

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

ACTUARIAL VALUATION REPORT
AS OF JUNE 30, 2008

September 2, 2009

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

Dear Members of the Board:

Subject: Actuarial Valuation of MERS as of June 30, 2008

This is the June 30, 2008 actuarial valuation of the Municipal Employees' Retirement System (MERS). This report describes the current actuarial condition of MERS, determines recommended employer contribution rates, and analyzes changes in these contribution rates. Separate liabilities and contribution rates are determined for each of the participating units. Valuations are prepared annually as of June 30, the last day of the plan year.

Under Rhode Island General Laws, the employer contribution rates for the units participating in MERS are certified annually by the State of Rhode Island Retirement Board. These rates are determined actuarially, based on the plan provisions in effect as of the valuation date and the actuarial assumptions and methodology adopted by the Board. Where known, we have also reflected adoption of a COLA provision or the 20-year retirement provision, even if the effective date is after the valuation date. The Board's current policy is that the contribution rates determined by a given actuarial valuation become effective two years after the valuation date. For example, the rates determined by this June 30, 2008 actuarial valuation will be applicable for the year beginning July 1, 2010 and ending June 30, 2011.

Financing objectives and funding policy

The actuarial cost method and the amortization periods are set by board policy. Contribution rates and liabilities are computed using the Entry Age actuarial cost method. The employer contribution rate is the sum of two pieces: the employer normal cost rate and the amortization rate. The normal cost rate is determined as a percent of pay. The employer normal cost rate is the difference between this and the member contribution rate. The amortization rate is determined as a level percent of pay. It is the amount required to amortize the unfunded actuarial accrued liability over a closed period (30 years as of June 30, 1999; 21 years as of June 30, 2008). The amortization rate is adjusted for the two-year deferral in contribution rates.

Progress toward realization of financing objectives

The funded ratio (the ratio of the actuarial value of assets to the actuarial accrued liability) is a standard measure of a plan's funded status. In the absence of benefit improvements, it should increase over time, until it reaches 100%. The funded ratio of the average unit in MERS is 92.8%, increased from 90.3% in the prior valuation.

There are currently 110 units participating in MERS, 67 covering general employees and 43 covering police and/or fire employees. Of these 110 units, 10 had no change in contribution rate, 76 had their rate decrease, and 24 had their rate increase. Thirteen units have no required contribution rate. Of the 67 general employee units, 46 had rate decreases, while 30 of the 43 police/fire units had rate decreases. An analysis of the changes in the employer contribution rates appears on Table 5. Actuarial gains on assets were responsible for most of the decreases.

Benefit provisions

The benefit provisions reflected in this valuation are those which were in effect on June 30, 2008. We have also reflected the known adoption of COLA B, COLA C, or the 20-year retirement provision, even if the effective date and/or the adoption date occurred after the valuation date. The benefit provisions are summarized in Appendix B, and each unit's individual election is indicated by a code in column 4 on Table 1. Changes in elections are discussed on page 5.

Assumptions and methods

All assumptions and methods are described in Appendix A and are unchanged from the last valuation. The actuarial assumptions were last changed as a result of the experience study approved by the Board on June 13, 2007. We believe the assumptions are internally consistent and are reasonable, based on the actual experience of MERS.

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

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

Data

The System's staff supplied data for retired, active and inactive members as of June 30, 2008. 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, 2008.

Certification

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

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

Sincerely,
Gabriel, Roeder, Smith & Company



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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, in this case as of July 1, 2010.

Each rate consists of two pieces: the employer normal cost rate and the amortization rate. The normal cost and actuarial accrued liability are determined using the Entry Age actuarial cost method. The employer normal cost is the difference between (i) the normal cost rate, determined as a level percent of pay, and (ii) the member contribution rate. The unfunded actuarial accrued liability is amortized as a level percent of payroll over a closed period. The period is 30 years as measured from June 30, 1999, or 21 years as of the valuation date. The amortization rate is adjusted for the fact that the contribution rate set by this valuation is deferred for two years, and other amortization rates may apply for the next two years.

Table 1 shows the member contribution rate, the employer normal cost rate, the amortization rate and the total employer contribution rate. These rates are applicable to the fiscal year ending June 30, 2011. Table 2 compares the total employer contribution rate with those rates determined in the two prior actuarial valuations. Table 3 shows the components used to determine the employer contribution rate in dollar amounts. Finally, Table 5 shows the major components of the rate change for each unit.

Financial Data and Experience

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

Table 6a shows the development of actuarial value of assets in aggregate. The actuarial value of assets is determined by recognizing any difference between actual return and expected return (8.25% of market value) over a five-year period, 20% in each year. The market value for MERS as of June 30, 2008 was \$1,119 million while the actuarial value was \$1,175 million (105.0% of market). Therefore, a cumulative total of \$56 million in actuarial losses related to investment return has been deferred and will be recognized in the next four valuations. This would, all other things equal, tend to decrease future contribution rates slightly. (However, we know that rates will in fact increase due to the very large asset losses experienced during FY 2009, which are not reflected in this valuation.)

Table 4a shows the market and actuarial values of assets for each unit and Table 4b shows the reconciliation of the market value of assets for each unit for the fiscal year ending 06/30/2008. Table 6b shows a historical summary of the return rates. The fund earned -5.8% during the year ending June 30, 2008 on a market value basis and returned 10.5% on an actuarial value basis. The average annual return based on the market value of assets over the last ten years (July 1, 1998 – June 30, 2008) was 5.2%. This is less than the current 8.25% annual investment return assumption. The average annual return based on the actuarial value of assets over the same period was 6.1%. The returns above are net of both investment and administrative expenses, so may differ from other information provided by the General Treasurer's office or the investment managers and advisors.

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

Member Data

The System's staff supplied member data as of June 30, 2008. 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, service, salary, date of last contribution, and accumulated member contributions without interest. For retired members, data includes: name, an identification number, sex, date of birth, date of retirement, amount of benefit, the amount of adjustment after age 62 for anyone electing the Social Security option, a code indicating the option elected and the type of retiree (service retiree, disabled retiree, beneficiary), and if applicable, the joint pensioner's date of birth and sex.

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

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

Benefit Provisions

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

Individual units may elect certain optional provisions, including an annual benefit increase of 3% of the original benefit amount (i.e., a “simple” increase) applicable to future retirees only (COLA C), the same increase applicable to both current and future retirees (COLA B), or the 20-year retirement provision for police/fire units. There were two such changes reflected in this valuation:

- North Cumberland Fire Districts has adopted COLA C effective January 1, 2009.
- Hopkins Hill Fire Department has adopted COLA C effective January 1, 2010.

No new unit joined MERS since the prior valuation. No units closed or withdrew or subdivided.

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

Actuarial Methods and Assumptions

Appendix A includes a summary of the actuarial assumptions and methods used in this valuation. Costs are determined using the Entry Age Normal actuarial cost method, this method was adopted effective June 30, 1999.

The method used to determine the actuarial value of assets is a five-year smoothed market method. This technique is further described in Section III of Appendix A.

All assumptions and methods are described in Appendix A and are unchanged from the last valuation. The actuarial assumptions were approved by the Board on June 13, 2007. We believe the assumptions are internally consistent and are reasonable, based on the actual experience of MERS.

GASB 25 and Funding Progress

Accounting requirements for MERS are set by Governmental Accounting Standards Board Statement No. 25 (GASB 25). Table 7 shows a summary of the funded ratios and other information for MERS as of June 30, 2008.

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

For MERS, the calculated contribution rate shown in Table 1 is the ARC. The amortization period is 30 years as of June 30, 1999, and there are 21 years remaining as of June 30, 2008. The period and amortization method comply with the requirements of GASB 25. The payroll growth rate used in the amortization calculations does not include any allowance for membership growth.

Other Observations and Comments

- Scituate Police has no active members, but does have retirees/beneficiaries covered by MERS. The actuarial value of assets is larger than the actuarial liability, so no funding is required.
- Tiogue Fire and Lighting has no active members, but it has an inactive member. The unit's liability is less than the actuarial value of its assets, so no funding is required.
- Albion (Fire Administration) has no active employees but it has inactive members. Its liabilities exceed its assets, and we will separately communicate a contribution recommendation.
- East Greenwich (1152, 1153) and Town of East Greenwich-COLA-NCE (1157, 1158) were combined effective January 1, 2009. Members of East Greenwich now have COLA C effective as of that date. The contribution rate for FY2011 has been set based on the combination of the two groups. However, because the two groups had not been combined as of the valuation date, we have kept the actuarial information and statistics separate for this report.
- New information was provided for Cranston Police (1114) and Cranston Fire (1115) about the handling of longevity and holiday pay. Contributions are not collected on these two amounts, but benefits are determined including these amounts in compensation. Therefore, we have estimated, based on information provided by the staff, the amount of longevity and holiday pay received by active members, and we have used these amounts in determining the benefits and liabilities, but not the contributions. (Compensation shown in this report for these two units is the compensation that they contribute on, i.e., the base compensation.)
- South Kingston Housing (1496) had 4 of 5 active members terminate since the prior valuation. In addition, we have been advised that these members have been replaced as of June 30, 2009. The valuation would have shown an enormous increase, as the cost for all members were spread over the salary of the one active as of June 30, 2008. Because this appears to be entirely due to the timing of the terminations and new hires falling just before and after the valuation date, we decided to adjust the rate so that it would be level based on expected payroll for a group with five active members.
- Other changes made between this valuation and July 1, 2010 such as units adopting new benefits, mergers of units, spin offs from one unit into two units, etc. will also result in revisions of contribution rates.

**Contribution Rates
 For Fiscal Year Ending June 30, 2011**

Old Unit Number	New Unit Number	Unit	Code(s)	Member Rate	Employer Rate		
					Employer Normal Cost	Amortization Rate	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
General Employee Units							
3002	1012 1019	Bristol	B	7.00%	5.02%	7.30%	12.32%
3003	1032 1033	Burrillville	C	7.00%	6.08%	(3.00%)	3.08%
3004	1052	Central Falls		6.00%	4.85%	3.53%	8.38%
3005	1082	Charlestown	C	7.00%	5.24%	4.70%	9.94%
3007	1112 1113	Cranston	B	7.00%	6.23%	(2.23%)	4.00%
3008	1122 1123	Cumberland		6.00%	4.77%	3.79%	8.56%
3009	1152 1153	East Greenwich	C	7.00%	6.01%	(4.41%)	1.60%
3010	1162 1163	East Providence	B	7.00%	5.72%	9.54%	15.26%
3011	1183	Exeter/West Greenwich	B	7.00%	6.70%	2.38%	9.08%
3012	1192 1193	Foster		6.00%	5.16%	1.76%	6.92%
3013	1212 1213	Glocester	C	7.00%	5.78%	3.55%	9.33%
3014	1262	Hopkinton	C	7.00%	6.74%	(3.17%)	3.57%
3015	1272 1273	Jamestown	C	7.00%	5.87%	4.31%	10.18%
3016	1282 1283	Johnston	C	7.00%	6.38%	2.81%	9.19%
3017	1302 1303	Lincoln		6.00%	5.38%	1.29%	6.67%
3019	1322 1323	Middletown	C	7.00%	5.76%	3.74%	9.50%
3021	1352 1353 1354	Newport	B	7.00%	5.57%	8.24%	13.81%
3022	1342 1343	New Shoreham	B	7.00%	5.91%	1.43%	7.34%
3023	1372 1373	North Kingstown	C	7.00%	6.17%	5.28%	11.45%
3024	1382 1383	North Providence		6.00%	4.56%	(5.45%)	0.00%
3025	1392 1393	North Smithfield	B	7.00%	6.54%	(6.35%)	0.19%
3026	1412 1413	Pawtucket	C	7.00%	5.49%	3.71%	9.20%
3027	1515	Union Fire District		6.00%	4.38%	1.36%	5.74%
3029	1452	Richmond		6.00%	5.78%	0.94%	6.72%
3030	1462 1463	Scituate	B	7.00%	6.47%	4.64%	11.11%
3031	1472 1473	Smithfield	C	7.00%	6.57%	(1.78%)	4.79%
3032	1492 1493	South Kingstown	B	7.00%	5.86%	0.34%	6.20%
3033	1532 1533	Tiverton	C	7.00%	6.27%	(5.20%)	1.07%
3034	1562	Warren	C	7.00%	4.91%	8.29%	13.20%
3036	1622 1623	Westerly		6.00%	2.69%	50.71%	53.40%
3037	1602	West Greenwich	C	7.00%	6.35%	5.46%	11.81%
3039	1632 1633	Woonsocket	B	7.00%	5.86%	(5.19%)	0.67%
3040	1073	Chariho School District	C	7.00%	5.85%	3.70%	9.55%
3041	1203	Foster/Glocester	B	7.00%	6.69%	5.68%	12.37%
3042	1528	Tiogue Fire & Lighting	C,5	7.00%	0.00%	0.00%	0.00%
3043	1336	Narragansett Housing	C	7.00%	4.93%	2.42%	7.35%
3045	1098	Coventry Lighting District	C	7.00%	4.11%	(66.72%)	0.00%
3046	1242	Hope Valley Fire	C	7.00%	5.60%	(3.91%)	1.69%
3050	1156	East Greenwich Housing	C	7.00%	6.66%	0.97%	7.63%
3051	1116	Cranston Housing	C	7.00%	6.06%	(3.54%)	2.52%
3052	1166	East Providence Housing	B	7.00%	7.60%	(6.26%)	1.34%
3053	1416	Pawtucket Housing	B	7.00%	5.82%	(15.74%)	0.00%
3056	1126	Cumberland Housing	C	7.00%	5.87%	(1.04%)	4.83%
3057	1306	Lincoln Housing	B	7.00%	8.12%	0.63%	8.75%
3059	1016	Bristol Housing		6.00%	4.47%	(18.32%)	0.00%
3065	1036	Burrillville Housing	B	7.00%	5.76%	(10.06%)	0.00%
3066	1386	North Providence Housing	B	7.00%	7.06%	14.13%	21.19%

