3027	Union Dire District	2	5.49%	N/A	N/A
3029	Richmond		2.01%	2.26%	6.43%
3030	Scituate	B	0.00%	2.88%	2.42%
3031	Smithfield		0.00%	1.94%	1.80%
3032	South Kingstown		0.00%	1.64%	1.38%
3033	Tiverton		0.00%	2.45%	2.24%
3034	Warren	C	0.00%	2.36%	2.20%
3036	Westerly		114.69%	107.06%	56.87%
3037	West Greenwich		0.00%	6.89%	4.97%
3039	Woonsocket		0.00%	2.07%	1.61%
3040	Chariho School District		0.00%	2.43%	2.12%
3041	Foster/Glocester	B	7.48%	10.93%	6.14%
3042	Tiogue Fire & Lighting	C	60.43%	28.25%	31.61%
3043	Narragansett Housing		0.85%	3.97%	5.94%
3045	Coventry Lighting District		0.00%	9.63%	30.66%





**Comparison of Employer Contribution Rates**

<u>Unit Number</u>	<u>Unit</u>	<u>Code(s)</u>	<u>June 30, 1997 Actuarial Valuation, for FY 2000</u>	<u>June 30, 1996 Actuarial Valuation, for FY 1999</u>	<u>June 30, 1995 Actuarial Valuation, for FY 1998</u>
(1)	(2)	(3)	(4)	(5)	(6)
3046	Hope Valley Fire	C	0.00%	6.95%	18.56%
3051	Cranston Housing	C	0.00%	4.15%	3.81%
3052	East Providence Housing	B	0.00%	4.48%	4.83%
3053	Pawtucket Housing	B	0.00%	1.49%	1.27%
3056	Cumberland Housing	C	0.00%	4.58%	4.78%
3057	Lincoln Housing	B	0.00%	5.05%	4.10%
3059	Bristol Housing		0.00%	2.97%	2.69%
3065	Burrillville Housing		0.00%	3.27%	3.41%
3066	North Providence Housing	B	0.00%	2.81%	4.03%
3067	East Smithfield Water	C	0.00%	4.16%	6.48%
3068	Greenville Water		0.00%	0.00%	0.00%
3069	Newport Housing	C	6.95%	5.63%	11.46%
3071	Warren Housing		0.00%	4.02%	3.92%
3072	Johnston Housing		0.00%	0.18%	0.18%
3077	Tiverton Local 2670A	C	0.00%	3.42%	3.57%
3078	Barrington DPW	C,2	0.00%	N/A	N/A
3079	Coventry Housing		0.00%	3.65%	3.68%
3080	South Kingstown Housing	3	---	---	---
3083	West Warwick Housing		0.00%	1.87%	3.37%
3084	Smithfield Housing		1.45%	1.08%	0.01%
3096	Central Falls Housing		7.48%	13.42%	15.71%
3098	Lime Rock Administrative Services		2.74%	5.51%	4.17%
3099	Central Falls Schools		1.63%	2.99%	4.71%
3100	Bristol/Warren Schools	B	0.00%	3.71%	3.36%

**Police & Fire Units**

4029	Richmond Fire	2	5.57%	N/A	N/A
4042	Valley Falls Fire	D	31.25%	40.70%	25.70%
4046	Lime Rock Fire	3	---	---	1.96%
4047	North Smithfield Voluntary Fire	D	8.85%	8.97%	5.85%
4050	East Greenwich Fire	C,D	7.74%	10.14%	7.44%
4054	East Greenwich Police	C,D	0.00%	8.90%	7.12%
4055	North Kingstown Fire	D	0.00%	7.14%	4.81%
4056	North Kingstown Police	C,D	1.64%	15.65%	5.46%
4057	Harris Fire	C,2	15.23%	N/A	N/A
4058	North Providence Fire	D	3.15%	7.47%	4.62%
4059	Barrington Fire (25)	2	5.29%	N/A	N/A

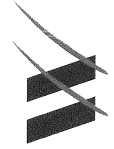


**Municipal Employees' Retirement System  
Actuarial Valuation - June 30, 1997**

**TABLE 3**

**Components Used in Determining Contribution Rates**

Unit Number (1)	Unit (2)	Code(s) (3)	Adjusted Compensation (4)	Normal Cost (Total) (5)	Actuarial Accrued Liability (6)	Actuarial Value of Assets (7)	Unamortized Initial Base (8)
<b>General Employee Units</b>							
3001	Barrington		\$3,232,944	\$307,582	\$9,267,820	\$14,132,812	\$0
3002	Bristol	B	2,228,938	219,790	8,912,136	11,656,842	0
3003	Burrillville	C	3,283,017	378,404	8,605,862	13,368,134	0
3004	Central Falls		1,461,730	119,558	3,328,923	1,643,606	916,050
3005	Charlestown	C	847,714	83,878	1,570,521	1,135,464	321,301
3007	Cranston	B	18,878,501	2,029,969	66,455,028	92,526,871	0
3008	Cumberland		4,626,257	421,515	10,526,179	12,396,256	0
3009	East Greenwich		3,061,276	266,584	7,377,540	13,736,520	0
3010	East Providence	B	11,006,188	1,183,481	48,710,909	51,344,014	0
3011	Exeter/West Greenwich		1,153,965	114,570	1,783,810	2,816,599	0
3012	Foster		690,061	64,687	1,572,045	1,509,028	90,169
3013	Glocester	C	1,284,466	145,897	1,894,546	2,169,004	0
3014	Hopkinton	C	491,153	53,771	1,099,017	1,807,616	0
3015	Jamestown	C	1,528,227	162,725	3,648,819	4,390,355	0
3016	Johnston	C	4,901,587	530,470	17,363,136	22,270,366	0
3017	Lincoln		464,172	45,548	273,032	201,292	0
3021	Newport	B	8,396,971	863,927	31,217,627	34,631,033	0
3022	New Shoreham	B	1,018,368	108,260	1,331,888	1,711,765	0
3023	North Kingstown		7,047,718	638,149	15,649,647	21,040,721	0
3024	North Providence		5,709,920	484,637	12,228,573	18,924,000	0
3025	North Smithfield	C	1,844,154	212,122	5,233,676	9,099,139	0
3026	Pawtucket	C	15,869,685	1,610,438	56,536,060	67,784,453	0
3027	Union Dire District	2	74,095	6,844	39,703	29,009	0
3029	Richmond		415,843	40,538	579,811	649,162	0
3030	Scituate	B	1,685,196	180,297	5,215,874	6,505,722	0
3031	Smithfield		3,390,182	303,259	7,965,677	14,469,625	0
3032	South Kingstown		6,665,178	588,400	12,689,074	21,467,233	0
3033	Tiverton		1,406,890	129,553	4,465,282	7,681,761	0
3034	Warren	C	946,959	100,436	4,106,649	4,555,271	0

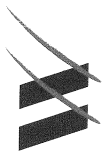


**Municipal Employees' Retirement System  
Actuarial Valuation – June 30, 1997**

**TABLE 3  
Continued**

**Components Used in Determining Contribution Rates**

Unit Number (1)	Unit (2)	Code(s) (3)	Adjusted Compensation (4)	Normal Cost (Total) (5)	Actuarial Accrued Liability (6)	Actuarial Value of Assets (7)	Unamortized Initial Base (8)
3036	Westerly		83,570	3,276	1,206,360	795,592	280,814
3037	West Greenwich		471,454	46,731	697,463	861,698	0
3039	Woonsocket		9,127,586	797,676	24,504,073	45,089,299	0
3040	Charlho School District		2,495,343	227,472	3,904,207	4,809,494	0
3041	Foster/Glocester	B	917,660	108,976	2,235,020	2,091,863	0
3042	Tiogue Fire & Lighting	C	6,974	812	58,681	27,566	0
3043	Narragansett Housing		84,783	7,377	32,727	48,960	0
3045	Coventry Lighting District		170,012	9,159	303,800	544,783	79,920
3046	Hope Valley Fire	C	37,143	4,541	100,093	94,148	40,648
3051	Cranston Housing	C	537,597	60,060	1,203,888	1,854,512	0
3052	East Providence Housing	B	444,338	51,480	1,124,869	1,551,100	0
3053	Pawtucket Housing	B	1,462,507	151,628	3,497,470	6,540,222	0
3056	Cumberland Housing	C	337,644	39,635	481,077	689,220	0
3057	Lincoln Housing	B	207,193	27,256	723,515	1,043,269	0
3059	Bristol Housing		212,587	18,282	539,310	1,050,914	0
3065	Burrillville Housing		104,545	10,787	177,331	437,558	0
3066	North Providence Housing	B	203,721	23,196	337,472	688,657	0
3067	East Smithfield Water	C	147,232	16,905	214,810	364,784	0
3068	Greenville Water		144,676	11,178	321,403	553,675	0
3069	Newport Housing	C	692,934	72,985	1,727,862	1,572,197	0
3071	Warren Housing		167,343	16,500	416,430	711,724	0
3072	Johnston Housing		178,487	15,720	377,927	615,891	0
3077	Tiverton Local 2670A	C	612,151	72,301	1,158,100	1,617,754	0
3078	Barrington DPW	C,2	842,287	72,895	1,878,717	3,860,587	0
3079	Coventry Housing		200,135	18,474	498,960	676,716	0
3080	South Kingstown Housing	3	0	0	26,302	37,366	0
3083	West Warwick Housing		191,280	23,035	474,191	598,206	0
3084	Smithfield Housing		72,501	6,182	101,856	113,250	0
3096	Central Falls Housing		406,374	38,368	1,184,253	1,029,908	184,892
3098	Lime Rock Administrative Services		45,579	4,105	35,802	39,028	0