**Contribution Rates
 For Fiscal Year Ending June 30, 2011**

Old Unit Number	New Unit Number	Unit	Code(s)	Member Rate	Employer Rate		
					Employer Normal Cost	Amortization Rate	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
3067	1177	East Smithfield Water	C	7.00%	5.93%	(5.81%)	0.12%
3068	1227	Greenville Water	B	7.00%	5.58%	(10.51%)	0.00%
3069	1356	Newport Housing	C	7.00%	6.49%	3.27%	9.76%
3071	1566	Warren Housing	B	7.00%	7.75%	(7.70%)	0.05%
3072	1286	Johnston Housing		6.00%	5.26%	(2.85%)	2.41%
3077	1538	Tiverton Local 2670A	C	7.00%	6.27%	(0.49%)	5.78%
3078	1002 1003 1007 1009	Barrington COLA	C	7.00%	6.32%	(3.78%)	2.54%
3079	1096	Coventry Housing		6.00%	4.73%	(1.98%)	2.75%
3080	1496	South Kingstown Housing	C	7.00%	7.38%	(4.15%)	3.23%
3081	1403	N. RI Collaborative Adm. Services	C	7.00%	6.65%	3.15%	9.80%
3083	1616	West Warwick Housing	B	7.00%	5.35%	1.83%	7.18%
3084	1476	Smithfield Housing		6.00%	2.53%	(7.73%)	0.00%
3094	1478	Smithfield COLA	C	7.00%	5.86%	(0.26%)	5.60%
3096	1056	Central Falls Housing	C	7.00%	6.41%	5.84%	12.25%
3098	1293	Lime Rock Administrative Services		6.00%	3.53%	2.81%	6.34%
3099	1063	Central Falls Schools	C	7.00%	6.88%	1.66%	8.54%
3100	1023	Bristol/Warren Schools	B	7.00%	6.50%	3.89%	10.39%
3101	1157 1158	Town of E. Greenwich-COLA-NCE	C	7.00%	6.01%	(4.41%)	1.60%
3102	1712	Harrisville Fire District (ADMIN)	C	7.00%	5.13%	3.52%	8.65%
General Employee Units Averages				6.90%	5.87%	1.49%	7.52%
Police & Fire Units							
4016	1285	Johnston Fire	D	8.00%	8.88%	(0.64%)	8.24%
4029	1454	Richmond Police	6	7.00%	8.62%	1.88%	10.50%
4031	1474	Smithfield Police	C,D	9.00%	11.72%	9.13%	20.85%
4042	1555	Valley Falls Fire	D	8.00%	8.88%	(1.20%)	7.68%
4047	1395 1435	North Smithfield Voluntary Fire	B,D	9.00%	12.20%	1.10%	13.30%
4050	1155	East Greenwich Fire	C,D	9.00%	12.17%	5.51%	17.68%
4054	1154	East Greenwich Police	C,D	9.00%	12.45%	(0.95%)	11.50%
4055	1375	North Kingstown Fire	C,D	9.00%	11.97%	3.12%	15.09%
4056	1374	North Kingstown Police	C,D	9.00%	11.85%	7.02%	18.87%
4058	1385	North Providence Fire	D	8.00%	8.51%	1.16%	9.67%
4059	1008	Barrington Fire (25)	C	8.00%	11.42%	3.69%	15.11%
4060	1004	Barrington Police	C,D	9.00%	12.17%	16.43%	28.60%
4061	1005	Barrington Fire (20)	C,D	9.00%	11.81%	(6.64%)	5.17%
4062	1564 1565	Warren Police & Fire	C,D	9.00%	11.70%	12.48%	24.18%
4063	1494	South Kingstown Police	B,1	9.00%	12.21%	0.39%	12.60%
4073	1464	Scituate Police	5	7.00%	0.00%	0.00%	0.00%
4076	1394	North Smithfield Police	C,D	9.00%	12.15%	0.76%	12.91%
4077	1534	Tiverton Fire	C,D	9.00%	12.64%	(3.61%)	9.03%
4082	1194	Foster Police	C,D	9.00%	13.05%	5.23%	18.28%
4085	1634	Woonsocket Police	C,D	9.00%	11.69%	2.49%	14.18%
4086	1084	Charlestown Police	C,D	9.00%	12.44%	11.59%	24.03%
4087	1264	Hopkinton Police	C,D,6	9.00%	13.87%	3.03%	16.90%

**Contribution Rates
 For Fiscal Year Ending June 30, 2011**

Old Unit Number	New Unit Number	Unit	Code(s)	Member Rate	Employer Rate		Total
					Employer Normal Cost	Amortization Rate	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
4088	1214	Glocester Police	C,D	9.00%	12.38%	3.70%	16.08%
4089	1604	West Greenwich Police/Rescue	C,D	9.00%	12.76%	4.49%	17.25%
4090	1034	Burrillville Police	C,D,6	10.20%	12.09%	(1.92%)	10.17%
4091	1148	Cumberland Rescue	C,D	9.00%	12.18%	(4.80%)	7.38%
4093	1635	Woonsocket Fire	C,D	9.00%	11.87%	(1.19%)	10.68%
4094	1015	Bristol Fire	D	8.00%	9.89%	(16.90%)	0.00%
4095	1135	Cumberland Hill Fire	C,D	9.00%	12.52%	5.85%	18.37%
4096	1014	Bristol Police	C,D	9.00%	12.02%	(2.21%)	9.81%
4098	1095	Coventry Fire	D	8.00%	8.64%	1.58%	10.22%
4099	1505	South Kingstown EMT	C,D	9.00%	12.86%	(9.58%)	3.28%
4101	1365	North Cumberland	C,D	9.00%	11.83%	8.78%	20.61%
4102	1045 1235 1525 1585	Central Coventry Fire	C,D	9.00%	12.05%	7.58%	19.63%
4103	1255	Hopkins Hill Fire	C,D	9.00%	12.59%	3.67%	16.26%
4104	1114	Cranston Police	C,D,4	10.00%	16.12%	4.83%	20.95%
4105	1115	Cranston Fire	C,D,4	10.00%	15.80%	4.77%	20.57%
4106	1125	Cumberland Fire	B,D	9.00%	12.88%	9.13%	22.01%
4107	1305	Lincoln Rescue	C	8.00%	9.90%	7.68%	17.58%
4108	1344	New Shoreham Police	B,D	9.00%	13.00%	10.61%	23.61%
4109	1324	Middletown Police & Fire	C,D	9.00%	13.54%	(0.43%)	13.11%
4110	1715	Harrisville Fire District	C,D	9.00%	12.05%	0.10%	12.15%
4111	1705	Albion Fire District	C	8.00%	10.50%	11.65%	22.15%
Police & Fire Units Averages				9.05%	12.37%	3.04%	15.42%
All MERS Units Averages				7.42%	7.43%	1.86%	9.41%

B - Municipality has adopted COLA Plan B

C - Municipality has adopted COLA Plan C

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

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

2 - New unit in 2007 valuation.

3 - Closed unit.

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

5 - This unit has no active members.

6 - Special plan provisions apply to this unit.

Comparison of Employer Contribution Rates

Old Unit Number	New Unit Number	Unit	Code(s)	June 30, 2008 Actuarial Valuation, for FY2011	June 30, 2007 Actuarial Valuation, for FY2010	June 30, 2006 Actuarial Valuation, for FY2009
(1)	(2)	(3)	(4)	(5)	(6)	(7)
General Employee Units						
3002	1012 1019	Bristol	B	12.32%	12.91%	14.11%
3003	1032 1033	Burrillville	C	3.08%	4.67%	5.94%
3004	1052	Central Falls		8.38%	8.91%	8.87%
3005	1082	Charlestown	C	9.94%	10.73%	11.66%
3007	1112 1113	Cranston	B	4.00%	5.22%	6.32%
3008	1122 1123	Cumberland		8.56%	9.31%	10.10%
3009	1152 1153	East Greenwich	C	1.60%	0.00%	0.00%
3010	1162 1163	East Providence	B	15.26%	16.04%	16.52%
3011	1183	Exeter/West Greenwich	B	9.08%	9.95%	10.16%
3012	1192 1193	Foster		6.92%	6.84%	6.43%
3013	1212 1213	Glocester	C	9.33%	10.40%	10.33%
3014	1262	Hopkinton	C	3.57%	3.95%	6.80%
3015	1272 1273	Jamestown	C	10.18%	11.99%	12.16%
3016	1282 1283	Johnston	C	9.19%	10.03%	11.04%
3017	1302 1303	Lincoln		6.67%	6.55%	7.43%
3019	1322 1323	Middletown	C	9.50%	10.73%	11.65%
3021	1352 1353 1354	Newport	B	13.81%	14.51%	14.58%
3022	1342 1343	New Shoreham	B	7.34%	8.77%	9.08%
3023	1372 1373	North Kingstown	C	11.45%	12.06%	12.71%
3024	1382 1383	North Providence		0.00%	0.56%	2.53%
3025	1392 1393	North Smithfield	B	0.19%	1.42%	2.69%
3026	1412 1413	Pawtucket	C	9.20%	10.74%	11.87%
3027	1515	Union Fire District		5.74%	5.89%	6.54%
3029	1452	Richmond		6.72%	6.74%	6.37%
3030	1462 1463	Scituate	B	11.11%	12.16%	12.11%
3031	1472 1473	Smithfield	C	4.79%	5.44%	5.97%
3032	1492 1493	South Kingstown	B	6.20%	6.92%	7.81%
3033	1532 1533	Tiverton	C	1.07%	2.87%	2.35%
3034	1562	Warren	C	13.20%	15.62%	13.88%
3036	1622 1623	Westerly		53.40%	52.49%	63.17%
3037	1602	West Greenwich	C	11.81%	12.07%	13.49%
3039	1632 1633	Woonsocket	B	0.67%	2.35%	3.29%
3040	1073	Chariho School District	C	9.55%	10.30%	10.92%
3041	1203	Foster/Glocester	B	12.37%	11.85%	13.08%
3042	1528	Tiogue Fire & Lighting	C,5	0.00%	0.00%	0.00%
3043	1336	Narragansett Housing	C	7.35%	7.52%	7.64%
3045	1098	Coventry Lighting District	C	0.00%	0.00%	0.00%
3046	1242	Hope Valley Fire	C	1.69%	2.86%	3.67%
3050	1156	East Greenwich Housing	C	7.63%	9.31%	9.19%
3051	1116	Cranston Housing	C	2.52%	3.61%	5.07%
3052	1166	East Providence Housing	B	1.34%	3.95%	4.87%
3053	1416	Pawtucket Housing	B	0.00%	0.00%	0.00%
3056	1126	Cumberland Housing	C	4.83%	4.43%	6.97%
3057	1306	Lincoln Housing	B	8.75%	9.25%	9.60%
3059	1016	Bristol Housing		0.00%	0.00%	0.00%
3065	1036	Burrillville Housing	B	0.00%	0.00%	0.23%
3066	1386	North Providence Housing	B	21.19%	23.90%	22.84%

Comparison of Employer Contribution Rates

Old Unit Number	New Unit Number	Unit	Code(s)	June 30, 2008 Actuarial Valuation, for FY2011	June 30, 2007 Actuarial Valuation, for FY2010	June 30, 2006 Actuarial Valuation, for FY2009
(1)	(2)	(3)	(4)	(5)	(6)	(7)
3067	1177	East Smithfield Water	C	0.12%	2.59%	0.00%
3068	1227	Greenville Water	B	0.00%	0.00%	0.00%
3069	1356	Newport Housing	C	9.76%	9.68%	9.01%
3071	1566	Warren Housing	B	0.05%	6.66%	10.27%
3072	1286	Johnston Housing		2.41%	3.16%	3.49%
3077	1538	Tiverton Local 2670A	C	5.78%	5.76%	6.70%
3078	1002 1003 1007 1009	Barrington COLA	C	2.54%	2.90%	4.29%
3079	1096	Coventry Housing		2.75%	3.24%	3.87%
3080	1496	South Kingstown Housing	C	3.23%	6.43%	8.41%
3081	1403	N. RI Collaborative Adm. Services	C	9.80%	9.48%	9.53%
3083	1616	West Warwick Housing	B	7.18%	8.08%	8.72%
3084	1476	Smithfield Housing		0.00%	0.00%	3.63%
3094	1478	Smithfield COLA	C	5.60%	5.56%	5.43%
3096	1056	Central Falls Housing	C	12.25%	13.03%	13.28%
3098	1293	Lime Rock Administrative Services		6.34%	5.11%	5.14%
3099	1063	Central Falls Schools	C	8.54%	8.13%	8.22%
3100	1023	Bristol/Warren Schools	B	10.39%	10.36%	10.80%
3101	1157 1158	Town of E. Greenwich-COLA-NCE	C	1.60%	7.00%	7.71%
3102	1712	Harrisville Fire District (ADMIN)	C	8.65%	8.94%	8.34%
General Employee Units Average				7.52%	8.50%	9.27%
Police & Fire Units						
4016	1285	Johnston Fire	D	8.24%	8.99%	10.45%
4029	1454	Richmond Police	6	10.50%	11.14%	11.56%
4031	1474	Smithfield Police	C,D	20.85%	21.37%	28.04%
4042	1555	Valley Falls Fire	D	7.68%	7.96%	11.06%
4047	1395 1435	North Smithfield Voluntary Fire	B,D	13.30%	14.75%	15.84%
4050	1155	East Greenwich Fire	C,D	17.68%	18.28%	19.92%
4054	1154	East Greenwich Police	C,D	11.50%	13.09%	14.87%
4055	1375	North Kingstown Fire	C,D	15.09%	17.52%	19.55%
4056	1374	North Kingstown Police	C,D	18.87%	21.00%	20.49%
4058	1385	North Providence Fire	D	9.67%	11.45%	11.38%
4059	1008	Barrington Fire (25)	C	15.11%	15.49%	19.25%
4060	1004	Barrington Police	C,D	28.60%	26.74%	27.97%
4061	1005	Barrington Fire (20)	C,D	5.17%	7.07%	13.59%
4062	1564 1565	Warren Police & Fire	C,D	24.18%	23.71%	26.11%
4063	1494	South Kingstown Police	B,1	12.60%	12.24%	14.39%
4073	1464	Scituate Police	5	0.00%	0.00%	0.00%
4076	1394	North Smithfield Police	C,D	12.91%	13.20%	14.90%
4077	1534	Tiverton Fire	C,D	9.03%	9.18%	11.00%
4082	1194	Foster Police	C,D	18.28%	16.82%	22.08%
4085	1634	Woonsocket Police	C,D	14.18%	13.22%	14.23%
4086	1084	Charlestown Police	C,D	24.03%	23.52%	24.19%
4087	1264	Hopkinton Police	C,D,6	16.90%	18.43%	19.02%

Comparison of Employer Contribution Rates

Old Unit Number	New Unit Number	Unit	Code(s)	June 30, 2008 Actuarial Valuation, for FY2011	June 30, 2007 Actuarial Valuation, for FY2010	June 30, 2006 Actuarial Valuation, for FY2009
(1)	(2)	(3)	(4)	(5)	(6)	(7)
4088	1214	Glocester Police	C,D	16.08%	18.38%	18.11%
4089	1604	West Greenwich Police/Rescue	C,D	17.25%	18.79%	17.18%
4090	1034	Burrillville Police	C,D,6	10.17%	12.23%	16.41%
4091	1148	Cumberland Rescue	C,D	7.38%	8.82%	8.62%
4093	1635	Woonsocket Fire	C,D	10.68%	11.93%	12.88%
4094	1015	Bristol Fire	D	0.00%	0.00%	0.00%
4095	1135	Cumberland Hill Fire	C,D	18.37%	19.83%	20.37%
4096	1014	Bristol Police	C,D	9.81%	11.03%	11.97%
4098	1095	Coventry Fire	D	10.22%	10.87%	12.32%
4099	1505	South Kingstown EMT	C,D	3.28%	6.08%	6.53%
4101	1365	North Cumberland	C,D	20.61%	11.30%	12.72%
4102	1045 1235 1525 1585	Central Coventry Fire	C,D	19.63%	19.33%	19.80%
4103	1255	Hopkins Hill Fire	C,D	16.26%	9.94%	10.75%
4104	1114	Cranston Police	C,D,4	20.95%	15.30%	15.25%
4105	1115	Cranston Fire	C,D,4	20.57%	14.37%	15.46%
4106	1125	Cumberland Fire	B,D	22.01%	20.70%	22.41%
4107	1305	Lincoln Rescue	C	17.58%	15.17%	16.70%
4108	1344	New Shoreham Police	B,D	23.61%	26.63%	21.64%
4109	1324	Middletown Police & Fire	C,D	13.11%	13.67%	12.69%
4110	1715	Harrisville Fire District	C,D	12.15%	13.69%	12.99%
4111	1705	Albion Fire District	C	22.15%	20.75%	21.66%
Police & Fire Units Average				15.42%	14.85%	15.61%
All MERS Units Average				9.41%	10.00%	10.69%

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 in 2007 valuation.

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

6 - Special plan provisions apply to this unit.

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

3 - Closed unit.

5 - This unit has no active members.

Municipal Employees' Retirement System
 State of Rhode Island
 Actuarial Valuation – June 30, 2008

Table 3

Components Used in Determining Contribution Rates

Old Unit Number	New Unit Number	Unit	Code(s)	Adjusted Compensation	Normal Cost (Total)	Actuarial Accrued Liability	Actuarial Value of Assets
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
General Employee Units							
3002	1012 1019	Bristol	B	4,135,097	505,894	19,515,448	14,897,937
3003	1032 1033	Burrillville	C	5,420,713	717,183	20,971,570	23,164,763
3004	1052	Central Falls		2,683,177	296,774	6,406,664	4,950,358
3005	1082	Charlestown	C	1,594,344	197,374	5,118,158	3,953,467
3007	1112 1113	Cranston	B	26,974,527	3,587,437	120,962,612	129,012,096
3008	1122 1123	Cumberland		8,064,217	880,488	23,145,827	18,381,290
3009	1152 1153	East Greenwich	C	1,172,412	148,924	5,444,173	9,233,655
3010	1162 1163	East Providence	B	18,754,676	2,420,660	90,948,017	63,830,490
3011	1183	Exeter/West Greenwich	B	2,174,905	303,016	7,461,298	6,643,400
3012	1192 1193	Foster		1,196,184	135,349	3,088,526	2,777,808
3013	1212 1213	Glocester	C	2,241,463	287,843	7,125,561	5,888,673
3014	1262	Hopkinton	C	1,488,593	207,216	3,081,573	3,737,653
3015	1272 1273	Jamestown	C	3,261,883	422,171	10,434,577	8,201,795
3016	1282 1283	Johnston	C	8,570,160	1,157,022	35,051,692	31,206,540
3017	1302 1303	Lincoln		1,016,081	117,323	1,542,400	1,338,095
3019	1322 1323	Middletown	C	4,892,626	632,828	14,721,456	11,821,298
3021	1352 1353 1354	Newport	B	11,396,167	1,453,091	60,565,718	46,324,266
3022	1342 1343	New Shoreham	B	1,972,982	261,160	4,740,547	4,254,010
3023	1372 1373	North Kingstown	C	11,762,252	1,561,088	48,275,593	38,759,572
3024	1382 1383	North Providence		7,070,071	754,001	22,054,179	27,486,433
3025	1392 1393	North Smithfield	B	2,983,170	407,809	10,980,041	13,716,901
3026	1412 1413	Pawtucket	C	22,438,023	2,833,430	105,941,476	92,550,954
3027	1515	Union Fire District		227,750	22,279	348,819	300,114
3029	1452	Richmond		742,882	87,990	1,504,324	1,401,482
3030	1462 1463	Scituate	B	2,846,882	382,569	11,375,726	9,340,824
3031	1472 1473	Smithfield	C	2,793,698	379,624	10,494,243	11,453,848
3032	1492 1493	South Kingstown	B	11,911,417	1,550,803	42,973,921	42,087,185
3033	1532 1533	Tiverton	C	2,880,223	384,162	8,936,781	11,103,716

Components Used in Determining Contribution Rates

Old Unit Number	New Unit Number	Unit	Code(s)	Adjusted Compensation	Normal Cost (Total)	Actuarial Accrued Liability	Actuarial Value of Assets
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
3034	1562	Warren	C	1,712,824	208,564	6,818,297	4,638,180
3036	1622 1623	Westerly		64,034	5,363	979,933	492,478
3037	1602	West Greenwich	C	1,002,521	135,028	2,840,983	2,027,612
3039	1632 1633	Woonsocket	B	12,930,655	1,676,752	56,198,983	65,679,230
3040	1073	Chariho School District	C	4,867,400	638,694	14,496,692	11,805,862
3041	1203	Foster/Glocester	B	1,486,300	206,787	6,013,460	4,743,575
3042	1528	Tiogue Fire & Lighting	C,5	-	-	5,314	39,344
3043	1336	Narragansett Housing	C	168,611	20,677	331,594	269,791
3045	1098	Coventry Lighting District	C	76,566	7,987	798,339	1,462,026
3046	1242	Hope Valley Fire	C	110,414	13,675	297,244	357,918
3050	1156	East Greenwich Housing	C	524,591	71,970	955,662	862,054
3051	1116	Cranston Housing	C	923,249	121,580	3,126,868	3,581,409
3052	1166	East Providence Housing	B	591,364	84,502	2,220,828	2,737,774
3053	1416	Pawtucket Housing	B	1,885,835	244,916	7,688,590	11,753,986
3056	1126	Cumberland Housing	C	475,242	61,135	1,141,474	1,207,504
3057	1306	Lincoln Housing	B	432,734	64,091	1,434,240	1,387,675
3059	1016	Bristol Housing		312,602	33,403	1,092,682	1,866,352
3065	1036	Burrillville Housing	B	188,847	24,369	710,448	979,120
3066	1386	North Providence Housing	B	263,367	36,769	1,382,291	813,191
3067	1177	East Smithfield Water	C	125,224	16,694	701,185	807,583
3068	1227	Greenville Water	B	207,682	26,824	731,347	1,036,757
3069	1356	Newport Housing	C	1,183,222	161,584	7,463,093	6,893,915
3071	1566	Warren Housing	B	235,038	33,749	1,030,021	1,261,102
3072	1286	Johnston Housing		340,632	38,006	879,361	1,018,084
3077	1538	Tiverton Local 2670A	C	927,502	125,209	3,206,245	3,266,488
3078	1002 1003 1007 1009	Barrington COLA	C	6,921,016	935,639	25,443,008	29,214,839
3079	1096	Coventry Housing		396,523	43,075	703,783	815,421
3080	1496	South Kingstown Housing	C	214,464	6,775	79,065	193,073
3081	1403	N. RI Collaborative Adm. Services	C	1,582,588	221,374	2,835,305	2,096,897
3083	1616	West Warwick Housing	B	352,581	43,999	1,289,570	1,185,020

Components Used in Determining Contribution Rates

Old Unit Number	New Unit Number	Unit	Code(s)	Adjusted Compensation	Normal Cost (Total)	Actuarial Accrued Liability	Actuarial Value of Assets
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
3084	1476	Smithfield Housing		79,964	7,023	192,498	273,110
3094	1478	Smithfield COLA	C	3,711,592	484,025	11,219,177	11,371,370
3096	1056	Central Falls Housing	C	907,482	124,567	2,284,151	1,470,612
3098	1293	Lime Rock Administrative Services		82,430	8,091	212,535	180,130
3099	1063	Central Falls Schools	C	4,629,464	653,313	12,116,303	10,993,164
3100	1023	Bristol/Warren Schools	B	4,217,402	578,169	17,096,875	14,630,763
3101	1157 1158	Town of E. Greenwich-COLA-NCE	C	5,017,084	661,523	15,059,966	14,828,052
3102	1712	Harrisville Fire District (ADMIN)	C	192,853	24,147	399,238	297,946
3103	1702	Albion Fire District (ADMIN)	C	-	-	73,186	51,129
General Employee Units Subtotal				\$ 232,008,474	\$ 29,945,556	\$ 915,012,135	\$ 856,409,161
Police & Fire Units							
4016	1285	Johnston Fire	D	1,663,174	293,653	1,599,225	1,711,089
4029	1454	Richmond Police	6	503,488	82,129	710,552	558,126
4031	1474	Smithfield Police	C,D	2,376,903	507,968	6,647,186	3,379,943
4042	1555	Valley Falls Fire	D	733,799	128,650	2,890,214	2,996,158
4047	1395 1435	North Smithfield Voluntary Fire	B,D	1,046,808	223,819	5,011,755	4,796,690
4050	1155	East Greenwich Fire	C,D	2,176,092	467,242	11,668,363	9,801,221
4054	1154	East Greenwich Police	C,D	1,914,960	423,438	12,050,993	12,227,676
4055	1375	North Kingstown Fire	C,D	4,151,820	875,644	28,131,671	25,905,800
4056	1374	North Kingstown Police	C,D	2,713,004	578,041	19,523,948	16,562,135
4058	1385	North Providence Fire	D	5,636,596	950,264	28,699,306	27,521,038
4059	1008	Barrington Fire (25)	C	658,140	134,476	1,099,864	696,767
4060	1004	Barrington Police	C,D	1,236,139	269,405	10,162,172	7,143,227
4061	1005	Barrington Fire (20)	C,D	521,040	105,151	8,596,055	9,056,983
4062	1564 1565	Warren Police & Fire	C,D	1,381,976	286,549	10,243,636	7,652,845

Components Used in Determining Contribution Rates

Old Unit Number	New Unit Number	Unit	Code(s)	Adjusted Compensation	Normal Cost (Total)	Actuarial Accrued Liability	Actuarial Value of Assets
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
4063	1494	South Kingstown Police	B,1	2,780,711	578,981	21,490,986	21,285,185
4073	1464	Scituate Police	5	-	-	34,477	177,930
4076	1394	North Smithfield Police	C,D	1,170,908	253,224	7,993,420	7,833,344
4077	1534	Tiverton Fire	C,D	1,581,663	356,013	7,599,400	8,421,582
4082	1194	Foster Police	C,D	337,127	77,704	2,398,430	2,119,671
4085	1634	Woonsocket Police	C,D	4,847,955	1,033,098	30,776,550	29,010,871
4086	1084	Charlestown Police	C,D	1,127,222	244,949	7,551,518	5,590,888
4087	1264	Hopkinton Police	C,D,6	893,806	209,533	4,320,427	3,882,932
4088	1214	Glocester Police	C,D	967,190	207,536	4,841,450	4,261,420
4089	1604	West Greenwich Police/Rescue	C,D	590,214	133,135	2,837,958	2,429,034
4090	1034	Burrillville Police	C,D,6	1,286,345	292,178	7,039,876	7,302,211
4091	1148	Cumberland Rescue	C,D	905,218	197,804	3,218,249	3,846,676
4093	1635	Woonsocket Fire	C,D	6,362,891	1,365,413	24,373,728	25,287,421
4094	1015	Bristol Fire	D	44,477	8,244	166,910	272,839
4095	1135	Cumberland Hill Fire	C,D	681,474	142,688	4,232,166	3,609,916
4096	1014	Bristol Police	C,D	1,377,308	301,031	2,017,048	2,429,990
4098	1095	Coventry Fire	D	673,716	115,674	2,536,824	2,358,245
4099	1505	South Kingstown EMT	C,D	656,978	150,734	1,235,410	2,153,528
4101	1365	North Cumberland	C,D	736,520	148,324	3,732,979	2,810,798
4102	1045 1235 1525 1585	Central Coventry Fire	C,D	1,893,253	409,826	7,468,576	5,317,419
4103	1255	Hopkins Hill Fire	C,D	481,563	106,243	1,107,061	865,632
4104	1114	Cranston Police	C,D,4	6,130,562	1,664,041	18,518,471	14,761,420
4105	1115	Cranston Fire	C,D,4	7,440,104	1,985,153	29,342,709	24,866,263
4106	1125	Cumberland Fire	B,D	592,838	132,979	3,517,309	2,713,534
4107	1305	Lincoln Rescue	C	738,021	128,680	2,764,237	1,935,178
4108	1344	New Shoreham Police	B,D	223,579	51,609	1,199,366	832,678
4109	1324	Middletown Police & Fire	C,D	1,335,759	320,936	822,764	909,703

Components Used in Determining Contribution Rates

Old Unit Number	New Unit Number	Unit	Code(s)	Adjusted Compensation	Normal Cost (Total)	Actuarial Accrued Liability	Actuarial Value of Assets
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
4110	1715	Harrisville Fire District	C,D	238,782	51,372	542,150	532,837
4111	1705	Albion Fire District	C	133,423	25,591	559,307	329,203
Police & Fire Units Subtotal				<u>\$ 72,943,546</u>	<u>\$ 16,019,122</u>	<u>\$ 351,274,694</u>	<u>\$ 318,158,043</u>
All MERS Units Total				\$ 304,952,020	\$ 45,964,678	\$ 1,266,286,829	\$ 1,174,567,205

B - Municipality has adopted COLA Plan B

C - Municipality has adopted COLA Plan C

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

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

2 - New unit in 2007 valuation.

3 - Closed unit.

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

5 - This unit has no active members.

6 - Special plan provisions apply to this unit.