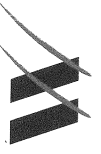


**Municipal Employees' Retirement System  
Actuarial Valuation – June 30, 1997**

**TABLE 3  
Continued**

**Components Used in Determining Contribution Rates**

Unit Number (1)	Unit (2)	Code(s) (3)	Adjusted Compensation (4)	Normal Cost (Total) (5)	Actuarial Accrued Liability (6)	Actuarial Value of Assets (7)	Unamortized Initial Base (8)
3099	Central Falls Schools		2,128,092	197,356	2,701,644	3,000,967	698,962
3100	Bristol/Warren Schools	B	3,048,622	356,671	5,867,706	8,717,983	0
<b>Police &amp; Fire Units</b>							
4029	Richmond Fire	2	\$132,853	\$16,686	\$63,767	\$73,728	\$0
4042	Valley Falls Fire	D	361,313	54,745	1,671,383	868,832	326,241
4046	Lime Rock Fire	3	35,000	4,007	89,112	187,109	0
4047	North Smithfield Voluntary Fire	D	284,330	49,130	477,271	510,273	0
4050	East Greenwich Fire	C,D	1,020,548	208,288	4,693,526	5,144,150	0
4054	East Greenwich Police	C,D	1,036,128	212,378	5,232,377	7,134,618	0
4055	North Kingstown Fire	D	2,328,749	368,922	12,421,968	15,529,490	0
4056	North Kingstown Police	C,D	1,694,617	331,346	6,917,599	8,401,965	0
4057	Harris Fire	C,2	62,772	8,946	93,990	16,519	0
4058	North Providence Fire	D	4,007,203	639,274	10,931,835	13,230,485	0
4059	Barrington Fire (25)	2	132,880	16,124	8,135	16,514	0
4060	Barrington Police	D	830,856	124,479	5,120,630	4,777,954	0
4061	Barrington Fire (20)	D	626,746	92,916	5,702,932	7,814,663	0
4062	Warren Police	C,D	756,338	149,563	4,882,311	5,047,701	0
4063	South Kingstown Police & Fire	C,1	1,742,577	303,686	8,649,360	11,779,907	0
4064	Primrose Volunteer Fire	B,D	233,199	43,026	842,428	1,322,834	0
4073	Sctuate Police	3	0	0	37,886	142,087	0
4076	North Smithfield Police	C,D	667,602	143,687	3,324,930	4,128,575	0
4077	Tiverton Fire	D	940,671	143,091	3,517,957	5,048,871	0
4082	Foster Police	D	240,765	39,743	802,368	1,032,601	0
4085	Woonsocket Police	C,D	3,254,056	684,222	7,351,292	8,150,696	0
4086	Charlestown Police	C,D	656,808	146,838	1,627,926	1,377,784	0
4087	Hopkinton Police	C,D	327,499	70,878	816,233	1,180,619	0
4088	Glocester Police	C,D	495,883	97,370	1,152,460	1,328,861	0
4089	West Greenwich Police/Rescue	D	266,781	36,749	841,905	782,970	0



**Municipal Employees' Retirement System  
Actuarial Valuation - June 30, 1997**

**TABLE 3  
Continued**

**Components Used in Determining Contribution Rates**

Unit Number (1)	Unit (2)	Code(s) (3)	Adjusted Compensation (4)	Normal Cost (Total) (5)	Actuarial Accrued Liability (6)	Actuarial Value of Assets (7)	Unamortized Initial Base (8)
4090	Burrilville Police	C,D	733,077	158,330	2,679,686	3,039,073	0
4091	Cumberland Rescue	D	469,069	81,763	610,081	975,779	0
4092	Washington Fire	D	240,314	41,542	529,718	520,199	0
4093	Woonsocket Fire	C,D	2,724,965	573,955	4,627,246	5,130,501	0
4094	Bristol Fire		45,899	6,509	42,296	83,966	0
4095	Cumberland Hill Fire	C,D	326,282	51,818	1,494,551	1,195,230	0
4098	Coventry Fire		334,271	40,501	609,409	771,869	159,871
4099	South Kingstown EMT	C,D	264,178	60,634	53,624	181,057	0
4100	Tiogue Fire		112,668	13,657	144,257	208,276	70,953
4101	North Cumberland	D	424,802	70,474	1,195,356	887,431	173,121
4102	Central Coventry Fire	D	383,767	58,468	869,018	661,780	186,755
4103	Hopkins Hill Fire		106,969	13,100	54,579	108,802	0
4104	Cranston Police	C,D,2,4	2,112,946	465,394	1,178,141	222,131	0
4105	Cranston Fire	C,D,2,4	3,390,872	751,443	2,168,313	370,518	0
4106	Cumberland Fire	D	365,869	42,162	1,010,618	788,028	218,899
4107	Lincoln Rescue		394,449	47,559	481,146	502,962	159,489
4108	New Shoreham Police	B	133,145	19,446	210,757	140,084	0
4109	Warren Fire	D	38,186	7,702	71,029	41,540	0

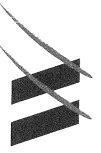
B - Municipality has adopted COLA Plan B

C - Municipality has adopted COLA Plan C

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

2 - New unit. 3 - Closed unit.

4 - Cranston fire and police are contributing 10% due to special plan provision



Assets Values

Unit Number	Unit	Code	Reserve Supplied By System	Market Value of Assets	Actuarial Value of Assets
(1)	(2)	(3)	(4)	(5)	(6)
<b>General Employee Units</b>					
3001	Barrington		\$ 13,062,526	\$ 14,132,812	\$ 14,132,812
3002	Bristol	B	8,462,426	11,656,842	11,656,842
3003	Burrillville	C	9,704,758	13,368,134	13,368,134
3004	Central Falls		1,193,195	1,643,606	1,643,606
3005	Charlestown	C	824,304	1,135,464	1,135,464
3007	Cranston	B	67,171,001	92,526,871	92,526,871
3008	Cumberland		8,999,212	12,396,256	12,396,256
3009	East Greenwich		9,972,193	13,736,520	13,736,520
3010	East Providence	B	37,273,809	51,344,014	51,344,014
3011	Exeter/West Greenwich		2,044,744	2,816,599	2,816,599
3012	Foster		1,095,497	1,509,028	1,509,028
3013	Glocester	C	1,574,615	2,169,004	2,169,004
3014	Hopkinton	C	1,312,261	1,807,616	1,807,616
3015	Jamestown	C	3,187,232	4,390,355	4,390,355
3016	Johnston	C	16,167,442	22,270,366	22,270,366
3017	Lincoln		146,130	201,292	201,292
3021	Newport	B	25,140,818	34,631,033	34,631,033
3022	New Shoreham	B	1,242,676	1,711,765	1,711,765
3023	North Kingstown		15,274,766	21,040,721	21,040,721
3024	North Providence		13,738,107	18,924,000	18,924,000
3025	North Smithfield	C	6,605,630	9,099,139	9,099,139
3026	Pawtucket	C	49,208,944	67,784,453	67,784,453
3027	Union Dire District	2	-	29,009	29,009
3029	Richmond		524,791	649,162	649,162
3030	Scituate	B	4,722,908	6,505,722	6,505,722
3031	Smithfield		10,504,399	14,469,625	14,469,625
3032	South Kingstown		15,605,457	21,467,233	21,467,233
3033	Tiverton		5,576,667	7,681,761	7,681,761
3034	Warren	C	3,306,954	4,555,271	4,555,271
3036	Westerly		577,570	795,592	795,592
3037	West Greenwich		625,560	861,698	861,698
3039	Woonsocket		32,733,122	45,089,299	45,089,299
3040	Chariho School District		3,491,511	4,809,494	4,809,494
3041	Foster/Glocester	B	1,518,613	2,091,863	2,091,863
3042	Tiogue Fire & Lighting	C	20,012	27,566	27,566
3043	Narragansett Housing		35,543	48,960	48,960
3045	Coventry Lighting District		395,491	544,783	544,783



**Assets Values**

<u>Unit Number</u>	<u>Unit</u>	<u>Code</u>	<u>Reserve Supplied By System</u>	<u>Market Value of Assets</u>	<u>Actuarial Value of Assets</u>
(1)	(2)	(3)	(4)	(5)	(6)
3046	Hope Valley Fire	C	68,348	94,148	94,148
3051	Cranston Housing	C	1,346,306	1,854,512	1,854,512
3052	East Providence Housing	B	1,126,040	1,551,100	1,551,100
3053	Pawtucket Housing	B	4,747,953	6,540,222	6,540,222
3056	Cumberland Housing	C	500,348	689,220	689,220
3057	Lincoln Housing	B	757,374	1,043,269	1,043,269
3059	Bristol Housing		762,923	1,050,914	1,050,914
3065	Burrillville Housing		317,650	437,558	437,558
3066	North Providence Housing	B	499,939	688,657	688,657
3067	East Smithfield Water	C	264,820	364,784	364,784
3068	Greenville Water		401,947	553,675	553,675
3069	Newport Housing	C	1,141,356	1,572,197	1,572,197
3071	Warren Housing		516,685	711,724	711,724
3072	Johnston Housing		447,114	615,891	615,891
3077	Tiverton Local 2670A	C	1,174,428	1,617,754	1,617,754
3078	Barrington DPW	C,2	-	3,860,587	3,860,587
3079	Coventry Housing		491,270	676,716	676,716
3080	South Kingstown Housing	3	27,126	37,366	37,366
3083	West Warwick Housing		434,275	598,206	598,206
3084	Smithfield Housing		82,215	113,250	113,250
3096	Central Falls Housing		747,674	1,029,908	1,029,908
3098	Lime Rock Administrative Servi		28,333	39,028	39,028
3099	Central Falls Schools		2,178,589	3,000,967	3,000,967
3100	Bristol/Warren Schools	B	6,328,925	8,717,983	8,717,983

**Police & Fire Units**

4029	Richmond Fire	2	-	73,728	73,728
4042	Valley Falls Fire	D	630,739	868,832	868,832
4046	Lime Rock Fire	3	135,834	187,109	187,109
4047	North Smithfield Voluntary Fire	D	370,439	510,273	510,273
4050	East Greenwich Fire	C,D	3,734,458	5,144,150	5,144,150
4054	East Greenwich Police	C,D	5,179,462	7,134,618	7,134,618
4055	North Kingstown Fire	D	11,273,821	15,529,490	15,529,490
4056	North Kingstown Police	C,D	6,099,508	8,401,965	8,401,965
4057	Harris Fire	C,2	-	16,519	16,519
4058	North Providence Fire	D	9,604,831	13,230,485	13,230,485
4059	Barrington Fire (25)	2	-	16,514	16,514



Assets Values

Unit Number	Unit	Code	Reserve Supplied By System	Market Value of Assets	Actuarial Value of Assets
(1)	(2)	(3)	(4)	(5)	(6)
4060	Barrington Police	D	3,468,613	4,777,954	4,777,954
4061	Barrington Fire (20)	D	5,685,138	7,814,663	7,814,663
4062	Warren Police	C,D	3,664,439	5,047,701	5,047,701
4063	South Kingstown Police & Fire	C,1	8,551,766	11,779,907	11,779,907
4064	Primrose Volunteer Fire	B,D	960,327	1,322,834	1,322,834
4073	Scituate Police	3	103,150	142,087	142,087
4076	North Smithfield Police	C,D	2,997,189	4,128,575	4,128,575
4077	Tiverton Fire	D	3,665,289	5,048,871	5,048,871
4082	Foster Police	D	749,629	1,032,601	1,032,601
4085	Woonsocket Police	C,D	5,917,096	8,150,696	8,150,696
4086	Charlestown Police	C,D	1,000,219	1,377,784	1,377,784
4087	Hopkinton Police	C,D	857,085	1,180,619	1,180,619
4088	Glocester Police	C,D	964,703	1,328,861	1,328,861
4089	West Greenwich Police/Rescue	D	568,406	782,970	782,970
4090	Burrillville Police	C,D	2,206,252	3,039,073	3,039,073
4091	Cumberland Rescue	D	708,379	975,779	975,779
4092	Washington Fire	D	377,644	520,199	520,199
4093	Woonsocket Fire	C,D	3,724,550	5,130,501	5,130,501
4094	Bristol Fire		60,956	83,966	83,966
4095	Cumberland Hill Fire	C,D	867,691	1,195,230	1,195,230
4098	Coventry Fire		560,348	771,869	771,869
4099	South Kingstown EMT	C,D	131,441	181,057	181,057
4100	Tiogue Fire		151,200	208,276	208,276
4101	North Cumberland	D	644,241	887,431	887,431
4102	Central Coventry Fire	D	480,427	661,780	661,780
4103	Hopkins Hill Fire		78,986	108,802	108,802
4104	Cranston Police	C,D,2,4	-	222,131	222,131
4105	Cranston Fire	C,D,2,4	-	370,518	370,518
4106	Cumberland Fire	D	572,079	788,028	788,028
4107	Lincoln Rescue		365,132	502,962	502,962
4108	New Shoreham Police	B	101,696	140,084	140,084
4109	Warren Fire	D	30,157	41,540	41,540

B - Municipality has adopted COLA Plan B

C - Municipality has adopted COLA Plan C

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

1 - S.Kingstown Police have a unique plan that provides 2.0% of salary for service prior to July 1, 1993, and 2.5% of salary for service on or after July 1, 199

2 - New unit. 3 - Closed unit.