Municipal Employees' Retirement System
 State of Rhode Island
 Actuarial Valuation – June 30, 2008

Table 4a

Asset Values					
Old Unit Number	New Unit Number	Unit	Code	Market Value of Assets	Actuarial Value of Assets
(1)	(2)	(3)	(4)	(5)	(6)
General Employee Units					
3002	1012 1019	Bristol	B	\$ 14,193,657	\$ 14,897,937
3003	1032 1033	Burrillville	C	22,069,679	23,164,763
3004	1052	Central Falls		4,716,336	4,950,358
3005	1082	Charlestown	C	3,766,572	3,953,467
3007	1112 1113	Cranston	B	122,913,221	129,012,096
3008	1122 1123	Cumberland		17,512,339	18,381,290
3009	1152 1153	East Greenwich		8,797,147	9,233,655
3010	1162 1163	East Providence	B	60,812,989	63,830,490
3011	1183	Exeter/West Greenwich	B	6,329,342	6,643,400
3012	1192 1193	Foster		2,646,491	2,777,808
3013	1212 1213	Glocester	C	5,610,293	5,888,673
3014	1262	Hopkinton	C	3,560,960	3,737,653
3015	1272 1273	Jamestown	C	7,814,066	8,201,795
3016	1282 1283	Johnston	C	29,731,293	31,206,540
3017	1302 1303	Lincoln		1,274,839	1,338,095
3019	1322 1323	Middletown	C	11,262,462	11,821,298
3021	1352 1353 1354	Newport	B	44,134,348	46,324,266
3022	1342 1343	New Shoreham	B	4,052,908	4,254,010
3023	1372 1373	North Kingstown	C	36,927,265	38,759,572
3024	1382 1383	North Providence		26,187,049	27,486,433
3025	1392 1393	North Smithfield	B	13,068,453	13,716,901
3026	1412 1413	Pawtucket	C	88,175,731	92,550,954
3027	1515	Union Fire District		285,927	300,114
3029	1452	Richmond		1,335,229	1,401,482
3030	1462 1463	Scituate	B	8,899,249	9,340,824
3031	1472 1473	Smithfield	C	10,912,382	11,453,848
3032	1492 1493	South Kingstown	B	40,097,569	42,087,185
3033	1532 1533	Tiverton	C	10,578,803	11,103,716
3034	1562	Warren	C	4,418,916	4,638,180
3036	1622 1623	Westerly		469,197	492,478
3037	1602	West Greenwich	C	1,931,759	2,027,612
3039	1632 1633	Woonsocket	B	62,574,332	65,679,230
3040	1073	Chariho School District	C	11,247,755	11,805,862
3041	1203	Foster/Glocester	B	4,519,329	4,743,575
3042	1528	Tiogue Fire & Lighting	C,5	37,484	39,344
3043	1336	Narragansett Housing	C	257,037	269,791
3045	1098	Coventry Lighting District	C	1,392,910	1,462,026
3046	1242	Hope Valley Fire	C	340,998	357,918
3050	1156	East Greenwich Housing	C	821,302	862,054
3051	1116	Cranston Housing	C	3,412,103	3,581,409
3052	1166	East Providence Housing	B	2,608,350	2,737,774
3053	1416	Pawtucket Housing	B	11,198,332	11,753,986
3056	1126	Cumberland Housing	C	1,150,421	1,207,504
3057	1306	Lincoln Housing	B	1,322,075	1,387,675
3059	1016	Bristol Housing		1,778,123	1,866,352
3065	1036	Burrillville Housing	B	932,834	979,120
3066	1386	North Providence Housing	B	774,749	813,191

Municipal Employees' Retirement System
 State of Rhode Island
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Table 4a

Asset Values

Old Unit Number	New Unit Number	Unit	Code	Market Value of Assets	Actuarial Value of Assets
(1)	(2)	(3)	(4)	(5)	(6)
3067	1177	East Smithfield Water	C	769,406	807,583
3068	1227	Greenville Water	B	987,745	1,036,757
3069	1356	Newport Housing	C	6,568,015	6,893,915
3071	1566	Warren Housing	B	1,201,485	1,261,102
3072	1286	Johnston Housing		969,956	1,018,084
3077	1538	Tiverton Local 2670A	C	3,112,069	3,266,488
3078	1002 1003 1007 1009	Barrington COLA	C	27,833,746	29,214,839
3079	1096	Coventry Housing		776,873	815,421
3080	1496	South Kingstown Housing	C	183,945	193,073
3081	1403	N. RI Collaborative Adm. Services	C	1,997,769	2,096,897
3083	1616	West Warwick Housing	B	1,129,000	1,185,020
3084	1476	Smithfield Housing		260,200	273,110
3094	1478	Smithfield COLA	C	10,833,804	11,371,370
3096	1056	Central Falls Housing	C	1,401,090	1,470,612
3098	1293	Lime Rock Administrative Services		171,615	180,130
3099	1063	Central Falls Schools	C	10,473,476	10,993,164
3100	1023	Bristol/Warren Schools	B	13,939,114	14,630,763
3101	1157	Town of E. Greenwich-COLA-NCE	C	14,127,076	14,828,052
3102	1712	Harrisville Fire District (ADMIN)	C	283,861	297,946
3103	1702	Albion Fire District (ADMIN)	C	48,712	51,129
General Employee Units Subtotal				\$ 815,923,561	\$ 856,409,161
Police & Fire Units					
4016	1285	Johnston Fire	D	\$ 1,630,199	\$ 1,711,089
4029	1454	Richmond Police	6	531,741	558,126
4031	1474	Smithfield Police	C,D	3,220,160	3,379,943
4042	1555	Valley Falls Fire	D	2,854,519	2,996,158
4047	1395 1435	North Smithfield Voluntary Fire	B,D	4,569,933	4,796,690
4050	1155	East Greenwich Fire	C,D	9,337,882	9,801,221
4054	1154	East Greenwich Police	C,D	11,649,629	12,227,676
4055	1375	North Kingstown Fire	C,D	24,681,137	25,905,800
4056	1374	North Kingstown Police	C,D	15,779,182	16,562,135
4058	1385	North Providence Fire	D	26,220,018	27,521,038
4059	1008	Barrington Fire (25)	C	663,828	696,767
4060	1004	Barrington Police	C,D	6,805,540	7,143,227
4061	1005	Barrington Fire (20)	C,D	8,628,827	9,056,983
4062	1564 1565	Warren Police & Fire	C,D	7,291,067	7,652,845
4063	1494	South Kingstown Police	B,1	20,278,956	21,285,185
4073	1464	Scituate Police	5	169,519	177,930
4076	1394	North Smithfield Police	C,D	7,463,033	7,833,344
4077	1534	Tiverton Fire	C,D	8,023,463	8,421,582
4082	1194	Foster Police	C,D	2,019,467	2,119,671
4085	1634	Woonsocket Police	C,D	27,639,421	29,010,871
4086	1084	Charlestown Police	C,D	5,326,586	5,590,888
4087	1264	Hopkinton Police	C,D,6	3,699,372	3,882,932

Municipal Employees' Retirement System
 State of Rhode Island
 Actuarial Valuation – June 30, 2008

Table 4a

Asset Values					
Old Unit Number	New Unit Number	Unit	Code	Market Value of Assets	Actuarial Value of Assets
(1)	(2)	(3)	(4)	(5)	(6)
4088	1214	Glocester Police	C,D	4,059,967	4,261,420
4089	1604	West Greenwich Police/Rescue	C,D	2,314,205	2,429,034
4090	1034	Burrillville Police	C,D,6	6,957,008	7,302,211
4091	1148	Cumberland Rescue	C,D	3,664,829	3,846,676
4093	1635	Woonsocket Fire	C,D	24,091,992	25,287,421
4094	1015	Bristol Fire	D	259,941	272,839
4095	1135	Cumberland Hill Fire	C,D	3,439,262	3,609,916
4096	1014	Bristol Police	C,D	2,315,115	2,429,990
4098	1095	Coventry Fire	D	2,246,762	2,358,245
4099	1505	South Kingstown EMT	C,D	2,051,723	2,153,528
4101	1365	North Cumberland	C,D	2,677,921	2,810,798
4102	1045 1235 1525 1585	Central Coventry Fire	C,D	5,066,045	5,317,419
4103	1255	Hopkins Hill Fire	C,D	824,710	865,632
4104	1114	Cranston Police	C,D,4	14,063,594	14,761,420
4105	1115	Cranston Fire	C,D,4	23,690,744	24,866,263
4106	1125	Cumberland Fire	B,D	2,585,255	2,713,534
4107	1305	Lincoln Rescue	C	1,843,695	1,935,178
4108	1344	New Shoreham Police	B,D	793,314	832,678
4109	1324	Middletown Police & Fire	C,D	866,698	909,703
4110	1715	Harrisville Fire District	C,D	507,648	532,837
4111	1705	Albion Fire District	C	313,640	329,203
Police & Fire Units Subtotal				<u>\$ 303,117,546</u>	<u>\$ 318,158,043</u>
All MERS Units Total				\$ 1,119,041,107	\$ 1,174,567,205

B - Municipality has adopted COLA Plan B

C - Municipality has adopted COLA Plan C

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

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

2 - New unit in 2007 valuation.

3 - Closed unit.

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

5 - This unit has no active members.

6 - Special plan provisions apply to this unit.

Municipal Employees' Retirement System
 State of Rhode Island
 Actuarial Valuation – June 30, 2008

Table 4b

Reconciliation of Market Assets by Unit											
Old Unit Number	New Unit Number	Unit	Code (s)	Beginning of Year Account Balance	Member Contributions	Employer Contributions	Service Purchases and Others	Benefit Payments	Refunds	Net Investment Return	End of Year Account Balance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
General Employee Units											
3002	1012 1019	Bristol	B	\$ 15,367,474	\$ 289,994	\$ 423,933	\$ 2,504	\$ 1,011,752	\$ 642	\$ (877,855)	\$ 14,193,657
3003	1032 1033	Burrillville	C	23,655,608	376,712	255,218	3,424	818,897	37,410	(1,364,975)	22,069,679
3004	1052	Central Falls		4,890,531	170,942	222,549	(43)	250,640	25,306	(291,698)	4,716,336
3005	1082	Charlestown	C	3,907,837	115,118	142,780	3,019	158,718	10,508	(232,957)	3,766,572
3007	1112 1113	Cranston	B	133,276,330	1,928,235	1,476,374	39,801	6,026,329	179,200	(7,601,989)	122,913,221
3008	1122 1123	Cumberland		18,601,505	485,306	767,757	4,262	1,203,608	59,772	(1,083,111)	17,512,339
3009	1152 1153	East Greenwich	C	9,703,193	71,170	9,972	1,494	436,191	8,401	(544,090)	8,797,147
3010	1162 1163	East Providence	B	65,798,521	1,320,952	2,923,592	51,826	5,491,675	29,039	(3,761,188)	60,812,989
3011	1183	Exeter/West Greenwich	B	6,640,916	151,008	199,387	(57)	254,111	16,340	(391,460)	6,329,342
3012	1192 1193	Foster		2,799,639	73,026	83,395	(24)	116,460	29,405	(163,681)	2,646,491
3013	1212 1213	Glocester	C	5,787,617	156,483	228,515	11,272	201,242	25,363	(346,988)	5,610,293
3014	1262	Hopkinton	C	3,723,629	102,433	88,697	(32)	96,203	37,325	(220,240)	3,560,960
3015	1272 1273	Jamestown	C	8,106,784	218,429	328,685	13,513	357,718	12,339	(483,288)	7,814,066
3016	1282 1283	Johnston	C	32,166,915	604,202	940,568	29,288	1,965,083	205,763	(1,838,834)	29,731,293
3017	1302 1303	Lincoln		1,273,336	60,964	82,720	(12)	63,323	0	(78,847)	1,274,839
3019	1322 1323	Middletown	C	11,444,724	340,742	514,281	3,264	280,349	63,635	(696,566)	11,262,462
3021	352 1353 1354	Newport	B	47,934,180	793,659	1,504,868	22,781	3,357,648	33,852	(2,729,640)	44,134,348
3022	1342 1343	New Shoreham	B	4,148,079	139,488	178,606	(38)	134,078	28,483	(250,666)	4,052,908
3023	1372 1373	North Kingstown	C	38,988,402	830,906	1,393,754	11,157	1,932,576	80,485	(2,283,893)	36,927,265
3024	1382 1383	North Providence		28,660,446	422,900	229	3,288	1,224,196	55,990	(1,619,628)	26,187,049
3025	1392 1393	North Smithfield	B	14,352,022	211,606	18,369	1,819	644,191	62,910	(808,263)	13,068,453
3026	1412 1413	Pawtucket	C	95,806,728	1,583,553	2,139,005	39,135	5,798,779	140,380	(5,453,530)	88,175,731
3027	1515	Union Fire District		276,496	13,131	13,987	(3)	0	0	(17,684)	285,927
3029	1452	Richmond		1,374,857	46,531	55,031	(12)	53,586	5,009	(82,582)	1,335,229
3030	1462 1463	Scituate	B	9,578,827	199,958	316,213	2,465	603,672	44,137	(550,405)	8,899,249
3031	1472 1473	Smithfield	C	11,920,883	199,066	131,423	8,341	653,870	18,549	(674,914)	10,912,382
3032	1492 1493	South Kingstown	B	42,341,187	843,028	824,244	32,792	1,368,096	95,614	(2,479,972)	40,097,569
3033	1532 1533	Tiverton	C	11,484,701	203,604	80,683	272	468,559	67,615	(654,282)	10,578,803
3034	1562	Warren	C	4,834,352	125,992	221,245	2,251	491,621	0	(273,303)	4,418,916
3036	1622 1623	Westerly		564,037	3,842	39,017	(4)	108,677	0	(29,019)	469,197
3037	1602	West Greenwich	C	1,933,701	69,569	122,240	(0)	74,275	0	(119,476)	1,931,759
3039	1632 1633	Woonsocket	B	68,206,395	907,564	201,296	13,831	2,855,457	29,173	(3,870,124)	62,574,332
3040	1073	Charlho School District	C	11,737,551	339,698	402,962	2,217	481,436	57,581	(695,656)	11,247,755
3041	1203	Foster/Glocester	B	4,821,661	107,406	196,745	(40)	295,285	31,644	(279,513)	4,519,329
3042	1528	Tiogue Fire & Lighting	C,5	39,802	0	0	(0)	0	0	(2,318)	37,484
3043	1336	Narragansett Housing	C	256,844	11,803	9,529	(2)	5,239	0	(15,897)	257,037
3045	1098	Coventry Lighting District	C	1,527,403	5,360	10,533	(12)	64,224	0	(86,149)	1,392,910
3046	1242	Hope Valley Fire	C	348,033	7,729	6,330	(3)	0	0	(21,090)	340,998
3050	1156	East Greenwich Housing	C	797,509	31,228	43,369	(8)	0	0	(50,796)	821,302
3051	1116	Cranston Housing	C	3,597,341	64,627	35,852	3,071	77,290	464	(211,033)	3,412,103

Municipal Employees' Retirement System
 State of Rhode Island
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Table 4b

Reconciliation of Market Assets by Unit

Old Unit Number	New Unit Number	Unit	Code (s)	Beginning of Year Account Balance	Member Contributions	Employer Contributions	Service Purchases and Others	Benefit Payments	Refunds	Net Investment Return	End of Year Account Balance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
3052	1166	East Providence Housing	B	2,781,589	41,396	36,155	(23)	76,881	12,563	(161,322)	2,608,350
3053	1416	Pawtucket Housing	B	12,066,965	139,497	98	12,563	316,548	11,644	(692,599)	11,198,332
3056	1126	Cumberland Housing	C	1,200,458	33,181	26,981	1,505	40,552	0	(71,152)	1,150,421
3057	1306	Lincoln Housing	B	1,456,778	28,947	36,733	311	85,445	33,482	(81,768)	1,322,075
3059	1016	Bristol Housing		1,938,706	18,639	(5,122)	(16)	64,111	0	(109,974)	1,778,123
3065	1036	Burrillville Housing	B	989,999	12,518	348	2,937	15,274	0	(57,694)	932,834
3066	1386	North Providence Housing	B	852,652	18,035	57,152	(7)	89,040	16,126	(47,917)	774,749
3067	1177	East Smithfield Water	C	840,009	8,766	175	(7)	31,950	0	(47,587)	769,406
3068	1227	Greenville Water	B	1,065,589	15,068	3	(9)	31,815	0	(61,091)	987,745
3069	1356	Newport Housing	C	7,288,919	93,779	97,457	(56)	474,500	31,361	(406,221)	6,568,015
3071	1566	Warren Housing	B	1,308,796	16,453	19,377	(11)	68,821	0	(74,310)	1,201,485
3072	1286	Johnston Housing		1,039,009	20,825	9,206	(9)	39,085	0	(59,990)	969,956
3077	1538	Tiverton Local 2670A	C	3,296,275	68,559	68,197	418	128,904	0	(192,477)	3,112,069
3078	2 1003 1007 1009	Barrington COLA	C	29,900,778	484,611	281,007	6,588	1,104,953	12,812	(1,721,473)	27,833,746
3079	1096	Coventry Housing		829,691	24,870	11,032	(7)	40,666	0	(48,048)	776,873
3080	1496	South Kingstown Housing	C	189,198	7,448	8,193	(2)	246	9,269	(11,377)	183,945
3081	1403	N. RI Collaborative Adm. Services	C	1,966,268	114,719	144,888	(19)	82,602	21,927	(123,559)	1,997,769
3083	1616	West Warwick Housing	B	1,172,607	24,797	33,464	(10)	32,031	0	(69,827)	1,129,000
3084	1476	Smithfield Housing		297,419	5,263	841	(2)	0	27,229	(16,093)	260,200
3094	1478	Smithfield COLA	C	11,493,227	246,029	127,679	(97)	354,965	8,016	(670,054)	10,833,804
3096	1056	Central Falls Housing	C	1,447,054	60,415	121,247	(13)	132,932	8,026	(86,655)	1,401,090
3098	1293	Lime Rock Administrative Services		172,989	4,946	4,296	(2)	0	0	(10,614)	171,615
3099	1063	Central Falls Schools	C	10,869,061	327,720	392,414	(85)	382,879	84,986	(647,768)	10,473,476
3100	1023	Bristol/Warren Schools	B	14,969,710	296,687	411,246	3,207	862,678	16,946	(862,112)	13,939,114
3101	1157 1158	Town of E. Greenwich-COLA-NCE	C	14,850,128	352,280	290,191	2,524	491,386	2,923	(873,737)	14,127,076
3102	1712	Harrisville Fire District (ADMIN)	C	276,964	13,500	10,957	(3)	0	0	(17,556)	283,861
3103	1702	Albion Fire District (ADMIN)	C	47,593	461	3,317	354	0	0	(3,013)	48,712
General Employee Units Subtotal				\$ 877,284,426	\$ 16,107,375	\$ 18,821,487	\$ 336,825	\$ 44,373,318	\$ 1,789,645	\$ (50,463,588)	\$ 815,923,561

Police & Fire Units

4016	1285	Johnston Fire	D	\$ 1,466,923	\$ 132,040	\$ 162,759	\$ (17)	\$ 30,680	\$ -	\$ (100,825)	\$ 1,630,199
4029	1454	Richmond Police	6	499,889	33,391	45,990	11,751	26,392	0	(32,887)	531,741
4031	1474	Smithfield Police	C,D	1,523,325	213,921	1,666,512	18,425	2,861	0	(199,162)	3,220,160
4042	1555	Valley Falls Fire	D	2,996,274	56,275	105,684	(26)	127,141	0	(176,548)	2,854,519
4047	1395 1435	North Smithfield Voluntary Fire	B,D	4,749,265	94,120	200,202	(42)	184,204	6,764	(282,643)	4,569,933
4050	1155	East Greenwich Fire	C,D	9,682,653	204,062	489,150	4,364	445,534	19,281	(577,533)	9,337,882
4054	1154	East Greenwich Police	C,D	12,343,596	170,315	321,239	24,325	489,334	0	(720,511)	11,649,629
4055	1375	North Kingstown Fire	C,D	26,056,152	352,332	949,986	13,978	1,164,821	0	(1,526,490)	24,681,137
4056	1374	North Kingstown Police	C,D	16,651,420	242,351	662,564	8,481	809,716	0	(975,918)	15,779,182
4058	1385	North Providence Fire	D	28,038,259	438,185	630,667	4,354	1,269,780	0	(1,621,667)	26,220,018

Reconciliation of Market Assets by Unit

Old Unit Number	New Unit Number	Unit	Code (s)	Beginning of Year Account Balance	Member Contributions	Employer Contributions	Service Purchases and Others	Benefit Payments	Refunds	Net Investment Return	End of Year Account Balance
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
4059	1008	Barrington Fire (25)	C	596,681	54,480	111,895	(7)	47,517	10,647	(41,057)	663,828
4060	1004	Barrington Police	C,D	7,236,002	115,223	417,549	36,980	555,934	23,368	(420,912)	6,805,540
4061	1005	Barrington Fire (20)	C,D	9,562,397	48,490	100,059	1,412	549,853	0	(533,679)	8,628,827
4062	1564 1565	Warren Police & Fire	C,D	7,725,269	124,825	414,484	2,118	524,688	0	(450,941)	7,291,067
4063	1494	South Kingstown Police	B,1	21,882,471	244,313	442,381	8,563	1,044,551	0	(1,254,221)	20,278,956
4073	1464	Scituate Police	5	185,969	0	1	(1)	5,966	0	(10,484)	169,519
4076	1394	North Smithfield Police	C,D	7,896,668	105,427	228,569	10,770	316,824	0	(461,577)	7,463,033
4077	1534	Tiverton Fire	C,D	8,528,336	147,516	191,108	5,254	352,513	0	(496,239)	8,023,463
4082	1194	Foster Police	C,D	2,163,215	31,354	74,048	(18)	124,231	0	(124,901)	2,019,467
4085	1634	Woonsocket Police	C,D	28,644,985	496,154	974,058	71,544	837,865	0	(1,709,455)	27,639,421
4086	1084	Charlestown Police	C,D	5,480,107	107,247	357,537	(49)	288,813	0	(329,441)	5,326,586
4087	1264	Hopkinton Police	C,D,6	3,744,854	80,442	191,307	1,509	72,702	17,238	(228,800)	3,699,372
4088	1214	Glocester Police	C,D	4,172,332	83,843	199,484	(38)	144,552	0	(251,103)	4,059,967
4089	1604	West Greenwich Police/Rescue	C,D	2,412,094	52,431	111,989	6,463	125,642	0	(143,130)	2,314,205
4090	1034	Burrillville Police	C,D,6	7,131,213	130,408	298,171	7,655	180,159	0	(430,280)	6,957,008
4091	1148	Cumberland Rescue	C,D	3,751,263	82,151	107,604	389	49,913	0	(226,664)	3,664,829
4093	1635	Woonsocket Fire	C,D	24,173,973	572,533	1,015,517	5,972	142,697	43,254	(1,490,052)	24,091,992
4094	1015	Bristol Fire	D	286,253	3,558	3,565	(2)	17,356	0	(16,077)	259,941
4095	1135	Cumberland Hill Fire	C,D	3,607,990	61,333	149,887	(31)	167,205	0	(212,713)	3,439,262
4096	1014	Bristol Police	C,D	2,160,173	127,648	170,503	(23)	0	0	(143,186)	2,315,115
4098	1095	Coventry Fire	D	2,331,725	51,240	94,302	(21)	91,526	0	(138,959)	2,246,762
4099	1505	South Kingstown EMT	C,D	2,110,642	61,218	66,816	4,536	0	64,594	(126,896)	2,051,723
4101	1365	North Cumberland	C,D	2,748,825	58,921	117,645	(25)	81,821	0	(165,625)	2,677,921
4102	5 1235 1525 1585	Central Coventry Fire	C,D	4,986,802	164,779	420,051	2,434	194,694	0	(313,327)	5,066,045
4103	1255	Hopkins Hill Fire	C,D	766,175	40,129	65,307	4,106	0	0	(51,007)	824,710
4104	1114	Cranston Police	C,D,4	13,454,484	599,923	1,107,574	9,536	238,113	0	(869,811)	14,063,594
4105	1115	Cranston Fire	C,D,4	23,041,600	748,879	1,415,035	1,091	50,627	0	(1,465,235)	23,690,744
4106	1125	Cumberland Fire	B,D	2,727,836	54,483	122,978	(23)	160,124	0	(159,894)	2,585,255
4107	1305	Lincoln Rescue	C	1,886,765	58,393	97,606	20,186	105,225	0	(114,030)	1,843,695
4108	1344	New Shoreham Police	B,D	837,656	20,780	52,697	(7)	68,747	0	(49,065)	793,314
4109	1324	Middletown Police & Fire	C,D	651,828	122,419	155,210	(10)	0	9,146	(53,604)	866,698
4110	1715	Harrisville Fire District	C,D	474,886	21,490	42,674	(5)	0	0	(31,397)	507,648
4111	1705	Albion Fire District	C	297,696	13,991	41,680	(3)	20,326	0	(19,398)	313,640
Police & Fire Units Subtotal				\$ 311,666,924	\$ 6,623,016	\$ 14,594,044	\$ 285,848	\$ 11,110,651	\$ 194,291	\$ (18,747,343)	\$ 303,117,546
All MERS Units Total				\$ 1,188,951,350	\$ 22,730,391	\$ 33,415,530	\$ 622,673	\$ 55,483,969	\$ 1,983,936	\$ (69,210,931)	\$ 1,119,041,107

Explanation of Rate Changes

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

Old Unit Number	New Unit Number	Unit	June 30, 2007 Actuarial Valuation	Source of Rate Change						June 30, 2008 Actuarial Valuation
				Salary (Gains)/ Losses	Payroll (Gains)/ Losses	Other Non- Asset (Gains)/ Losses	Asset (Gains)/ Losses	Assumption Change	Provision Changes	
(1)	(2)	(3)	(4)	(5)	(6)	(5)	(6)	(7)	(8)	(9)
General Employee Units										
3002	1012 1019	Bristol	12.91%	0.17%	(0.09%)	(0.10%)	(0.57%)	-	-	12.32%
3003	1032 1033	Burrillville	4.67%	(0.17%)	(0.06%)	(0.69%)	(0.67%)	-	-	3.08%
3004	1052	Central Falls	8.91%	(0.20%)	0.69%	(0.73%)	(0.29%)	-	-	8.38%
3005	1082	Charlestown	10.73%	0.29%	(0.56%)	(0.13%)	(0.39%)	-	-	9.94%
3007	1112 1113	Cranston	5.22%	0.01%	(0.02%)	(0.46%)	(0.75%)	-	-	4.00%
3008	1122 1123	Cumberland	9.31%	0.23%	0.17%	(0.79%)	(0.36%)	-	-	8.56%
3009	1152 1153	East Greenwich	(21.18%)	(0.14%)	1.29%	(0.53%)	(2.38%)	4.48%	-	(18.46%)
3010	1162 1163	East Providence	16.04%	(0.23%)	0.28%	(0.30%)	(0.53%)	-	-	15.26%
3011	1183	Exeter/West Greenwich	9.95%	0.06%	0.01%	(0.46%)	(0.48%)	-	-	9.08%
3012	1192 1193	Foster	6.84%	0.24%	(0.11%)	0.31%	(0.36%)	-	-	6.92%
3013	1212 1213	Glocester	10.40%	(0.40%)	0.28%	(0.54%)	(0.41%)	-	-	9.33%
3014	1262	Hopkinton	3.95%	(0.15%)	0.40%	(0.24%)	(0.39%)	-	-	3.57%
3015	1272 1273	Jamestown	11.99%	(0.12%)	(0.44%)	(0.85%)	(0.40%)	-	-	10.18%
3016	1282 1283	Johnston	10.03%	(0.59%)	0.36%	(0.04%)	(0.57%)	-	-	9.19%
3017	1302 1303	Lincoln	6.55%	0.52%	(0.16%)	(0.03%)	(0.21%)	-	-	6.67%
3019	1322 1323	Middletown	10.73%	0.20%	(0.01%)	(1.04%)	(0.38%)	-	-	9.50%
3021	1352 1353 1354	Newport	14.51%	(0.03%)	(0.02%)	(0.01%)	(0.64%)	-	-	13.81%
3022	1342 1343	New Shoreham	8.77%	(0.23%)	0.15%	(1.01%)	(0.34%)	-	-	7.34%
3023	1372 1373	North Kingstown	12.06%	0.35%	0.35%	(0.79%)	(0.52%)	-	-	11.45%
3024	1382 1383	North Providence	0.56%	(0.04%)	(0.20%)	(0.60%)	(0.61%)	-	-	(0.89%)
3025	1392 1393	North Smithfield	1.42%	(0.29%)	(0.14%)	(0.09%)	(0.71%)	-	-	0.19%
3026	1412 1413	Pawtucket	10.74%	0.17%	(0.05%)	(1.02%)	(0.64%)	-	-	9.20%
3027	1515	Union Fire District	5.89%	(0.05%)	(0.35%)	0.46%	(0.21%)	-	-	5.74%
3029	1452	Richmond	6.74%	0.73%	0.00%	(0.45%)	(0.30%)	-	-	6.72%
3030	1462 1463	Scituate	12.16%	(0.06%)	0.20%	(0.67%)	(0.52%)	-	-	11.11%
3031	1472 1473	Smithfield	5.44%	0.14%	0.02%	(0.17%)	(0.64%)	-	-	4.79%
3032	1492 1493	South Kingstown	6.92%	(0.10%)	0.05%	(0.11%)	(0.56%)	-	-	6.20%
3033	1532 1533	Tiverton	2.87%	(0.53%)	(0.21%)	(0.46%)	(0.60%)	-	-	1.07%