4 - Cranston fire and police are contributing 10% due to special plan provision





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

Item (1)	June 30, 1997 (2)	June 30, 1996 (3)
Cash & cash equivalents	3.7%	5.0%
U.S. government & agency securities	24.7%	32.4%
Corporate bonds & notes	5.0%	2.2%
Foreign bonds	1.0%	0.2%
U.S. equity securities	48.1%	47.1%
Foreign equity securities	12.5%	9.2%
Emerging markets equity	2.0%	0.0%
Real estate, venture capital, other	3.0%	3.9%
Total investments	100.0%	100.0%



History of Investment Return Rates

<u>Year Ending June 30 of</u> (1)	<u>Market</u> (2)	<u>Actuarial</u> (3)
1994	4.0%	-
1995	17.0%	10.2%
1996	13.7%	13.7%
1997	19.1%	19.1%

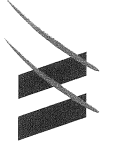


**Municipal Employees' Retirement System  
Actuarial Valuation -- June 30, 1997**

**TABLE 7**

**Schedule of Funding Progress**

Unit Number (1)	Unit (2)	Code(s) (3)	Actuarial Value of Assets (AVA) (4)	Actuarial Accrued Liability (AAL) (5)	Unfunded Actuarial Accrued Liability (UAAL) (5) - (4) (6)	Funded Ratio (4)/(5) (7)	Annual Covered Payroll (8)	UAAL as % of Payroll (6)/(8) (9)
<b>General Employee Units</b>								
3001	Barrington		14,132,812	9,267,820	(4,864,992)	152.5%	3,232,944	(150.5%)
3002	Bristol	B	11,656,842	8,912,136	(2,744,706)	130.8%	2,228,938	(123.1%)
3003	Burrillville	C	13,368,134	8,605,862	(4,762,272)	155.3%	3,283,017	(145.1%)
3004	Central Falls		1,643,606	3,328,923	1,685,317	49.4%	1,461,730	115.3%
3005	Charlestown	C	1,135,464	1,570,521	435,057	72.3%	847,714	51.3%
3007	Cranston	B	92,526,871	66,455,028	(26,071,843)	139.2%	18,878,501	(138.1%)
3008	Cumberland		12,396,256	10,526,179	(1,870,077)	117.8%	4,626,257	(40.4%)
3009	East Greenwich		13,736,520	7,377,540	(6,358,980)	186.2%	3,061,276	(207.7%)
3010	East Providence	B	51,344,014	48,710,909	(2,633,105)	105.4%	11,006,188	(23.9%)
3011	Exeter/West Greenwich		2,816,599	1,783,810	(1,032,789)	157.9%	1,153,965	(89.5%)
3012	Foster		1,509,028	1,572,045	63,017	96.0%	690,061	9.1%
3013	Gloicester	C	2,169,004	1,894,546	(274,458)	114.5%	1,284,466	(21.4%)
3014	Hopkinton	C	1,807,616	1,099,017	(708,599)	164.5%	491,153	(144.3%)
3015	Jamestown	C	4,390,355	3,648,819	(741,536)	120.3%	1,528,227	(48.5%)
3016	Johnston	C	22,270,366	17,363,136	(4,907,230)	128.3%	4,901,587	(100.1%)
3017	Lincoln		201,292	273,032	71,740	73.7%	464,172	15.5%
3021	Newport	B	34,631,033	31,217,627	(3,413,406)	110.9%	8,396,971	(40.7%)
3022	New Shoreham	B	1,711,765	1,331,888	(379,877)	128.5%	1,018,368	(37.3%)
3023	North Kingstown		21,040,721	15,649,647	(5,391,074)	134.4%	7,047,718	(76.5%)
3024	North Providence		18,924,000	12,228,573	(6,695,427)	154.8%	5,709,920	(117.3%)
3025	North Smithfield	C	9,099,139	5,233,676	(3,865,463)	173.9%	1,844,154	(209.6%)
3026	Pawtucket	C	67,784,453	56,536,060	(11,248,393)	119.9%	15,869,685	(70.9%)
3027	Union Dire District	2	29,009	39,703	10,694	73.1%	74,095	14.4%
3029	Richmond		649,162	579,811	(69,351)	112.0%	415,843	(16.7%)
3030	Scituate	B	6,505,722	5,215,874	(1,289,848)	124.7%	1,685,196	(76.5%)
3031	Smithfield		14,469,625	7,965,677	(6,503,948)	181.6%	3,390,182	(191.8%)
3032	South Kingstown		21,467,233	12,689,074	(8,778,159)	169.2%	6,665,178	(131.7%)
3033	Tiverton		7,681,761	4,465,282	(3,216,479)	172.0%	1,406,890	(228.6%)
3034	Warren	C	4,555,271	4,106,649	(448,622)	110.9%	946,959	(47.4%)

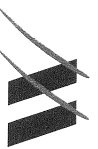


**Municipal Employees' Retirement System  
Actuarial Valuation – June 30, 1997**

**TABLE 7  
Continued**

**Schedule of Funding Progress**

Unit Number (1)	Unit (2)	Code(s) (3)	Actuarial Value of Assets (AVA) (4)	Actuarial Accrued Liability (AAL) (5)	Unfunded		Funded Ratio (4)/(5) (7)	Annual Covered Payroll (8)	UAAL as % of Payroll (6)/(8) (9)
					Actuarial Accrued Liability (UAAL) (5) - (4) (6)	Actuarial Accrued Liability (UAAL) (5) - (4) (6)			
3036	Westerly		795,592	1,206,360	410,768	410,768	65.9%	83,570	491.5%
3037	West Greenwich		861,698	697,463	(164,235)	(164,235)	123.5%	471,454	(34.8%)
3039	Woonsocket		45,089,299	24,504,073	(20,585,226)	(20,585,226)	184.0%	9,127,586	(225.5%)
3040	Charho School District		4,809,494	3,904,207	(905,287)	(905,287)	123.2%	2,495,343	(36.3%)
3041	Foster/Glocester	B	2,091,863	2,235,020	143,157	143,157	93.6%	917,660	15.6%
3042	Tiogue Fire & Lighting	C	27,566	58,681	31,115	31,115	47.0%	6,974	446.2%
3043	Narragansett Housing		48,960	32,727	(16,233)	(16,233)	149.6%	84,783	(19.1%)
3045	Coventry Lighting District		544,783	303,800	(240,983)	(240,983)	179.3%	170,012	(141.7%)
3046	Hope Valley Fire	C	94,148	100,093	5,945	5,945	94.1%	37,143	16.0%
3051	Cranston Housing	C	1,854,512	1,203,888	(650,624)	(650,624)	154.0%	537,597	(121.0%)
3052	East Providence Housing	B	1,551,100	1,124,869	(426,231)	(426,231)	137.9%	444,338	(95.9%)
3053	Pawtucket Housing	B	6,540,222	3,497,470	(3,042,752)	(3,042,752)	187.0%	1,462,507	(208.1%)
3056	Cumberland Housing	C	689,220	481,077	(208,143)	(208,143)	143.3%	337,644	(61.6%)
3057	Lincoln Housing	B	1,043,269	723,515	(319,754)	(319,754)	144.2%	207,193	(154.3%)
3059	Bristol Housing		1,050,914	539,310	(511,604)	(511,604)	194.9%	212,587	(240.7%)
3065	Burrillville Housing		437,558	177,331	(260,227)	(260,227)	246.7%	104,545	(248.9%)
3066	North Providence Housing	B	688,657	337,472	(351,185)	(351,185)	204.1%	203,721	(172.4%)
3067	East Smithfield Water	C	364,784	214,810	(149,974)	(149,974)	169.8%	147,232	(101.9%)
3068	Greenville Water		553,675	321,403	(232,272)	(232,272)	172.3%	144,676	(160.5%)
3069	Newport Housing	C	1,572,197	1,727,862	155,665	155,665	91.0%	692,934	22.5%
3071	Warren Housing		711,724	416,430	(295,294)	(295,294)	170.9%	167,343	(176.5%)
3072	Johnston Housing		615,891	377,927	(237,964)	(237,964)	163.0%	178,487	(133.3%)
3077	Tiverton Local 2670A	C	1,617,754	1,158,100	(459,654)	(459,654)	139.7%	612,151	(75.1%)
3078	Barrington DPW	C,2	3,860,587	1,878,717	(1,981,870)	(1,981,870)	205.5%	842,287	(235.3%)
3079	Coventry Housing		676,716	498,960	(177,756)	(177,756)	135.6%	200,135	(88.8%)
3080	South Kingstown Housing	3	37,366	26,302	(11,064)	(11,064)	142.1%	0	-
3083	West Warwick Housing		598,206	474,191	(124,015)	(124,015)	126.2%	191,280	(64.8%)
3084	Smithfield Housing		113,250	101,856	(11,394)	(11,394)	111.2%	72,501	(15.7%)
3096	Central Falls Housing		1,029,908	1,184,253	154,345	154,345	87.0%	406,374	38.0%
3098	Lime Rock Administrative Services		39,028	35,802	(3,226)	(3,226)	109.0%	45,579	(7.1%)