Explanation of Rate Changes

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

Old Unit Number	New Unit Number	Unit	June 30, 2007 Actuarial Valuation	Source of Rate Change						June 30, 2008 Actuarial Valuation
				Salary (Gains)/ Losses	Payroll (Gains)/ Losses	Other Non-Asset (Gains)/ Losses	Asset (Gains)/ Losses	Assumption Change	Provision Changes	
(1)	(2)	(3)	(4)	(5)	(6)	(5)	(6)	(7)	(8)	(9)
3034	1562	Warren	15.62%	3.02%	(0.53%)	(4.49%)	(0.42%)	-	-	13.20%
3036	1622 1623	Westerly	52.49%	0.59%	(1.39%)	2.92%	(1.21%)	-	-	53.40%
3037	1602	West Greenwich	12.07%	0.25%	(0.28%)	0.09%	(0.32%)	-	-	11.81%
3039	1632 1633	Woonsocket	2.35%	(0.18%)	(0.23%)	(0.47%)	(0.80%)	-	-	0.67%
3040	1073	Chariho School District	10.30%	0.32%	0.04%	(0.73%)	(0.38%)	-	-	9.55%
3041	1203	Foster/Glocester	11.85%	(0.20%)	0.84%	0.37%	(0.49%)	-	-	12.37%
3043	1336	Narragansett Housing	7.52%	(0.28%)	0.04%	0.32%	(0.25%)	-	-	7.35%
3045	1098	Coventry Lighting District	(54.98%)	0.31%	0.63%	(5.55%)	(3.02%)	-	-	(62.61%)
3046	1242	Hope Valley Fire	2.86%	(0.23%)	(0.03%)	(0.40%)	(0.51%)	-	-	1.69%
3050	1156	East Greenwich Housing	9.31%	(0.78%)	(0.24%)	(0.40%)	(0.26%)	-	-	7.63%
3051	1116	Cranston Housing	3.61%	(0.20%)	0.00%	(0.28%)	(0.61%)	-	-	2.52%
3052	1166	East Providence Housing	3.95%	(0.38%)	(0.08%)	(1.42%)	(0.73%)	-	-	1.34%
3053	1416	Pawtucket Housing	(6.73%)	0.06%	(1.29%)	(0.98%)	(0.98%)	-	-	(9.92%)
3056	1126	Cumberland Housing	4.43%	(0.09%)	0.04%	0.84%	(0.39%)	-	-	4.83%
3057	1306	Lincoln Housing	9.25%	(0.27%)	0.24%	0.03%	(0.50%)	-	-	8.75%
3059	1016	Bristol Housing	(11.12%)	(0.63%)	(0.83%)	(0.33%)	(0.94%)	-	-	(13.85%)
3065	1036	Burrillville Housing	(1.93%)	(0.78%)	0.90%	(1.68%)	(0.81%)	-	-	(4.30%)
3066	1386	North Providence Housing	23.90%	(0.19%)	0.16%	(2.20%)	(0.48%)	-	-	21.19%
3067	1177	East Smithfield Water	2.59%	(0.62%)	(0.20%)	(0.65%)	(1.00%)	-	-	0.12%
3068	1227	Greenville Water	(3.16%)	(0.40%)	(0.54%)	(0.05%)	(0.78%)	-	-	(4.93%)
3069	1356	Newport Housing	9.68%	(0.10%)	0.76%	0.33%	(0.91%)	-	-	9.76%
3071	1566	Warren Housing	6.66%	(0.22%)	(0.02%)	(5.52%)	(0.85%)	-	-	0.05%
3072	1286	Johnston Housing	3.16%	(0.44%)	(0.06%)	0.22%	(0.47%)	-	-	2.41%
3077	1538	Tiverton Local 2670A	5.76%	(0.28%)	0.01%	0.84%	(0.55%)	-	-	5.78%
3078	1002 1003 1007 1009	Barrington COLA	2.90%	(0.08%)	(0.04%)	0.42%	(0.66%)	-	-	2.54%
3079	1096	Coventry Housing	3.24%	0.02%	(0.11%)	(0.08%)	(0.32%)	-	-	2.75%
3080	1496	South Kingstown Housing	6.43%	0.03%	0.00%	(3.09%)	(0.14%)	-	-	3.23%
3081	1403	N. RI Collaborative Adm. Services	9.48%	0.16%	0.74%	(0.37%)	(0.21%)	-	-	9.80%
3083	1616	West Warwick Housing	8.08%	(0.43%)	0.04%	0.02%	(0.53%)	-	-	7.18%

Municipal Employees' Retirement System
 State of Rhode Island
 Actuarial Valuation – June 30, 2008

Table 5

Explanation of Rate Changes

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

Old Unit Number	New Unit Number	Unit	June 30, 2007 Actuarial Valuation (4)	Source of Rate Change				Assumption Change (7)	Provision Changes (8)	June 30, 2008 Actuarial Valuation (9)
				Salary (Gains)/ Losses (5)	Payroll (Gains)/ Losses (6)	Other Non-Asset (Gains)/ Losses (5)	Asset (Gains)/ Losses (6)			
(1)	(2)	(3)	(4)	(5)	(6)	(5)	(6)	(7)	(8)	(9)
3084	1476	Smithfield Housing	(2.24%)	0.16%	(2.01%)	(0.57%)	(0.54%)	-	-	(5.20%)
3094	1478	Smithfield COLA	5.56%	(0.33%)	0.00%	0.85%	(0.48%)	-	-	5.60%
3096	1056	Central Falls Housing	13.03%	(0.02%)	(0.61%)	0.10%	(0.25%)	-	-	12.25%
3098	1293	Lime Rock Administrative Services	5.11%	0.53%	(0.10%)	1.15%	(0.35%)	-	-	6.34%
3099	1063	Central Falls Schools	8.13%	0.65%	0.11%	0.02%	(0.37%)	-	-	8.54%
3100	1023	Bristol/Warren Schools	10.36%	(0.05%)	0.13%	0.49%	(0.54%)	-	-	10.39%
3101	1157 1158	Town of E. Greenwich-COLA-NCE	7.00%	(0.29%)	0.02%	0.01%	(0.47%)	-	-	6.27%
3102	1712	Harrisville Fire District (ADMIN)	8.94%	(0.52%)	0.12%	0.35%	(0.24%)	-	-	8.65%
General Employee Units Averages			8.50%	(0.01%)	0.05%	(0.51%)	(0.43%)	(0.09%)	-	7.52%
Police & Fire Units										
4016	1285	Johnston Fire	8.99%	(0.17%)	0.01%	(0.43%)	(0.16%)	-	-	8.24%
4029	1454	Richmond Police	11.14%	0.24%	(0.34%)	(0.37%)	(0.17%)	-	-	10.50%
4031	1474	Smithfield Police	21.37%	(0.18%)	0.02%	(0.14%)	(0.22%)	-	-	20.85%
4042	1555	Valley Falls Fire	7.96%	(0.81%)	0.02%	1.14%	(0.63%)	-	-	7.68%
4047	1395 1435	North Smithfield Voluntary Fire	14.75%	(0.19%)	0.01%	(0.56%)	(0.71%)	-	-	13.30%
4050	1155	East Greenwich Fire	18.28%	0.43%	0.12%	(0.45%)	(0.70%)	-	-	17.68%
4054	1154	East Greenwich Police	13.09%	(0.34%)	0.00%	(0.25%)	(1.00%)	-	-	11.50%
4055	1375	North Kingstown Fire	17.52%	(0.99%)	0.14%	(0.61%)	(0.97%)	-	-	15.09%
4056	1374	North Kingstown Police	21.00%	(0.97%)	0.33%	(0.53%)	(0.96%)	-	-	18.87%
4058	1385	North Providence Fire	11.45%	0.25%	(0.13%)	(1.14%)	(0.76%)	-	-	9.67%
4059	1008	Barrington Fire (25)	15.49%	0.56%	(0.39%)	(0.39%)	(0.16%)	-	-	15.11%
4060	1004	Barrington Police	26.74%	0.15%	1.11%	1.50%	(0.90%)	-	-	28.60%

Explanation of Rate Changes

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

Old Unit Number	New Unit Number	Unit	June 30, 2007 Actuarial Valuation	Source of Rate Change						June 30, 2008 Actuarial Valuation
				Salary (Gains)/ Losses	Payroll (Gains)/ Losses	Other Non- Asset (Gains)/ Losses	Asset (Gains)/ Losses	Assumption Change	Provision Changes	
(1)	(2)	(3)	(4)	(5)	(6)	(5)	(6)	(7)	(8)	(9)
4061	1005	Barrington Fire (20)	7.07%	(0.09%)	(0.75%)	1.68%	(2.74%)	-	-	5.17%
4062	1564 1565	Warren Police & Fire	23.71%	0.58%	0.06%	0.70%	(0.87%)	-	-	24.18%
4063	1494	South Kingstown Police	12.24%	(0.39%)	0.00%	1.94%	(1.19%)	-	-	12.60%
4073	1464	Scituate Police	0.00%	0.00%	0.00%	0.00%	#N/A	-	-	0.00%
4076	1394	North Smithfield Police	13.20%	(0.35%)	0.12%	0.99%	(1.05%)	-	-	12.91%
4077	1534	Tiverton Fire	9.18%	0.93%	0.15%	(0.39%)	(0.84%)	-	-	9.03%
4082	1194	Foster Police	16.82%	0.00%	0.11%	2.31%	(0.96%)	-	-	18.28%
4085	1634	Woonsocket Police	13.22%	(1.28%)	0.46%	2.72%	(0.94%)	-	-	14.18%
4086	1084	Charlestown Police	23.52%	0.20%	0.60%	0.49%	(0.78%)	-	-	24.03%
4087	1264	Hopkinton Police	18.43%	(0.38%)	0.02%	(0.49%)	(0.68%)	-	-	16.90%
4088	1214	Glocester Police	18.38%	(0.85%)	(0.05%)	(0.71%)	(0.69%)	-	-	16.08%
4089	1604	West Greenwich Police/Rescue	18.79%	(0.59%)	0.32%	(0.63%)	(0.64%)	-	-	17.25%
4090	1034	Burrillville Police	12.23%	(0.33%)	0.02%	(0.86%)	(0.89%)	-	-	10.17%
4091	1148	Cumberland Rescue	8.82%	(0.91%)	(0.45%)	0.58%	(0.66%)	-	-	7.38%
4093	1635	Woonsocket Fire	11.93%	0.06%	0.01%	(0.70%)	(0.62%)	-	-	10.68%
4094	1015	Bristol Fire	(6.21%)	(0.08%)	(0.18%)	0.42%	(0.96%)	-	-	(7.01%)
4095	1135	Cumberland Hill Fire	19.83%	(0.32%)	(0.01%)	(0.30%)	(0.83%)	-	-	18.37%
4096	1014	Bristol Police	11.03%	0.10%	(0.02%)	(1.03%)	(0.27%)	-	-	9.81%
4098	1095	Coventry Fire	10.87%	(0.11%)	(0.35%)	0.36%	(0.55%)	-	-	10.22%
4099	1505	South Kingstown EMT	6.08%	(0.45%)	(0.22%)	(1.63%)	(0.50%)	-	-	3.28%
4101	1365	North Cumberland	11.30%	(0.17%)	0.01%	(1.48%)	(0.60%)	-	11.55%	20.61%
4102	1045 1235 1525 1585	Central Coventry Fire	19.33%	0.83%	(0.70%)	0.61%	(0.44%)	-	-	19.63%
4103	1255	Hopkins Hill Fire	9.94%	(0.24%)	(0.01%)	(0.03%)	(0.28%)	-	6.88%	16.26%
4104	1114	Cranston Police	15.30%	(0.70%)	0.05%	0.06%	(0.38%)	6.62%	-	20.95%
4105	1115	Cranston Fire	14.37%	(0.13%)	0.05%	(0.45%)	(0.53%)	7.26%	-	20.57%
4106	1125	Cumberland Fire	20.70%	(0.46%)	1.10%	1.39%	(0.72%)	-	-	22.01%
4107	1305	Lincoln Rescue	15.17%	0.35%	(0.31%)	2.78%	(0.41%)	-	-	17.58%

Explanation of Rate Changes

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

Old Unit Number	New Unit Number	Unit	June 30, 2007 Actuarial Valuation	Source of Rate Change				Assumption Change	Provision Changes	June 30, 2008 Actuarial Valuation
				Salary (Gains)/ Losses	Payroll (Gains)/ Losses	Other Non- Asset (Gains)/ Losses	Asset (Gains)/ Losses			
(1)	(2)	(3)	(4)	(5)	(6)	(5)	(6)	(7)	(8)	(9)
4108	1344	New Shoreham Police	26.63%	(0.01%)	(0.24%)	(2.20%)	(0.57%)	-	-	23.61%
4109	1324	Middletown Police & Fire	13.67%	(0.08%)	0.06%	(0.43%)	(0.11%)	-	-	13.11%
4110	1715	Harrisville Fire District	13.69%	(0.66%)	0.02%	(0.55%)	(0.35%)	-	-	12.15%
4111	1705	Albion Fire District	20.75%	(0.30%)	4.25%	(2.16%)	(0.39%)	-	-	22.15%
		Police & Fire Units Averages	14.85%	(0.27%)	0.02%	0.03%	(0.67%)	1.30%	0.16%	15.42%
		All MERS Units Averages	10.00%	(0.07%)	0.07%	(0.38%)	(0.49%)	0.24%	0.04%	9.41%

Units with no active members are excluded from this exhibit

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

	<u>Year Ending June 30, 2008</u>		
1. Market value of assets at beginning of year	\$ 1,188,951,350		
2. Net new investments			
a. Contributions	\$ 56,768,594		
b. Benefits paid	<u>(57,467,905)</u>		
c. Subtotal	(699,311)		
3. Market value of assets at end of year	\$ 1,119,041,107		
4. Net earnings (3-1-2) (includes misc revenues)	\$ (69,210,932)		
5. Assumed investment return rate	8.25%		
6. Expected return	\$ 98,059,640		
7. Excess return (4-6)	\$ (167,270,572)		
8. Excess return on assets as of 06/30/2008:			
<u>Period End</u>	<u>Excess Return</u>	<u>Percent Deferred</u>	<u>Deferred Amount</u>
(1)	(2)	(3)	(4)
June 30, 2004	\$ 76,977,326	0%	\$ 0
June 30, 2005	25,656,951	20%	5,131,390
June 30, 2006	31,046,025	40%	12,418,410
June 30, 2007	101,234,264	60%	60,740,558
June 30, 2008	(167,270,572)	80%	<u>(133,816,456)</u>
			\$ (55,526,098)
9. Actuarial value of assets as of June 30, 2008 (Item 3 - Item 8)	\$ 1,174,567,205		
10. Ratio of actuarial value to market value			105.0%

History of Investment Return Rates

Year Ending June 30 of (1)	Market (2)	Actuarial (3)
1995	17.0%	10.2%
1996	13.7%	13.7%
1997	19.1%	19.1%
1998	16.1%	16.5%
1999	10.1%	14.7%
2000	9.1%	8.8%
2001	-11.0%	4.9%
2002	-8.4%	0.9%
2003	2.5%	-0.7%
2004	19.2%	0.7%
2005	11.4%	2.3%
2006	11.7%	7.7%
2007	18.3%	12.9%
2008	-5.8%	10.5%
Average Returns:		
Last 5 Years	10.6%	6.7%
Last 10 Years	5.2%	6.1%