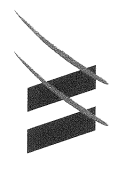


**Municipal Employees' Retirement System  
Actuarial Valuation – June 30, 1997**

**TABLE 7  
Continued**

**Schedule of Funding Progress**

Unit Number	Unit	Code(s)	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio (4)/(5)	Annual Covered Payroll	UAAL as % of Payroll (6)/(8)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
3099	Central Falls Schools		3,000,967	2,701,644	(299,323)	111.1%	2,128,092	(14.1%)
3100	Bristol/Warren Schools	B	8,717,983	5,867,706	(2,850,277)	148.6%	3,048,622	(93.5%)
<b>Police &amp; Fire Units</b>								
4029	Richmond Fire	2	73,728	63,767	(9,961)	115.6%	132,853	(7.5%)
4042	Valley Falls Fire	D	868,832	1,671,383	802,551	52.0%	361,313	222.1%
4046	Lime Rock Fire	3	187,109	89,112	(97,997)	210.0%	35,000	(280.0%)
4047	North Smithfield Voluntary Fire	D	510,273	477,271	(33,002)	106.9%	284,330	(11.6%)
4050	East Greenwich Fire	C,D	5,144,150	4,693,526	(450,624)	109.6%	1,020,548	(44.2%)
4054	East Greenwich Police	C,D	7,134,618	5,232,377	(1,902,241)	136.4%	1,036,128	(183.6%)
4055	North Kingstown Fire	D	15,529,490	12,421,968	(3,107,522)	125.0%	2,328,749	(133.4%)
4056	North Kingstown Police	C,D	8,401,965	6,917,599	(1,484,366)	121.5%	1,694,617	(87.6%)
4057	Harris Fire	C,2	16,519	93,990	77,471	17.6%	62,772	123.4%
4058	North Providence Fire	D	13,230,485	10,931,835	(2,298,650)	121.0%	4,007,203	(57.4%)
4059	Barrington Fire (25)	2	16,514	8,135	(8,379)	203.0%	132,880	(6.3%)
4060	Barrington Police	D	4,777,954	5,120,630	342,676	93.3%	830,856	41.2%
4061	Barrington Fire (20)	D	7,814,663	5,702,932	(2,111,731)	137.0%	626,746	(336.9%)
4062	Warren Police	C,D	5,047,701	4,882,311	(165,390)	103.4%	756,338	(21.9%)
4063	South Kingstown Police & Fire	C,1	11,779,907	8,649,360	(3,130,547)	136.2%	1,742,577	(179.7%)
4064	Prinrose Volunteer Fire	B,D	1,322,834	842,428	(480,406)	157.0%	233,199	(206.0%)
4073	Scituate Police	3	142,087	37,886	(104,201)	375.0%	0	-
4076	North Smithfield Police	C,D	4,128,575	3,324,930	(803,645)	124.2%	667,602	(120.4%)
4077	Tiverton Fire	D	5,048,871	3,517,957	(1,530,914)	143.5%	940,671	(162.7%)
4082	Foster Police	D	1,032,601	802,368	(230,233)	128.7%	240,765	(95.6%)
4085	Woonsocket Police	C,D	8,150,696	7,351,292	(799,404)	110.9%	3,254,056	(24.6%)
4086	Charlestown Police	C,D	1,377,784	1,627,926	250,142	84.6%	656,808	38.1%
4087	Hopkinton Police	C,D	1,180,619	816,233	(364,386)	144.6%	327,499	(111.3%)
4088	Gloicester Police	C,D	1,328,861	1,152,460	(176,401)	115.3%	495,883	(35.6%)
4089	West Greenwich Police/Rescue	D	782,970	841,905	58,935	93.0%	266,781	22.1%
4090	Burrillville Police	C,D	3,039,073	2,679,686	(359,387)	113.4%	733,077	(49.0%)



**Municipal Employees' Retirement System  
Actuarial Valuation - June 30, 1997**

**TABLE 7  
Continued**

**Schedule of Funding Progress**

Unit Number	Unit (2)	Code(s) (3)	Actuarial Value of Assets (AVA) (4)	Actuarial Accrued Liability (AAL) (5)	Unfunded Actuarial Accrued Liability (UAAL) (5) - (4) (6)	Funded Ratio (4)/(5) (7)	Annual Covered Payroll (8)	UAAL as % of Payroll (6)/(8) (9)
4091	Cumberland Rescue	D	975,779	610,081	(365,698)	159.9%	469,069	(78.0%)
4092	Washington Fire	D	520,199	529,718	9,519	98.2%	240,314	4.0%
4093	Woonsocket Fire	C,D	5,130,501	4,627,246	(503,255)	110.9%	2,724,965	(18.5%)
4094	Bristol Fire		83,966	42,296	(41,670)	198.5%	45,899	(90.8%)
4095	Cumberland Hill Fire	C,D	1,195,230	1,494,551	299,321	80.0%	326,282	91.7%
4098	Coventry Fire		771,869	609,409	(162,460)	126.7%	334,271	(48.6%)
4099	South Kingstown EMT	C,D	181,057	53,624	(127,433)	337.6%	264,178	(48.2%)
4100	Tiogue Fire		208,276	144,257	(64,019)	144.4%	112,668	(56.8%)
4101	North Cumberland	D	887,431	1,195,356	307,925	74.2%	424,802	72.5%
4102	Central Coventry Fire	D	661,780	869,018	207,238	76.2%	383,767	54.0%
4103	Hopkins Hill Fire		108,802	54,579	(54,223)	199.3%	106,969	(50.7%)
4104	Cranston Police	C,D,2,4	222,131	1,178,141	956,010	18.9%	2,112,946	45.2%
4105	Cranston Fire	C,D,2,4	370,518	2,168,313	1,797,795	17.1%	3,390,872	53.0%
4106	Cumberland Fire	D	788,028	1,010,618	222,590	78.0%	365,869	60.8%
4107	Lincoln Rescue		502,962	481,146	(21,816)	104.5%	394,449	(5.5%)
4108	New Shoreham Police	B	140,084	210,757	70,673	66.5%	133,145	53.1%
4109	Warren Fire	D	41,540	71,029	29,489	58.5%	38,186	77.2%
Grand total			668,241,596	513,063,589	(155,178,007)	130.2%	174,131,607	(89.1%)

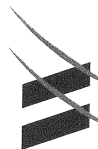
B - Municipality has adopted COLA Plan B

C - Municipality has adopted COLA Plan C

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

2 - New unit. 3 - Closed unit.

4 - Cranston fire and police are contributing 10% due to special plan provision



Equivalent Single Amortization Period

<u>Unit Number</u>	<u>Unit</u>	<u>Code(s)</u>	<u>Employer Contribution Rate</u>	<u>Amortization Period</u>
(1)	(2)	(3)	(4)	(5)
<b>General Employee Units</b>				
3001	Barrington		0.00%	9
3002	Bristol	B	0.00%	10
3003	Burrillville	C	0.00%	9
3004	Central Falls		14.94%	11
3005	Charlestown	C	8.69%	11
3007	Cranston	B	0.00%	9
3008	Cumberland		0.00%	9
3009	East Greenwich		0.00%	9
3010	East Providence	B	1.12%	9
3011	Exeter/West Greenwich		0.00%	10
3012	Foster		5.34%	6
3013	Glocester	C	2.37%	10
3014	Hopkinton	C	0.00%	9
3015	Jamestown	C	0.00%	10
3016	Johnston	C	0.00%	9
3017	Lincoln		6.11%	9
3021	Newport	B	0.00%	10
3022	New Shoreham	B	0.00%	10
3023	North Kingstown		0.00%	9
3024	North Providence		0.00%	9
3025	North Smithfield	C	0.00%	9
3026	Pawtucket	C	0.00%	9
3027	Union Dire District	2	5.49%	9
3029	Richmond		2.01%	9
3030	Scituate	B	0.00%	8
3031	Smithfield		0.00%	9
3032	South Kingstown		0.00%	10
3033	Tiverton		0.00%	8
3034	Warren	C	0.00%	9
3036	Westerly		114.69%	4
3037	West Greenwich		0.00%	9
3039	Woonsocket		0.00%	9
3040	Chariho School District		0.00%	10
3041	Foster/Glocester	B	7.48%	8
3042	Tiogue Fire & Lighting	C	60.43%	9
3043	Narragansett Housing		0.85%	10
3045	Coventry Lighting District		0.00%	4



Equivalent Single Amortization Period

Unit Number (1)	Unit (2)	Code(s) (3)	Employer Contribution Rate (4)	Amortization Period (5)
3046	Hope Valley Fire	C	0.00%	(1)
3051	Cranston Housing	C	0.00%	8
3052	East Providence Housing	B	0.00%	8
3053	Pawtucket Housing	B	0.00%	10
3056	Cumberland Housing	C	0.00%	9
3057	Lincoln Housing	B	0.00%	7
3059	Bristol Housing		0.00%	7
3065	Burrillville Housing		0.00%	8
3066	North Providence Housing	B	0.00%	10
3067	East Smithfield Water	C	0.00%	6
3068	Greenville Water		0.00%	12
3069	Newport Housing	C	6.95%	9
3071	Warren Housing		0.00%	6
3072	Johnston Housing		0.00%	6
3077	Tiverton Local 2670A	C	0.00%	7
3078	Barrington DPW	C,2	0.00%	10
3079	Coventry Housing		0.00%	7
3080	South Kingstown Housing	3	---	---
3083	West Warwick Housing		0.00%	9
3084	Smithfield Housing		1.45%	14
3096	Central Falls Housing		7.48%	13
3098	Lime Rock Administrative Services		2.74%	14
3099	Central Falls Schools		1.63%	8
3100	Bristol/Warren Schools	B	0.00%	10

**Police & Fire Units**

4029	Richmond Fire	2	5.57%	23
4042	Valley Falls Fire	D	31.25%	11
4046	Lime Rock Fire	3	---	13
4047	North Smithfield Voluntary Fire	D	8.85%	13
4050	East Greenwich Fire	C,D	7.74%	12
4054	East Greenwich Police	C,D	0.00%	13
4055	North Kingstown Fire	D	0.00%	10
4056	North Kingstown Police	C,D	1.64%	11
4057	Harris Fire	C,2	15.23%	22
4058	North Providence Fire	D	3.15%	13
4059	Barrington Fire (25)	2	5.29%	37





**Equivalent Single Amortization Period**

<u>Unit Number</u>	<u>Unit</u>	<u>Code(s)</u>	<u>Employer Contribution Rate</u>	<u>Amortization Period</u>
(1)	(2)	(3)	(4)	(5)
4060	Barrington Police	D	11.77%	12
4061	Barrington Fire (20)	D	0.00%	8
4062	Warren Police	C,D	9.35%	12
4063	South Kingstown Police & Fire	C,1	0.00%	8
4064	Primrose Volunteer Fire	B,D	0.00%	9
4073	Scituate Police	3	---	---
4076	North Smithfield Police	C,D	0.84%	12
4077	Tiverton Fire	D	0.00%	11
4082	Foster Police	D	0.00%	13
4085	Woonsocket Police	C,D	10.82%	16
4086	Charlestown Police	C,D	18.10%	12
4087	Hopkinton Police	C,D	3.11%	13
4088	Glocester Police	C,D	7.97%	13
4089	West Greenwich Police/Rescue	D	8.58%	12
4090	Burrillville Police	C,D	9.56%	17
4091	Cumberland Rescue	D	3.28%	15
4092	Washington Fire	D	10.40%	11
4093	Woonsocket Fire	C,D	11.44%	17
4094	Bristol Fire		0.00%	11
4095	Cumberland Hill Fire	C,D	22.11%	7
4098	Coventry Fire		2.34%	22
4099	South Kingstown EMT	C,D	11.48%	21
4100	Tiogue Fire		3.32%	Infinity
4101	North Cumberland	D	16.18%	13
4102	Central Coventry Fire	D	13.32%	12
4103	Hopkins Hill Fire		2.46%	24
4104	Cranston Police	C,D,2,4	15.99%	22
4105	Cranston Fire	C,D,2,4	17.08%	18
4106	Cumberland Fire	D	10.13%	12
4107	Lincoln Rescue		6.21%	(7)
4108	New Shoreham Police	B	11.16%	19
4109	Warren Fire	D	30.32%	5

B - Municipality has adopted COLA Plan B

C - Municipality has adopted COLA Plan C

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

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

2 - New unit.

3 - Closed unit.

4 - Cranston fire and police are contributing 10% due to special plan provision

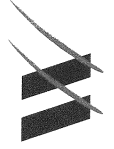


**Municipal Employees' Retirement System  
Actuarial Valuation – June 30, 1997**

**TABLE 9**

**Active Member Statistics**

Unit Number (1)	Unit (2)	Code(s) (3)	Active Employees as of June 30, 1997			Active Employees as of June 30, 1996			
			Number (4)	Average Age (5)	Average Service (6)	Average Age (9)	Average Service (10)	Average Salary (11)	
<b>General Employee Units</b>									
3001	Barrington		122	48.4	9.6	145	46.4	10.5	\$ 24,920
3002	Bristol	B	82	43.4	9.9	77	44.4	11.4	25,206
3003	Burrillville	C	134	47.4	9.7	134	47.3	9.9	22,750
3004	Central Falls		51	42.0	8.1	49	41.3	8.2	21,625
3005	Charlestown	C	30	40.6	6.4	31	40.3	7.1	25,358
3007	Cranston	B	775	47.7	10.1	811	46.9	10.5	22,792
3008	Cumberland		207	48.9	8.1	213	48.9	9.5	20,633
3009	East Greenwich		128	47.2	9.3	132	47.3	10.7	23,908
3010	East Providence	B	382	47.2	9.8	400	46.9	9.8	25,996
3011	Exeter/West Greenwich		57	47.0	7.6	56	45.9	8.7	17,176
3012	Foster		39	44.9	7.2	37	44.3	8.2	17,368
3013	Glocester	C	58	45.5	6.4	53	45.0	7.5	20,428
3014	Hopkinton	C	21	48.0	7.1	24	46.4	5.9	21,336
3015	Jamestown	C	52	44.5	9.3	47	44.7	10.0	25,825
3016	Johnston	C	215	47.7	9.4	223	47.8	10.0	20,404
3017	Lincoln		13	44.2	3.4	9	40.5	4.7	29,962
3021	Newport	B	310	45.6	10.7	314	45.1	11.7	24,651
3022	New Shoreham	B	40	43.0	6.1	38	43.1	6.3	21,916
3023	North Kingstown		308	48.0	8.3	309	47.6	10.1	20,627
3024	North Providence		280	45.8	8.2	262	46.3	9.6	19,080
3025	North Smithfield	C	83	47.9	8.5	81	47.8	8.9	20,968
3026	Pawtucket	C	631	47.3	11.8	645	46.9	11.6	22,515
3027	Union Dire District	2	3	50.0	5.7	--	--	--	--
3029	Richmond		18	47.1	6.4	21	43.1	6.2	21,105
3030	Scituate	B	88	48.2	7.9	84	49.6	9.2	17,590
3031	Smithfield		125	47.5	7.9	120	48.2	9.6	25,093
3032	South Kingstown		283	46.2	9.2	281	45.7	9.4	21,269
3033	Tiverton		57	50.9	11.0	59	49.9	10.6	23,247

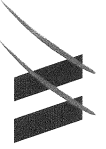


**Municipal Employees' Retirement System  
Actuarial Valuation - June 30, 1997**

**TABLE 9  
Continued**

**Active Member Statistics**

Unit Number (1)	Unit (2)	Code(s) (3)	Active Employees as of June 30, 1997			Active Employees as of June 30, 1996				
			Number (4)	Average Age (5)	Average Service (6)	Average Salary (7)	Number (8)	Average Age (9)	Average Service (10)	Average Salary (11)
3034	Warren	C	35	46.2	8.8	24,914	33	45.6	9.5	23,340
3036	Westerly		2	59.5	17.5	39,891	2	58.8	16.8	38,919
3037	West Greenwich		20	47.0	6.9	21,297	21	49.0	11.1	21,018
3039	Woonsocket		409	46.5	9.0	20,436	413	46.7	9.2	18,952
3040	Charlton School District		117	45.6	8.6	20,084	113	44.9	8.3	19,520
3041	Foster/Glocester	B	44	48.9	8.1	19,175	39	48.1	10.2	18,716
3042	Tiogue Fire & Lighting	C	1	49.0	15.0	6,658	2	54.0	19.4	6,440
3043	Narragansett Housing		3	49.0	3.0	26,333	4	42.3	3.2	18,034
3045	Coventry Lighting District		5	51.8	11.2	27,907	3	60.3	29.5	38,408
3046	Hope Valley Fire	C	1	62.0	14.0	35,459	1	60.8	13.9	34,427
3051	Cranston Housing	C	17	48.8	9.2	29,497	17	48.6	9.0	28,552
3052	East Providence Housing	B	14	48.0	8.3	30,064	14	47.0	7.4	25,354
3053	Pawtucket Housing	B	43	44.2	8.9	32,294	44	43.8	8.3	30,881
3056	Cumberland Housing	C	12	47.7	2.5	25,587	12	43.8	2.1	16,159
3057	Lincoln Housing	B	7	52.0	10.3	28,117	8	49.5	9.1	27,685
3059	Bristol Housing		8	50.0	12.0	25,268	8	48.8	11.1	25,286
3065	Burrillville Housing		4	47.0	8.8	24,724	4	47.1	8.0	22,015
3066	North Providence Housing	B	7	42.1	6.4	27,592	8	40.6	6.1	24,972
3067	East Smithfield Water	C	4	52.8	7.0	34,814	4	45.1	6.1	30,754
3068	Greenville Water		4	40.0	6.8	28,159	4	40.9	10.7	30,276
3069	Newport Housing	C	21	47.0	10.9	30,445	21	49.2	11.1	30,208
3071	Warren Housing		6	53.7	12.8	26,548	6	52.6	11.8	25,395
3072	Johnston Housing		6	49.7	8.8	28,241	6	48.6	10.4	23,841
3077	Tiverton Local 2670A	C	23	53.4	10.9	25,269	23	52.5	10.8	24,311
3078	Barrington DPW	C,2	26	42.7	14.3	29,953	--	--	--	--
3079	Coventry Housing		7	50.7	9.6	27,119	8	48.8	7.3	24,964
3080	South Kingstown Housing	3	--	--	--	--	--	--	--	--
3083	West Warwick Housing		7	48.7	10.6	25,958	7	49.0	9.7	25,366
3084	Smithfield Housing		3	39.0	6.3	22,909	3	39.8	5.6	20,214



**Municipal Employees' Retirement System  
Actuarial Valuation – June 30, 1997**

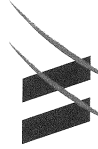
**TABLE 9  
Continued**

**Active Member Statistics**

Unit Number (1)	Unit (2)	Code(s) (3)	Active Employees as of June 30, 1997			Active Employees as of June 30, 1996				
			Number (4)	Average Age (5)	Average Service (6)	Average Salary (7)	Number (8)	Average Age (9)	Average Service (10)	Average Salary (11)
3096	Central Falls Housing		14	49.6	6.5	27,484	15	48.4	6.0	26,329
3098	Lime Rock Administrative Services		2	41.5	6.0	21,589	2	42.0	9.8	22,365
3099	Central Falls Schools		108	44.7	8.0	18,201	106	44.3	7.9	17,551
3100	Bristol/Warren Schools	B	150	46.3	7.1	18,271	139	46.8	7.9	18,079

**Police & Fire Units**

4029	Richmond Fire	2	5	32.6	3.6	\$ 24,923	--	--	--	--
4042	Valley Falls Fire	D	11	39.2	11.4	30,686	12	39.5	14.6	28,730
4046	Lime Rock Fire	3	1	41.0	17.0	35,000	--	--	--	--
4047	North Smithfield Voluntary Fire	D	9	37.4	8.8	30,057	9	36.4	7.9	27,761
4050	East Greenwich Fire	C,D	25	37.9	10.3	38,480	24	36.2	9.9	37,404
4054	East Greenwich Police	C,D	27	36.1	9.1	36,226	31	38.6	12.1	31,060
4055	North Kingstown Fire	D	64	38.9	12.7	34,292	67	38.0	12.8	33,845
4056	North Kingstown Police	C,D	46	37.7	12.5	34,857	49	38.2	13.6	35,041
4057	Harris Fire	C,2	2	32.5	9.0	29,892	--	--	--	--
4058	North Providence Fire	D	99	36.7	10.1	38,283	100	36.2	10.0	35,505
4059	Barrington Fire (25)	2	5	29.8	0.6	26,021	--	--	--	--
4060	Barrington Police	D	22	36.5	11.7	35,647	24	36.0	11.4	33,524
4061	Barrington Fire (20)	D	16	41.2	15.3	37,307	21	38.0	12.4	34,444
4062	Warren Police	C,D	21	36.1	9.9	33,349	21	36.3	10.3	33,776
4063	South Kingstown Police & Fire	C,1	43	41.2	16.1	38,543	44	41.1	16.0	37,367
4064	Primrose Volunteer Fire	B,D	7	39.4	12.0	31,650	6	40.2	13.7	27,364
4073	Scituate Police	3	--	--	--	--	--	--	--	--
4076	North Smithfield Police	C,D	18	41.5	8.8	32,100	18	38.4	12.6	34,132
4077	Tiverton Fire	D	27	39.0	10.9	32,444	26	38.8	11.4	31,706
4082	Foster Police	D	7	36.6	9.4	32,520	7	33.7	11.8	29,669