Schedule of Funding Progress

Old Unit Number	New Unit Number	Unit	Code (s)	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL) (5) - (4)	Funded Ratio (4)/(5)	Annual Covered Payroll	UAAL as % of Payroll (7)/(9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
General Employee Units									
3002	1012 1019	Bristol	B	14,897,937	19,515,448	4,617,511	76.3%	4,135,097	111.7%
3003	1032 1033	Burrillville	C	23,164,763	20,971,570	(2,193,192)	110.5%	5,420,713	(40.5%)
3004	1052	Central Falls		4,950,358	6,406,664	1,456,306	77.3%	2,683,177	54.3%
3005	1082	Charlestown	C	3,953,467	5,118,158	1,164,691	77.2%	1,594,344	73.1%
3007	1112 1113	Cranston	B	129,012,096	120,962,612	(8,049,484)	106.7%	26,974,527	(29.8%)
3008	1122 1123	Cumberland		18,381,290	23,145,827	4,764,537	79.4%	8,064,217	59.1%
3009	1152 1153	East Greenwich	C	9,233,655	5,444,173	(3,789,482)	169.6%	1,172,412	(323.2%)
3010	1162 1163	East Providence	B	63,830,490	90,948,017	27,117,526	70.2%	18,754,676	144.6%
3011	1183	Exeter/West Greenwich	B	6,643,400	7,461,298	817,898	89.0%	2,174,905	37.6%
3012	1192 1193	Foster		2,777,808	3,088,526	310,718	89.9%	1,196,184	26.0%
3013	1212 1213	Glocester	C	5,888,673	7,125,561	1,236,888	82.6%	2,241,463	55.2%
3014	1262	Hopkinton	C	3,737,653	3,081,573	(656,080)	121.3%	1,488,593	(44.1%)
3015	1272 1273	Jamestown	C	8,201,795	10,434,577	2,232,782	78.6%	3,261,883	68.5%
3016	1282 1283	Johnston	C	31,206,540	35,051,692	3,845,152	89.0%	8,570,160	44.9%
3017	1302 1303	Lincoln		1,338,095	1,542,400	204,305	86.8%	1,016,081	20.1%
3019	1322 1323	Middletown	C	11,821,298	14,721,456	2,900,159	80.3%	4,892,626	59.3%
3021	352 1353 1354	Newport	B	46,324,266	60,565,718	14,241,452	76.5%	11,396,167	125.0%
3022	1342 1343	New Shoreham	B	4,254,010	4,740,547	486,536	89.7%	1,972,982	24.7%
3023	1372 1373	North Kingstown	C	38,759,572	48,275,593	9,516,021	80.3%	11,762,252	80.9%
3024	1382 1383	North Providence		27,486,433	22,054,179	(5,432,254)	124.6%	7,070,071	(76.8%)
3025	1392 1393	North Smithfield	B	13,716,901	10,980,041	(2,736,861)	124.9%	2,983,170	(91.7%)
3026	1412 1413	Pawtucket	C	92,550,954	105,941,476	13,390,522	87.4%	22,438,023	59.7%
3027	1515	Union Fire District		300,114	348,819	48,705	86.0%	227,750	21.4%
3029	1452	Richmond		1,401,482	1,504,324	102,842	93.2%	742,882	13.8%
3030	1462 1463	Scituate	B	9,340,824	11,375,726	2,034,901	82.1%	2,846,882	71.5%
3031	1472 1473	Smithfield	C	11,453,848	10,494,243	(959,605)	109.1%	2,793,698	(34.3%)
3032	1492 1493	South Kingstown	B	42,087,185	42,973,921	886,736	97.9%	11,911,417	7.4%
3033	1532 1533	Tiverton	C	11,103,716	8,936,781	(2,166,935)	124.2%	2,880,223	(75.2%)

Schedule of Funding Progress

Old Unit Number	New Unit Number	Unit	Code (s)	Actuarial Value of Assets (AVA) (5)	Actuarial Accrued Liability (AAL) (6)	Unfunded		Annual Covered Payroll (9)	UAAL as % of Payroll (7)/(9) (10)
						Actuarial Liability (UAAL) (5) - (4)	Funded Ratio (4)/(5) (8)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
3034	1562	Warren	C	4,638,180	6,818,297	2,180,118	68.0%	1,712,824	127.3%
3036	1622 1623	Westerly		492,478	979,933	487,455	50.3%	64,034	761.2%
3037	1602	West Greenwich	C	2,027,612	2,840,983	813,371	71.4%	1,002,521	81.1%
3039	1632 1633	Woonsocket	B	65,679,230	56,198,983	(9,480,246)	116.9%	12,930,655	(73.3%)
3040	1073	Chariho School District	C	11,805,862	14,496,692	2,690,830	81.4%	4,867,400	55.3%
3041	1203	Foster/Glocester	B	4,743,575	6,013,460	1,269,885	78.9%	1,486,300	85.4%
3042	1528	Tiogue Fire & Lighting	C,5	39,344	5,314	(34,030)	740.4%	0	-
3043	1336	Narragansett Housing	C	269,791	331,594	61,804	81.4%	168,611	36.7%
3045	1098	Coventry Lighting District	C	1,462,026	798,339	(663,687)	183.1%	76,566	(866.8%)
3046	1242	Hope Valley Fire	C	357,918	297,244	(60,674)	120.4%	110,414	(55.0%)
3050	1156	East Greenwich Housing	C	862,054	955,662	93,608	90.2%	524,591	17.8%
3051	1116	Cranston Housing	C	3,581,409	3,126,868	(454,541)	114.5%	923,249	(49.2%)
3052	1166	East Providence Housing	B	2,737,774	2,220,828	(516,946)	123.3%	591,364	(87.4%)
3053	1416	Pawtucket Housing	B	11,753,986	7,688,590	(4,065,396)	152.9%	1,885,835	(215.6%)
3056	1126	Cumberland Housing	C	1,207,504	1,141,474	(66,031)	105.8%	475,242	(13.9%)
3057	1306	Lincoln Housing	B	1,387,675	1,434,240	46,564	96.8%	432,734	10.8%
3059	1016	Bristol Housing		1,866,352	1,092,682	(773,670)	170.8%	312,602	(247.5%)
3065	1036	Burrillville Housing	B	979,120	710,448	(268,672)	137.8%	188,847	(142.3%)
3066	1386	North Providence Housing	B	813,191	1,382,291	569,099	58.8%	263,367	216.1%
3067	1177	East Smithfield Water	C	807,583	701,185	(106,398)	115.2%	125,224	(85.0%)
3068	1227	Greenville Water	B	1,036,757	731,347	(305,410)	141.8%	207,682	(147.1%)
3069	1356	Newport Housing	C	6,893,915	7,463,093	569,178	92.4%	1,183,222	48.1%
3071	1566	Warren Housing	B	1,261,102	1,030,021	(231,081)	122.4%	235,038	(98.3%)
3072	1286	Johnston Housing		1,018,084	879,361	(138,723)	115.8%	340,632	(40.7%)
3077	1538	Tiverton Local 2670A	C	3,266,488	3,206,245	(60,243)	101.9%	927,502	(6.5%)
3078	2 1003 1007 1009	Barrington COLA	C	29,214,839	25,443,008	(3,771,831)	114.8%	6,921,016	(54.5%)
3079	1096	Coventry Housing		815,421	703,783	(111,637)	115.9%	396,523	(28.2%)
3080	1496	South Kingstown Housing	C	193,073	79,065	(114,008)	244.2%	214,464	(53.2%)
3081	1403	N. RI Collaborative Adm. Services	C	2,096,897	2,835,305	738,408	74.0%	1,582,588	46.7%
3083	1616	West Warwick Housing	B	1,185,020	1,289,570	104,550	91.9%	352,581	29.7%

Schedule of Funding Progress

Old Unit Number	New Unit Number	Unit	Code (s)	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL) (5) - (4)	Funded Ratio (4)/(5)	Annual Covered Payroll	UAAL as % of Payroll (7)/(9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
3084	1476	Smithfield Housing		273,110	192,498	(80,612)	141.9%	79,964	(100.8%)
3094	1478	Smithfield COLA	C	11,371,370	11,219,177	(152,193)	101.4%	3,711,592	(4.1%)
3096	1056	Central Falls Housing	C	1,470,612	2,284,151	813,539	64.4%	907,482	89.6%
3098	1293	Lime Rock Administrative Services		180,130	212,535	32,405	84.8%	82,430	39.3%
3099	1063	Central Falls Schools	C	10,993,164	12,116,303	1,123,139	90.7%	4,629,464	24.3%
3100	1023	Bristol/Warren Schools	B	14,630,763	17,096,875	2,466,112	85.6%	4,217,402	58.5%
3101	1157 1158	Town of E. Greenwich-COLA-NCE	C	14,828,052	15,059,966	231,913	98.5%	5,017,084	4.6%
3102	1712	Harrisville Fire District (ADMIN)	C	297,946	399,238	101,292	74.6%	192,853	52.5%
3103	1702	Albion Fire District (ADMIN)	C	51,129	73,186	22,057	69.9%	0	-
General Employee Units Subtotal				\$ 856,409,161	\$ 915,012,135	\$ 58,602,974	93.6%	\$ 232,008,474	25.3%
Police & Fire Units									
4016	1285	Johnston Fire	D	1,711,089	1,599,225	(111,863)	107.0%	1,663,174	(6.7%)
4029	1454	Richmond Police	6	558,126	710,552	152,426	78.5%	503,488	30.3%
4031	1474	Smithfield Police	C,D	3,379,943	6,647,186	3,267,243	50.8%	2,376,903	137.5%
4042	1555	Valley Falls Fire	D	2,996,158	2,890,214	(105,944)	103.7%	733,799	(14.4%)
4047	1395 1435	North Smithfield Voluntary Fire	B,D	4,796,690	5,011,755	215,065	95.7%	1,046,808	20.5%
4050	1155	East Greenwich Fire	C,D	9,801,221	11,668,363	1,867,142	84.0%	2,176,092	85.8%
4054	1154	East Greenwich Police	C,D	12,227,676	12,050,993	(176,684)	101.5%	1,914,960	(9.2%)
4055	1375	North Kingstown Fire	C,D	25,905,800	28,131,671	2,225,871	92.1%	4,151,820	53.6%
4056	1374	North Kingstown Police	C,D	16,562,135	19,523,948	2,961,814	84.8%	2,713,004	109.2%
4058	1385	North Providence Fire	D	27,521,038	28,699,306	1,178,267	95.9%	5,636,596	20.9%
4059	1008	Barrington Fire (25)	C	696,767	1,099,864	403,096	63.4%	658,140	61.2%
4060	1004	Barrington Police	C,D	7,143,227	10,162,172	3,018,945	70.3%	1,236,139	244.2%
4061	1005	Barrington Fire (20)	C,D	9,056,983	8,596,055	(460,929)	105.4%	521,040	(88.5%)
4062	1564 1565	Warren Police & Fire	C,D	7,652,845	10,243,636	2,590,791	74.7%	1,381,976	187.5%
4063	1494	South Kingstown Police	B,1	21,285,185	21,490,986	205,801	99.0%	2,780,711	7.4%
4073	1464	Scituate Police	5	177,930	34,477	(143,453)	516.1%	0	-

Schedule of Funding Progress

Old Unit Number	New Unit Number	Unit	Code (s)	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded		Annual Covered Payroll	UAAL as % of Payroll (7)/(9)
						Actuarial Liability (UAAL) (5) - (4)	Funded Ratio (4)/(5)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
4076	1394	North Smithfield Police	C,D	7,833,344	7,993,420	160,076	98.0%	1,170,908	13.7%
4077	1534	Tiverton Fire	C,D	8,421,582	7,599,400	(822,183)	110.8%	1,581,663	(52.0%)
4082	1194	Foster Police	C,D	2,119,671	2,398,430	278,759	88.4%	337,127	82.7%
4085	1634	Woonsocket Police	C,D	29,010,871	30,776,550	1,765,679	94.3%	4,847,955	36.4%
4086	1084	Charlestown Police	C,D	5,590,888	7,551,518	1,960,630	74.0%	1,127,222	173.9%
4087	1264	Hopkinton Police	C,D,6	3,882,932	4,320,427	437,495	89.9%	893,806	48.9%
4088	1214	Glocester Police	C,D	4,261,420	4,841,450	580,031	88.0%	967,190	60.0%
4089	1604	West Greenwich Police/Rescue	C,D	2,429,034	2,837,958	408,924	85.6%	590,214	69.3%
4090	1034	Burrillville Police	C,D,6	7,302,211	7,039,876	(262,335)	103.7%	1,286,345	(20.4%)
4091	1148	Cumberland Rescue	C,D	3,846,676	3,218,249	(628,426)	119.5%	905,218	(69.4%)
4093	1635	Woonsocket Fire	C,D	25,287,421	24,373,728	(913,693)	103.7%	6,362,891	(14.4%)
4094	1015	Bristol Fire	D	272,839	166,910	(105,929)	163.5%	44,477	(238.2%)
4095	1135	Cumberland Hill Fire	C,D	3,609,916	4,232,166	622,250	85.3%	681,474	91.3%
4096	1014	Bristol Police	C,D	2,429,990	2,017,048	(412,942)	120.5%	1,377,308	(30.0%)
4098	1095	Coventry Fire	D	2,358,245	2,536,824	178,580	93.0%	673,716	26.5%
4099	1505	South Kingstown EMT	C,D	2,153,528	1,235,410	(918,118)	174.3%	656,978	(139.7%)
4101	1365	North Cumberland	C,D	2,810,798	3,732,979	922,181	75.3%	736,520	125.2%
4102	5 1235 1525 1585	Central Coventry Fire	C,D	5,317,419	7,468,576	2,151,157	71.2%	1,893,253	113.6%
4103	1255	Hopkins Hill Fire	C,D	865,632	1,107,061	241,429	78.2%	481,563	50.1%
4104	1114	Cranston Police	C,D,4	14,761,420	18,518,471	3,757,051	79.7%	6,130,562	61.3%
4105	1115	Cranston Fire	C,D,4	24,866,263	29,342,709	4,476,446	84.7%	7,440,104	60.2%
4106	1125	Cumberland Fire	B,D	2,713,534	3,517,309	803,775	77.1%	592,838	135.6%
4107	1305	Lincoln Rescue	C	1,935,178	2,764,237	829,059	70.0%	738,021	112.3%
4108	1344	New Shoreham Police	B,D	832,678	1,199,366	366,688	69.4%	223,579	164.0%
4109	1324	Middletown Police & Fire	C,D	909,703	822,764	(86,939)	110.6%	1,335,759	(6.5%)

Municipal Employees' Retirement System
 State of Rhode Island
 Actuarial Valuation – June 30, 2008

Table 7

Schedule of Funding Progress

Old Unit Number	New Unit Number	Unit	Code (s)	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded		Annual Covered Payroll	
						Actuarial Liability (UAAL)	Funded Ratio (4)/(5)		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
4110	1715	Harrisville Fire District	C,D	532,837	542,150	9,313	98.3%	238,782	3.9%
4111	1705	Albion Fire District	C	329,203	559,307	230,104	58.9%	133,423	172.5%
Police & Fire Units Subtotal				\$ 318,158,043	\$ 351,274,694	\$ 33,116,651	90.6%	\$ 72,943,546	45.4%
All MERS Units Total				1,174,567,205	1,266,286,829	91,719,624	92.8%	304,952,020	30.1%

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 in 2007 valuation.

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

6 - Special plan provisions apply to this unit.

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

3 - Closed unit.

5 - This unit has no active members.