**Municipal Employees' Retirement System  
Actuarial Valuation - June 30, 1997**

**TABLE 9  
Continued**

**Active Member Statistics**

Unit Number (1)	Unit (2)	Code(s) (3)	Active Employees as of June 30, 1997			Active Employees as of June 30, 1996				
			Number (4)	Average Age (5)	Average Service (6)	Average Salary (7)	Number (8)	Average Age (9)	Average Service (10)	Average Salary (11)
4085	Woonsocket Police	C,D	82	33.5	8.6	37,763	83	32.4	7.9	36,708
4086	Charlestown Police	C,D	17	37.5	8.3	36,667	17	36.7	9.3	34,252
4087	Hopkinton Police	C,D	9	37.1	9.2	32,113	10	37.1	9.4	34,546
4088	Glocester Police	C,D	14	37.8	7.6	33,255	14	37.4	9.6	31,673
4089	West Greenwich Police/Rescue	D	9	37.2	11.8	25,614	8	40.5	14.8	29,958
4090	Burrillville Police	C,D	20	33.8	5.9	34,180	20	34.4	7.2	31,955
4091	Cumberland Rescue	D	14	35.9	6.8	31,801	14	32.3	7.7	29,064
4092	Washington Fire	D	7	37.6	10.4	32,583	9	35.3	10.2	29,961
4093	Woonsocket Fire	C,D	74	33.0	7.5	34,961	75	31.7	6.6	33,413
4094	Bristol Fire		1	48.0	6.0	43,714	1	46.9	6.0	42,735
4095	Cumberland Hill Fire	C,D	10	42.0	16.0	31,075	10	41.0	15.0	29,705
4098	Coventry Fire		10	38.1	12.0	31,723	12	36.6	9.6	29,183
4099	South Kingstown EMT	C,D	9	33.8	0.9	25,525	7	33.4	3.3	24,806
4100	Tiogue Fire		4	35.8	7.8	26,827	4	36.2	9.9	26,827
4101	North Cumberland	D	15	34.8	9.1	26,738	14	35.0	12.9	29,512
4102	Central Coventry Fire	D	12	36.0	7.4	28,407	11	35.8	9.5	32,054
4103	Hopkins Hill Fire		4	34.0	4.0	24,758	4	31.5	3.1	19,302
4104	Cranston Police	C,D,2,4	45	30.4	2.5	42,552	--	--	--	--
4105	Cranston Fire	C,D,2,4	72	35.5	2.9	43,315	--	--	--	--
4106	Cumberland Fire	D	10	43.9	12.5	34,761	10	42.2	11.6	30,449
4107	Lincoln Rescue		12	36.2	8.7	29,794	12	35.3	8.4	25,757
4108	New Shoreham Police	B	3	37.3	9.0	42,269	3	41.4	4.5	36,586
4109	Warren Fire	D	1	50.0	8.0	36,368	1	49.4	8.0	33,712

B - Municipality has adopted COLA Plan B

C - Municipality has adopted COLA Plan C

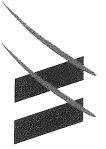
1 - S.Kingstown Police have a unique plan that provides 2.0% of salary for service prior to July 1, 1993, and 2.5% of salary for service on or after July 1, 1993.

2 - New unit.

3 - Closed unit.

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

4 - Cranston fire and police are contributing 10% due to special plan provision



Retired Member Statistics

Unit Number (1)	Unit (2)	Code(s) (3)	Retirees and Beneficiaries As of June 30, 1997			Retirees and Beneficiaries As of June 30, 1996		
			Number (4)	Average Age (5)	Average Monthly Benefit (6)	Number (7)	Average Age (8)	Average Monthly Benefit (9)
<b>General Employee Units</b>								
3001	Barrington		106	73.6	\$443	107	72.6	\$442
3002	Bristol	B	78	71.9	\$562	74	71.6	496
3003	Burrillville	C	60	71.4	\$556	59	70.4	546
3004	Central Falls		28	65.5	\$632	28	63.8	610
3005	Charlestown	C	4	65.5	\$1,158	4	66.8	825
3007	Cranston	B	417	71.7	\$624	401	71.6	583
3008	Cumberland		94	69.3	\$560	91	68.7	548
3009	East Greenwich		64	70.6	\$462	60	70.1	469
3010	East Providence	B	282	69.4	\$924	275	68.9	927
3011	Exeter/West Greenwich		10	66.6	\$586	9	66.2	603
3012	Foster		17	68.6	\$511	13	69.0	554
3013	Glocester	C	8	64.6	\$700	8	65.0	631
3014	Hopkinton	C	9	67.8	\$611	10	69.5	570
3015	Jamestown	C	18	71.0	\$605	17	70.1	585
3016	Johnston	C	130	70.3	\$657	120	69.8	644
3017	Lincoln		—	—	—	—	—	—
3021	Newport	B	182	72.0	\$753	176	71.4	695
3022	New Shoreham	B	7	66.0	\$439	8	66.3	400
3023	North Kingstown		108	70.9	\$578	101	71.2	563
3024	North Providence		122	71.9	\$462	115	71.4	407
3025	North Smithfield	C	60	71.8	\$395	58	71.7	378
3026	Pawtucket	C	397	72.0	\$559	387	71.8	541
3027	Union Dire District	2	—	—	—	—	—	—
3029	Richmond		6	70.7	\$203	6	69.6	203
3030	Scituate	B	42	72.3	\$498	40	71.6	487
3031	Smithfield		78	71.6	\$511	74	71.6	477
3032	South Kingstown		75	73.4	\$443	72	73.0	422
3033	Tiverton		52	72.2	\$444	51	71.7	437
3034	Warren	C	52	71.0	\$536	53	70.2	543
3036	Westerly		12	72.6	\$863	12	72.2	907
3037	West Greenwich		5	72.4	\$618	4	72.1	479
3039	Woonsocket		274	72.0	\$466	262	71.5	457
3040	Chariho School District		15	65.3	\$663	15	65.4	537
3041	Foster/Glocester	B	12	65.5	\$725	12	64.6	804
3042	Tiogue Fire & Lighting	C	1	61.0	\$272	—	—	—
3043	Narragansett Housing		—	—	—	—	—	—
3045	Coventry Lighting District		—	—	—	—	—	—



Retired Member Statistics

Unit Number	Unit	Code(s)	Retirees and Beneficiaries As of June 30, 1997			Retirees and Beneficiaries As of June 30, 1996		
			Number	Average Age	Average Monthly Benefit	Number	Average Age	Average Monthly Benefit
(1)	(2)	(3)						
3046	Hope Valley Fire	C	--	--	--	--	--	--
3051	Cranston Housing	C	7	73.0	\$472	7	72.7	472
3052	East Providence Housing	B	10	76.1	\$406	10	75.1	395
3053	Pawtucket Housing	B	23	74.7	\$581	25	74.3	556
3056	Cumberland Housing	C	5	67.8	\$700	6	66.8	\$634
3057	Lincoln Housing	B	3	74.3	\$784	3	73.5	765
3059	Bristol Housing		2	70.0	\$553	2	68.8	553
3065	Burrillville Housing		--	--	--	--	--	--
3066	North Providence Housing	B	3	69.7	\$296	3	68.6	288
3067	East Smithfield Water	C	--	--	--	--	--	--
3068	Greenville Water		2	68.5	\$815	2	67.5	815
3069	Newport Housing	C	2	51.0	\$647	--	--	--
3071	Warren Housing		1	81.0	\$476	1	80.1	476
3072	Johnston Housing		3	74.7	\$560	3	73.5	560
3077	Tiverton Local 2670A	C	--	--	--	--	--	--
3078	Barrington DPW	C,2	--	--	--	--	--	--
3079	Coventry Housing		5	68.6	\$337	5	67.7	337
3080	South Kingstown Housing	3	1	76.0	\$246	1	75.4	246
3083	West Warwick Housing		2	67.5	\$570	2	66.8	570
3084	Smithfield Housing		1	74.0	\$572	1	72.5	572
3096	Central Falls Housing		7	65.3	\$1,027	7	64.1	1,027
3098	Lime Rock Administrative Services		--	--	--	--	--	--
3099	Central Falls Schools		6	64.7	\$444	5	65.2	492
3100	Bristol/Warren Schools	B	21	63.0	\$880	14	62.5	797
<b>Police and Fire Units</b>								
4029	Richmond Fire	2	--	--	--	--	--	--
4042	Valley Falls Fire	D	4	52.5	1,602	3	58.6	\$1,452
4046	Lime Rock Fire	3	--	--	--	--	--	--
4047	North Smithfield Voluntary Fire	D	--	--	--	--	--	--
4050	East Greenwich Fire	C,D	13	64.7	1,373	13	63.6	1,373
4054	East Greenwich Police	C,D	12	63.8	1,344	12	67.0	1,145
4055	North Kingstown Fire	D	39	64.5	1,191	38	63.1	1,216
4056	North Kingstown Police	C,D	1	42.0	1,654	--	--	--
4057	Harris Fire	C,2	--	--	--	--	--	--
4058	North Providence Fire	D	16	63.5	1,579	14	65.0	1,475
4059	Barrington Fire (25)	2	--	--	--	--	--	--
4060	Barrington Police	D	21	62.0	1,139	21	61.4	1,141



Retired Member Statistics

Unit Number	Unit	Code(s)	Retirees and Beneficiaries As of June 30, 1997			Retirees and Beneficiaries As of June 30, 1996		
			Number	Average Age	Average Monthly Benefit	Number	Average Age	Average Monthly Benefit
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
4061	Barrington Fire	D	29	62.4	1,130	28	61.6	1,177
4062	Warren Police	C,D	19	62.1	1,140	18	61.9	1,085
4063	South Kingstown Police & Fire	C,1	15	60.9	981	14	59.9	1,043
4064	Primrose Volunteer Fire	B,D	1	83.0	330	1	82.1	321
4073	Scituate Police	3	1	68.0	497	1	67.0	497
4076	North Smithfield Police	C,D	8	58.6	1,592	3	60.5	1,238
4077	Tiverton Fire	D	13	64.8	939	13	63.9	935
4082	Foster Police	D	2	56.0	1,203	2	55.4	1,203
4085	Woonsocket Police	C,D	2	38.0	1,754	1	39.7	1,755
4086	Charlestown Police	C,D	2	38.5	1,078	2	37.7	1,078
4087	Hopkinton Police	C,D	1	70.0	898	--	--	--
4088	Glocester Police	C,D	2	62.0	710	2	60.8	695
4089	West Greenwich Police/Rescue	D	1	56.0	1,096	--	--	--
4090	Burrillville Police	C,D	7	54.9	1,724	7	53.9	1,690
4091	Cumberland Rescue	D	--	--	--	--	--	--
4092	Washington Fire	D	--	--	--	--	--	--
4093	Woonsocket Fire	C,D	--	--	--	--	--	--
4094	Bristol Fire		--	--	--	--	--	--
4095	Cumberland Hill Fire	C,D	--	--	--	--	--	--
4098	Coventry Fire		--	--	--	1	35.1	1,745
4099	South Kingstown EMT	C,D	--	--	--	--	--	--
4100	Tiogue Fire		--	--	--	--	--	--
4101	North Cumberland	D	2	41.5	1,935	--	--	--
4102	Central Coventry Fire	D	1	52.0	1,872	--	--	--
4103	Hopkins Hill Fire		--	--	--	--	--	--
4104	Cranston Police	C,D,2,4	--	--	--	--	--	--
4105	Cranston Fire	C,D,2,4	--	--	--	--	--	--
4106	Cumberland Fire	D	--	--	--	--	--	--
4107	Lincoln Rescue		--	--	--	--	--	--
4108	New Shoreham Police	B	--	--	--	--	--	--
4109	Warren Fire	D	--	--	--	--	--	--

B - Municipality has adopted COLA Plan B

C - Municipality has adopted COLA Plan C

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

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

2 - New unit.

3 - Closed unit.

4 - Cranston fire and police are contributing 10% due to special plan provision



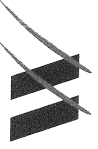


**Municipal Employees' Retirement System  
Actuarial Valuation - June 30, 1997**

**TABLE 11**

**Distribution of Active Members by Age and by Years of Service (General Employees)  
As of 06/30/1997**

Attained Age	Years of Credited Service														Total
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Over		
	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	
Under 25	24	13	12	1	6	0	0	0	0	0	0	0	0	56	
	\$8,162	\$19,525	\$19,962	\$12,051	\$22,632	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,948	
25-29	44	34	23	23	23	86	5	0	0	0	0	0	0	238	
	\$10,225	\$19,549	\$20,010	\$21,715	\$21,955	\$24,370	\$24,297	\$0	\$0	\$0	\$0	\$0	\$0	\$20,153	
30-34	58	55	38	31	37	206	68	0	0	0	0	0	0	493	
	\$8,940	\$22,452	\$21,227	\$23,012	\$23,307	\$25,418	\$25,850	\$0	\$0	\$0	\$0	\$0	\$0	\$22,575	
35-39	62	83	82	42	39	222	89	53	2	0	0	0	0	674	
	\$9,354	\$18,990	\$20,064	\$21,880	\$20,333	\$24,545	\$26,199	\$28,720	\$23,187	\$0	\$0	\$0	\$0	\$22,051	
40-44	72	74	97	65	47	314	130	79	60	9	0	0	0	947	
	\$8,889	\$18,651	\$17,431	\$19,317	\$19,641	\$23,141	\$26,508	\$31,048	\$28,827	\$25,423	\$0	\$0	\$0	\$22,189	
45-49	95	85	86	67	63	396	201	96	62	56	5	0	0	1,212	
	\$9,914	\$18,072	\$17,213	\$20,460	\$19,736	\$22,742	\$24,707	\$27,683	\$32,308	\$33,856	\$31,971	\$0	\$0	\$22,492	
50-54	36	35	48	31	24	258	180	83	57	35	8	2	0	797	
	\$8,366	\$25,127	\$17,756	\$22,137	\$20,645	\$23,263	\$23,109	\$26,578	\$29,876	\$34,208	\$32,811	\$25,322	\$0	\$23,583	
55-59	20	19	37	20	25	179	131	100	91	40	10	7	0	679	
	\$6,636	\$20,818	\$20,557	\$18,800	\$23,508	\$22,826	\$24,937	\$25,610	\$25,094	\$27,494	\$33,254	\$30,279	\$0	\$23,702	
60-64	9	4	16	11	13	111	78	59	52	28	12	1	0	394	
	\$5,710	\$19,724	\$14,524	\$19,677	\$21,915	\$23,632	\$23,827	\$25,363	\$28,268	\$26,794	\$24,143	\$53,841	\$0	\$23,873	
65-69	2	2	6	1	5	41	34	18	17	21	11	3	0	161	
	\$12,659	\$9,535	\$15,250	\$20,854	\$16,287	\$20,416	\$23,261	\$23,182	\$22,676	\$20,978	\$20,895	\$8,480	\$0	\$20,899	
70 & Over	0	0	1	1	1	22	13	7	9	12	2	3	0	71	
	\$0	\$0	\$19,620	\$25,361	\$15,359	\$19,248	\$16,000	\$21,588	\$31,004	\$19,314	\$7,461	\$8,004	\$0	\$19,615	
Total	422	404	446	293	283	1,835	929	495	350	201	48	16	0	5,722	
	\$9,092	\$19,848	\$18,563	\$20,803	\$20,945	\$23,446	\$24,658	\$27,200	\$28,286	\$29,076	\$26,862	\$22,868	\$0	\$22,536	



**Municipal Employees' Retirement System  
Actuarial Valuation - June 30, 1997**

**TABLE 12**

**Distribution of Active Members by Age and by Years of Service (Police & Fire)  
As of 06/30/1997**

Attained Age	Years of Credited Service																Total									
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Over	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.		Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	
Under 25	9	13	4	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	28
	\$26,265	\$32,014	\$32,255	\$34,010	\$0	\$28,508	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30,147
25-29	18	18	17	15	15	57	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	144
	\$28,516	\$34,686	\$32,860	\$35,927	\$34,127	\$34,443	\$34,278	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$33,663
30-34	14	21	11	21	20	140	36	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	267
	\$30,157	\$34,534	\$34,783	\$35,025	\$38,582	\$35,881	\$38,123	\$35,245	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$35,858
35-39	13	7	6	8	14	83	71	29	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	233
	\$31,238	\$30,201	\$32,790	\$41,447	\$36,237	\$35,857	\$37,515	\$38,599	\$39,120	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$36,439
40-44	1	2	2	1	2	21	45	34	12	2	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	122
	\$6,242	\$43,192	\$43,309	\$46,774	\$31,831	\$35,269	\$37,245	\$37,365	\$38,716	\$38,464	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$37,035
45-49	3	2	0	1	0	8	10	6	23	10	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	64
	\$22,102	\$31,443	\$0	\$31,727	\$0	\$33,947	\$36,681	\$35,627	\$40,067	\$38,135	\$48,536	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$36,945
50-54	0	1	0	0	0	1	4	1	12	7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	26
	\$0	\$9,834	\$0	\$0	\$0	\$36,368	\$36,449	\$36,927	\$39,292	\$39,848	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$37,668
55-59	7	1	0	0	0	2	0	2	0	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	16
	\$25,349	\$29,680	\$0	\$0	\$0	\$39,372	\$0	\$51,501	\$0	\$37,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$33,579
60-64	2	0	0	0	0	1	1	1	0	2	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9
	\$40,068	\$0	\$0	\$0	\$0	\$36,058	\$44,418	\$33,795	\$0	\$42,189	\$47,044	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$41,430
65-69	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
70 & Over	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	67	65	40	47	51	314	171	77	49	25	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	909
	\$28,479	\$33,322	\$33,840	\$36,564	\$36,363	\$35,524	\$37,463	\$37,899	\$39,508	\$38,799	\$47,541	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$35,785

Membership Data (General Employees)

	June 30, 1997 (1)	June 30, 1996 (2)
1. Active members		
a. Number	5,722	5,745
b. Number vested	2,064	2,206
c. Total payroll supplied by ERSRI	\$ 128,952,431	\$ 126,964,500
d. Average salary	22,536	22,100
e. Average age	46.9	46.7
f. Average service	9.3	9.6
2. Inactive members		
a. Number	895	-
3. Service retirees <sup>1,2</sup>		
a. Number	2,557	2,817
b. Total annual benefits	\$ 18,700,738	\$ 21,262,716
c. Average annual benefit	7,314	7,548
d. Average age	72.0	70.4
4. Disabled retirees		
a. Number	177	-
b. Total annual benefits	\$ 1,207,439	-
c. Average annual benefit	6,822	-
d. Average age	62.0	-
5. Beneficiaries and spouses <sup>2</sup>		
a. Number	195	196
b. Total annual benefits	\$ 1,069,652	\$ 1,053,696
c. Average annual benefit	5,485	5,376
d. Average age	69.5	69.0

<sup>1</sup>The count and benefits include disabled retirees for 1996

<sup>2</sup>The 1996 column shows information for general employees and police & fire combined



Membership Data (Police & Fire)

	June 30, 1997 (1)	June 30, 1996 (2)
1. Active members		
a. Number	909	798
b. Number vested	325	354
c. Total payroll supplied by ERSRI	\$ 32,528,149	\$ 26,733,000
d. Average salary	35,785	33,500
e. Average age	36.4	36.3
f. Average service	9.1	10.1
2. Inactive members		
a. Number	40	-
3. Service retirees <sup>1</sup>		
a. Number	174	-
b. Total annual benefits	\$ 2,606,443	-
c. Average annual benefit	14,980	-
d. Average age	63.0	-
4. Disabled retirees <sup>1</sup>		
a. Number	30	-
b. Total annual benefits	\$ 477,320	-
c. Average annual benefit	15,911	-
d. Average age	53.0	-
5. Beneficiaries and spouses <sup>1</sup>		
a. Number	8	-
b. Total annual benefits	\$ 58,877	-
c. Average annual benefit	7,360	-
d. Average age	66.8	-

<sup>1</sup>The 1996 in pay status statistics are combined with the general employees (Table 13)



**IV. Actuarial Assumptions**

**A. Economic Assumptions**

1. Investment return: 8.25% per year, compounded annually, composed of an assumed 3.50% inflation rate and a 4.75% net real rate of return. This rate represents the assumed return, net of all investment and administrative expenses.
2. Salary increase rate: A service-related component, plus a 3.50% inflation component, plus a general increase, as follows:

<b>General Employees</b>		
Years of Service	Service-related Component	Total Annual Rate of Increase Including 3.50% Inflation Component and 1.25% General Increase Rate
(1)	(2)	(3)
0	6.00%	10.75%
1	2.00	6.75
2	1.75	6.50
3	1.50	6.25
4	1.25	6.00
5	1.00	5.75
6	0.75	5.50
7	0.50	5.25
8	0.25	5.00
9 or more	0.00	4.75

<b>Police &amp; Fire</b>		
Years of Service	Service-related Component	Total Annual Rate of Increase Including 3.50% Inflation Component and 1.50% General Increase Rate
(1)	(2)	(3)
0	10.00%	15.00%
1	3.50	8.50
2	2.00	7.00
3	1.00	6.00
4 or more	0.00	5.00

Salary increases are assumed to occur once a year, on July 1. Therefore the pay used for the period between the valuation date and the first anniversary of the valuation date is equal to the reported pay for the prior year, annualized if necessary, and then increased by the salary increase assumption.

3. Payroll growth rate: In the amortization of the unfunded frozen liability, payroll is assumed to increase 3.50% per year. This increase rate is solely due to the effect of inflation on salaries, with no allowance for future membership growth.



**B. Demographic Assumptions**

1. Mortality rates (for active and retired members):

- a. Healthy males – Based on the 1994 Uninsured Pensioner mortality table for males. Rates are set forward one year.
- b. Healthy females - Based on the 1994 Uninsured Pensioner mortality table for females. Rates are set forward one year.
- c. Disabled males - PBGC Table Va for disabled males eligible for Social Security disability benefits
- d. Disabled females - PBGC Table VIa for disabled females eligible for Social Security disability benefits.

Sample rates are shown below:

Age	Expected Deaths per 100 Lives			
	Healthy Males	Healthy Females	Disabled Males	Disabled Females
(1)	(2)	(3)	(4)	(5)
25	0.08	0.03	4.83	2.63
30	0.09	0.04	3.62	2.37
35	0.09	0.06	2.78	2.14
40	0.12	0.08	2.82	2.09
45	0.19	0.11	3.22	2.24
50	0.31	0.17	3.83	2.57
55	0.53	0.28	4.82	2.95
60	0.97	0.55	6.03	3.31
65	1.75	1.04	6.78	3.70
70	2.79	1.61	7.39	4.11
75	4.39	2.72	8.42	4.92
80	7.38	4.73	11.28	7.46



2. Disability rates: Disability is assumed to occur in accordance with the following table with 35% of disabilities for general employees and 50% for police and fire considered occupational.

Expected Disabilities Occurring per 100 Lives		
Age	General	Police & Fire
(1)	(2)	(3)
25	0.05	0.17
30	0.06	0.22
35	0.08	0.29
40	0.11	0.44
45	0.18	0.72
50	0.31	1.21
55	0.51	0.00
60	0.71	0.00
65	0.00	0.00



3. Termination rates (for causes other than death, disability or retirement):

Termination rates are a function of the member's sex, age and service.  
 Termination rates are not applied after a member becomes eligible for a retirement benefit. For police and firemen, no withdrawal rates are assumed.  
 Rates at selected ages are shown:

Active Male Members - General Employees						
Years of Service						
Age	0	1	2	3	4	5+
20	0.3100	0.2071	0.1447	0.1151	0.1014	0.0617
25	0.2059	0.1365	0.1001	0.0854	0.0848	0.0526
30	0.1283	0.0865	0.0684	0.0638	0.0706	0.0452
35	0.0765	0.0565	0.0499	0.0504	0.0585	0.0404
40	0.0489	0.0453	0.0450	0.0459	0.0486	0.0414
45	0.0441	0.0515	0.0538	0.0508	0.0413	0.0522
50	0.0604	0.0740	0.0764	0.0655	0.0371	0.0768
55	0.0973	0.1124	0.1128	0.0900	0.0360	0.1172
60	0.1542	0.1664	0.1629	0.1243	0.0383	0.1742
65	0.2311	0.2362	0.2276	0.1695	0.0442	0.0000
70	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

Active Female Members - General Employees						
Years of Service						
Age	0	1	2	3	4	5+
20	0.1894	0.1513	0.1236	0.0998	0.0850	0.0947
25	0.1531	0.1223	0.0976	0.0761	0.0650	0.0621
30	0.1284	0.0998	0.0784	0.0598	0.0517	0.0383
35	0.1072	0.0841	0.0663	0.0513	0.0455	0.0242
40	0.0946	0.0753	0.0616	0.0509	0.0466	0.0217
45	0.0909	0.0737	0.0645	0.0587	0.0553	0.0342
50	0.0966	0.0802	0.0769	0.0777	0.0737	0.0643
55	0.1087	0.0927	0.0910	0.0915	0.0834	0.0707
60	0.1196	0.1014	0.0988	0.0991	0.0908	0.0772
65	0.1305	0.1105	0.1076	0.1077	0.0985	0.0000
70	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000





4. Retirement rates: For general employees, separate male and female rates, based on age, as shown below. Police and Firemen are assumed to retire at the later of age 60 and completion of 10 years of service, or at the later of the age 55 and completion of 25 years of service, if earlier. For police and fire departments electing the optional plan paying unreduced benefits after 20 years of service, employees are assumed to retire at the later of age 55 and completion of 10 years of service, or at the later of age 50 and completion of 20 years of service, if earlier.

Expected Retirements per 100 Lives General Employees		
Age	Male	Female
45	8	8
46	8	8
47	8	8
48	8	8
49	8	8
50	8	8
51	8	8
52	8	8
53	8	8
54	10	10
55	12	12
56	14	14
57	16	16
58	18	18
59	20	20
60	25	25
61	15	15
62	35	25
63	25	15
64	25	15
65	70	40
66	20	20
67	20	20
68	20	20
69	20	20
70	100	100



C. Other Assumptions

1. Percent married: 100% of employees are assumed to be married.
2. Age difference: Male members are assumed to be three years older than their spouses, and female members are assumed to be three years younger than their spouses.
3. Percent electing annuity on death (when eligible): All of the spouses of vested, married participants are assumed to elect an annuity.
4. Percent electing deferred termination benefit: Vested terminating members are assumed to elect a refund or a deferred benefit, whichever is more valuable at the time of termination.
5. Assumed age for commencement of deferred benefits: Members electing to receive a deferred benefit are assumed to commence receipt at the first age at which unreduced benefits are available.
6. Administrative expenses: The assumed investment return rate represents the anticipated net return after payment of all investment and administrative expenses.
7. Inactive members: Liabilities for inactive members were approximated as a multiple of their member contribution account balances. For nonvested members, the multiple was one, and for vested inactive members, the multiple was between three and eight, depending on age and service.

V. Participant Data

Participant data was supplied on magnetic tape for active and inactive members and for members and beneficiaries receiving benefits.

The data for an active members included birthdate, sex, equated date of hire, salary and employee contribution account balance. For retired members and beneficiaries, the data included date of birth, sex, spouse's date of birth (where applicable), amount of monthly benefit, date of retirement, and a form of payment code.

Salary supplied for the current year was based on the earnings for the June preceding the valuation date. This salary was adjusted by the salary increase rate for one year.

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



## Summary of Benefit Provisions

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



6. Employee Contributions: General employees contribute 6.00% of their salary per year, and police officers and firefighters contribute 7.00%. In addition, if the municipality has elected one of the optional cost of living provisions, an additional member contribution of 1.00% of salary is required. If a municipality elects the optional 20-year retirement provision for its police officers and/or its firefighters, an additional contribution of 1.00% of salary will be required from these members. The municipality, at its election, may choose to "pick up" the members' contributions for its employees under the provisions of Internal Revenue Code (IRC) Section 414(h).
  
7. Salary: Salary includes the member's base earnings plus any payments under a regular longevity or incentive plan. Salary excludes overtime, unused sick and vacation leave, severance pay, and other extraordinary compensation. Certain amounts that are excluded from taxable wages, such as amounts sheltered under a Section 125 plan or amounts picked up by the employer under IRC Section 414(h), are not excluded from salary.
  
8. Employer Contributions: Each participating unit's contribution rate is determined actuarially. Contributions determined in a given actuarial valuation go into effect two years after the actuarial valuation.
  
9. Service: Employees receive credit for service while a member. In addition, a member may purchase credit for certain periods by making an additional contribution to purchase the additional service. Special rules and limits govern the purchase of additional service and the contribution required.
  
10. Final Average Compensation (FAC): The average of the member's highest three consecutive annual salaries. Monthly benefits are based on one-twelfth of this amount.



11. Retirement

- a. Eligibility: General employees are eligible for retirement on or after age 58 if they have credit for 10 or more years of service, or at any age if they have credit for at least 30 years of service. Members designated as police officers or firefighters may retire at or after age 55 with credit for at least 10 years of service, or at any age with credit for 25 or more years of service. Members may retire and receive a reduced benefit if they are at least age 50 and have at least 20 years of service. If the municipality elects to adopt the 20-year retirement provisions for police officers and/or firefighters, then such a member may retire at any age with 20 or more years of service.
- b. Monthly Benefit: 2.00% of the member's monthly FAC for each year of service, up to 37.5 years (75% of FAC maximum). If the optional 20-year retirement provisions are adopted by the municipality, the benefit is 2.50% of the member's monthly FAC for each year of service, up to 30 years (75% of FAC maximum). If a police officer or firefighter not covered by the 20-year retirement provision retires before age 55 with at least 20, but less than 25, years of service, benefits are reduced 0.5% per month that the member's age at retirement is less than 55.
- c. Payment Form: Benefits are paid as a monthly life annuity. Optional forms of payment are available; see below.
- d. Death benefit: After retirement, death benefits are based on the form of annuity elected. If no option is elected, i.e., if payments are made as a life annuity, there is a minimum death benefit equal to the sum of the member's contributions without interest, less the sum of the monthly benefit payments made before the member's death. In addition, a lump-sum death benefit is payable upon the death of any retired member, regardless of option elected. This lump sum is equal to a percentage of the lump-sum death benefit that was available to the member at the time of retirement. The percentage is 100% in the first year of retirement, 75% in the second year, 50% in the third year, and 25% in the fourth and subsequent years of retirement. However, in no event will the lump sum death benefit be less than \$4,000.



12. Disability Retirement

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

13. Deferred Termination Benefit

- a. Eligibility: A member with at least ten years of service is vested. A vested member who does not withdraw his/her contributions from the fund is eligible for a deferred termination benefit.
- b. Monthly Benefit: The monthly benefit is based on the retirement formula described above. Both FAC and service are determined at the time the member leaves active employment. Benefits may commence at age 58 or at such earlier age that the member has met the requirements for a retirement benefit.
- c. Payment Form: The same as for Retirement above.
- d. Death Benefit before retirement: A member who dies after leaving active service but before retiring is entitled to receive a benefit as described below in item 15.
- e. Death Benefit after Retirement: The same as for Retirement above.



14. Withdrawal (Refund) Benefit

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

15. Death Benefit of Active or Inactive Members

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



- d. **Special Police/Fire Death Benefit:** In lieu of the basic benefit above, if a police officer or firefighter dies while an active member, an annuity of 30% of the member's salary will be paid to the member's spouse, for life or until remarriage. Children's benefits may also be payable.
  - e. **Accidental Duty-related Death Benefit:** If a member dies as the result of an accident while in the course of his or her duties, in lieu of the above benefits the member's spouse may elect to receive (i) a refund of all contributions made (including interest), and (ii) an annual life annuity equal to 50% of the member's salary at the time of death. The annuity benefit stops when the spouse remarries or dies, although it may be continued to any children under age 18 or to any dependent parents.
16. **Optional Forms of Payment:** In addition to a life annuity, MERS offers members these optional forms of payment on an actuarially equivalent basis:
- a. **Option 1 (Joint and 100% Survivor)** - A life annuity payable while either the participant or his beneficiary is alive.
  - b. **Option 2 (Joint and 50% Survivor)** - A life annuity payable to the member while both the member and beneficiary are alive, reducing to 50% of this amount if the member predeceases the beneficiary.
  - c. **Social Security Option** – An annuity paid at one amount prior to age 62, and at a reduced amount after age 62, designed to provide a level total income when combined with the member's age 62 Social Security benefit. Benefits cease upon the member's death.

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

17. **Post-retirement Benefit Increase:** Members employed by municipalities who elect one of the optional COLA provisions receive an increase equal to 3% of the original retirement benefit each year, beginning January 1 following the member's retirement. This increase is not tied in any way to actual increases in the cost of living, and increases are not compounded. When a municipality elects coverage, it may elect either COLA C (covering only current and future active members and excluding members already retired) or COLA B (covering current retired members as well as current and future active members).