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

Item (1)	June 30, 2008 (2)	June 30, 2007 (3)
Cash & cash equivalents	5.7%	6.7%
U.S. government & agency securities	15.9%	12.5%
Corporate bonds & notes	7.1%	8.9%
Foreign bonds	0.0%	0.0%
U.S. equity securities	39.6%	41.6%
Foreign equity securities	18.2%	19.8%
Real estate, venture capital, other	13.5%	10.5%
Total investments	100.0%	100.0%

Municipal Employees' Retirement System
 State of Rhode Island
 Actuarial Valuation – June 30, 2008

Table 9

Active Member Statistics

Old Unit Number	New Unit Number	Unit	Code(s)	Active Employees as of June 30, 2008				Active Employees as of June 30, 2007			
				Number	Average Age	Average Service	Average Salary	Number	Average Age	Average Service	Average Salary
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
General Employee Units											
3002	1012 1019	Bristol	B	102	46.0	12.0	40,540	101	47.7	11.9	38,843
3003	1032 1033	Burrillville	C	151	50.9	12.4	35,899	155	50.4	11.8	34,374
3004	1052	Central Falls		75	47.9	8.6	35,776	85	47.2	7.6	35,777
3005	1082	Charlestown	C	38	45.9	11.2	41,956	34	45.5	11.7	41,228
3007	1112 1113	Cranston	B	861	51.7	11.5	31,329	879	51.5	10.7	29,807
3008	1122 1123	Cumberland		256	51.0	10.3	31,501	267	51.0	9.3	29,943
3009	1152 1153	East Greenwich	C	17	49.5	11.8	68,965	16	51.4	11.4	66,610
3010	1162 1163	East Providence	B	475	49.6	11.1	39,484	482	49.8	10.5	38,172
3011	1183	Exeter/West Greenwich	B	76	51.7	10.5	28,617	77	51.3	9.9	27,183
3012	1192 1193	Foster		42	51.1	9.8	28,481	41	50.5	10.2	26,883
3013	1212 1213	Glocester	C	71	50.4	11.7	31,570	72	50.6	11.1	31,727
3014	1262	Hopkinton	C	36	50.3	8.4	41,350	32	52.2	8.9	39,354
3015	1272 1273	Jamestown	C	88	49.5	9.7	37,067	80	49.8	10.4	36,361
3016	1282 1283	Johnston	C	282	50.9	9.7	30,391	291	51.4	9.2	31,056
3017	1302 1303	Lincoln		20	49.3	6.9	50,804	20	48.4	5.9	44,499
3019	1322 1323	Middletown	C	127	50.1	12.4	38,525	127	49.8	12.3	36,804
3021	1352 1353 1354	Newport	B	290	49.7	11.8	39,297	294	49.8	11.7	37,122
3022	1342 1343	New Shoreham	B	55	48.0	7.8	35,872	59	48.9	6.9	34,349
3023	1372 1373	North Kingstown	C	370	51.5	11.6	31,790	380	51.5	11.3	31,296
3024	1382 1383	North Providence		250	49.7	10.1	28,280	257	49.8	9.8	27,406
3025	1392 1393	North Smithfield	B	93	50.2	9.0	32,077	95	49.3	8.4	30,731
3026	1412 1413	Pawtucket	C	636	48.7	11.9	35,280	626	49.1	11.4	34,030
3027	1515	Union Fire District		6	52.3	10.2	37,958	5	53.0	11.0	36,873
3029	1452	Richmond		23	55.0	7.6	32,299	26	51.0	6.1	27,289
3030	1462 1463	Scituate	B	92	52.0	10.0	30,944	100	51.1	8.8	28,197
3031	1472 1473	Smithfield	C	85	50.7	9.8	32,867	86	50.4	8.7	30,764
3032	1492 1493	South Kingstown	B	366	50.2	11.5	32,545	378	50.2	10.6	31,325
3033	1532 1533	Tiverton	C	87	49.6	9.1	33,106	84	50.7	8.9	34,277
3034	1562	Warren	C	42	44.1	9.3	40,782	43	44.9	9.3	36,290
3036	1622 1623	Westerly		1	57.3	26.0	64,034	1	56.3	24.9	60,043
3037	1602	West Greenwich	C	26	50.2	11.9	38,559	25	49.3	11.3	36,847
3039	1632 1633	Woonsocket	B	399	51.0	11.7	32,408	421	50.9	11.0	30,943
3040	1073	Chariho School District	C	169	47.7	9.7	28,801	175	48.7	9.1	26,859
3041	1203	Foster/Glocester	B	51	48.8	8.7	29,143	56	50.6	9.2	28,934
3042	1528	Tiogue Fire & Lighting	C,5	---	---	---	---	---	---	---	---
3043	1336	Narragansett Housing	C	4	45.7	9.2	42,153	4	44.7	8.2	40,925
3045	1098	Coventry Lighting District	C	2	67.3	34.0	38,283	2	66.3	33.0	36,368
3046	1242	Hope Valley Fire	C	3	54.8	16.2	36,805	3	53.8	15.2	35,560
3050	1156	East Greenwich Housing	C	11	49.0	9.2	47,690	9	47.8	10.1	48,832
3051	1116	Cranston Housing	C	20	52.8	12.9	46,162	20	52.8	11.9	44,325
3052	1166	East Providence Housing	B	13	58.0	12.9	45,490	13	57.1	11.9	44,200
3053	1416	Pawtucket Housing	B	39	51.1	13.2	48,355	43	50.5	12.3	45,795
3056	1126	Cumberland Housing	C	12	46.5	8.5	39,604	11	47.5	7.5	38,775
3057	1306	Lincoln Housing	B	11	55.1	7.1	39,339	12	54.4	6.2	42,213
3059	1016	Bristol Housing		9	48.8	9.4	34,734	9	45.7	8.6	34,879
3065	1036	Burrillville Housing	B	5	49.8	12.0	37,769	4	53.9	13.4	41,642
3066	1386	North Providence Housing	B	6	52.5	9.3	43,895	7	50.7	8.3	36,491

Municipal Employees' Retirement System
 State of Rhode Island
 Actuarial Valuation – June 30, 2008

Table 9

Active Member Statistics

Old Unit Number	New Unit Number	Unit	Code(s)	Active Employees as of June 30, 2008				Active Employees as of June 30, 2007			
				Number	Average Age	Average Service	Average Salary	Number	Average Age	Average Service	Average Salary
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
3067	1177	East Smithfield Water	C	3	44.9	10.3	41,741	3	43.9	9.3	41,452
3068	1227	Greenville Water	B	4	47.8	10.1	51,921	4	47.0	9.1	52,350
3069	1356	Newport Housing	C	28	51.0	11.3	42,258	32	52.0	11.1	42,495
3071	1566	Warren Housing	B	6	57.5	11.4	39,173	6	56.5	10.4	37,610
3072	1286	Johnston Housing		8	54.9	15.3	42,579	8	53.9	14.3	41,692
3077	1538	Tiverton Local 2670A	C	27	50.7	9.5	34,352	27	50.2	10.2	34,390
3078	02 1003 1007 1C	Barrington COLA	C	187	51.2	11.0	37,011	188	51.0	10.8	35,671
3079	1096	Coventry Housing		11	47.2	6.8	36,048	12	47.6	5.5	33,754
3080	1496	South Kingstown Housing	C	1	51.7	9.0	45,715	5	45.1	3.6	40,087
3081	1403	N. RI Collaborative Adm. Services	C	58	49.2	7.1	27,286	78	48.4	5.4	24,046
3083	1616	West Warwick Housing	B	8	58.2	15.9	44,073	8	57.2	14.9	42,898
3084	1476	Smithfield Housing		2	45.2	17.3	39,982	3	47.2	11.7	35,033
3094	1478	Smithfield COLA	C	83	48.6	10.2	44,718	82	50.0	10.5	44,188
3096	1056	Central Falls Housing	C	21	47.8	7.1	43,213	20	46.4	5.9	39,993
3098	1293	Lime Rock Administrative Services		2	52.3	17.2	41,215	2	51.3	15.0	38,303
3099	1063	Central Falls Schools	C	152	50.6	8.6	30,457	167	50.1	7.8	27,938
3100	1023	Bristol/Warren Schools	B	135	51.7	10.8	31,240	140	51.1	10.2	29,622
3101	1157 1158	Town of E. Greenwich-COLA-NCE	C	164	50.1	10.0	30,592	166	50.0	9.5	29,595
3102	1712	Harrisville Fire District (ADMIN)	C	4	45.2	10.8	48,213	4	44.2	9.8	47,461
3103	1702	Albion Fire District (ADMIN)	C	---	---	---	---	1	49.9	15.1	37,194
All General Employee Units				6,797	50.3	10.9	\$ 34,109	6,963	50.3	10.3	\$ 32,719
Police & Fire Units											
4016	1285	Johnston Fire	D	32	37.7	5.2	51,974	31	38.3	4.4	50,504
4029	1454	Richmond Police	6	12	34.8	5.3	41,957	11	34.2	4.7	\$ 38,385
4031	1474	Smithfield Police	C,D	40	35.2	10.4	59,423	40	36.3	9.4	56,744
4042	1555	Valley Falls Fire	D	15	40.5	12.0	48,920	14	42.0	13.8	48,935
4047	1395 1435	North Smithfield Voluntary Fire	B,D	21	40.7	9.7	49,848	21	41.5	8.9	47,950
4050	1155	East Greenwich Fire	C,D	40	39.2	10.6	54,402	41	41.1	10.1	51,521
4054	1154	East Greenwich Police	C,D	33	40.9	12.1	58,029	33	40.6	11.0	55,822
4055	1375	North Kingstown Fire	C,D	80	41.4	14.1	51,898	80	41.5	13.6	51,088
4056	1374	North Kingstown Police	C,D	50	37.5	11.6	54,260	50	38.4	11.1	53,770
4058	1385	North Providence Fire	D	104	39.7	12.8	54,198	97	41.3	13.4	52,949
4059	1008	Barrington Fire (25)	C	14	38.4	4.7	47,010	14	36.8	3.9	41,432
4060	1004	Barrington Police	C,D	22	39.9	12.1	56,188	23	39.6	12.6	54,852
4061	1005	Barrington Fire (20)	C,D	9	50.5	24.7	57,893	11	50.3	24.4	55,617
4062	1564 1565	Warren Police & Fire	C,D	24	39.7	13.4	57,582	25	38.3	12.0	53,129
4063	1494	South Kingstown Police	B,I	55	38.4	10.9	50,558	54	39.3	11.7	49,496
4073	1464	Scituate Police	5	---	---	---	---	---	---	---	---
4076	1394	North Smithfield Police	C,D	21	40.6	14.0	55,758	22	40.2	13.6	54,157
4077	1534	Tiverton Fire	C,D	33	40.2	10.7	47,929	33	39.2	9.7	43,792
4082	1194	Foster Police	C,D	7	39.2	7.4	48,161	7	40.1	10.3	46,914
4085	1634	Woonsocket Police	C,D	93	38.1	12.6	52,129	97	39.0	12.7	54,660
4086	1084	Charlestown Police	C,D	20	41.7	12.6	56,361	21	41.1	12.4	53,709
4087	1264	Hopkinton Police	C,D,6	16	39.4	12.6	55,863	16	40.6	11.5	53,671

Municipal Employees' Retirement System
 State of Rhode Island
 Actuarial Valuation – June 30, 2008

Table 9

Active Member Statistics

Old Unit Number	New Unit Number	Unit	Code(s)	Active Employees as of June 30, 2008				Active Employees as of June 30, 2007			
				Number	Average Age	Average Service	Average Salary	Number	Average Age	Average Service	Average Salary
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
4088	1214	Glocester Police	C,D	19	40.7	11.1	50,905	18	40.4	10.7	51,106
4089	1604	West Greenwich Police/Rescue	C,D	13	41.5	8.6	45,401	13	39.6	7.8	46,038
4090	1034	Burrillville Police	C,D,6	25	42.0	14.8	51,454	24	42.5	14.3	49,828
4091	1148	Cumberland Rescue	C,D	18	39.1	10.2	50,290	19	38.1	8.6	50,120
4093	1635	Woonsocket Fire	C,D	113	39.3	13.1	56,309	110	39.4	12.5	54,473
4094	1015	Bristol Fire	D	1	51.5	7.5	44,477	1	50.5	6.5	43,099
4095	1135	Cumberland Hill Fire	C,D	14	38.8	12.2	48,677	14	37.8	11.2	46,422
4096	1014	Bristol Police	C,D	26	33.2	6.5	52,973	27	35.9	5.5	49,051
4098	1095	Coventry Fire	D	14	40.0	12.0	48,123	12	41.3	12.4	47,726
4099	1505	South Kingstown EMT	C,D	16	38.3	7.5	41,061	16	37.5	7.6	40,360
4101	1365	North Cumberland	C,D	15	45.5	14.3	49,101	15	44.5	13.3	47,024
4102	45 1235 1525 15	Central Coventry Fire	C,D	40	38.4	10.7	47,331	38	38.2	10.5	44,314
4103	1255	Hopkins Hill Fire	C,D	11	45.1	9.7	43,778	11	44.1	8.8	41,953
4104	1114	Cranston Police	C,D,4	118	35.7	8.2	51,954	113	36.7	7.5	52,389
4105	1115	Cranston Fire	C,D,4	126	40.7	11.9	59,048	127	40.0	11.1	56,516
4106	1125	Cumberland Fire	B,D	13	43.4	11.5	45,603	14	42.7	11.6	44,920
4107	1305	Lincoln Rescue	C	16	37.5	9.8	46,126	16	40.6	9.0	42,387
4108	1344	New Shoreham Police	B,D	5	40.6	3.3	44,716	5	38.8	2.7	41,803
4109	1324	Middletown Police & Fire	C,D	31	36.1	3.0	43,089	27	36.0	2.4	41,223
4110	1715	Harrisville Fire District	C,D	5	38.3	8.7	47,756	5	37.3	7.7	46,973
4111	1705	Albion Fire District	C	3	42.8	12.4	44,474	4	43.0	9.4	45,646
All Police & Fire Units				1,383	39.1	11.1	\$ 52,743	1,370	39.5	10.8	\$ 51,397
All MERS Units				8,180	48.4	10.9	\$ 37,260	8,333	48.5	10.4	\$ 35,790

B - Municipality has adopted COLA Plan B

C - Municipality has adopted COLA Plan C

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

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

2 - New unit in 2007 valuation.

3 - Closed unit.

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

5 - This unit has no active members.

6 - Special plan provisions apply to this unit.

Retired Member Statistics

Old Unit Number	New Unit Number	Unit	Code(s)	Retirees and Beneficiaries As of June 30, 2008			Retirees and Beneficiaries As of June 30, 2007		
				Number	Average Age	Average Monthly Benefit	Number	Average Age	Average Monthly Benefit
				(5)	(6)	(7)	(8)	(9)	(10)
General Employee Units									
3002	1012 1019	Bristol	B	81	75.4	1,064	82	75.4	979
3003	1032 1033	Burrillville	C	77	73.5	876	77	73.0	863
3004	1052	Central Falls		28	72.3	895	26	72.5	671
3005	1082	Charlestown	C	10	71.3	1,338	10	70.3	1,307
3007	1112 1113	Cranston	B	469	74.0	1,045	484	73.9	1,009
3008	1122 1123	Cumberland		145	74.5	663	145	74.0	667
3009	1152 1153	East Greenwich	C	67	76.3	515	70	76.0	498
3010	1162 1163	East Providence	B	340	72.0	1,337	343	71.6	1,291
3011	1183	Exeter/West Greenwich	B	23	67.4	957	22	66.5	931
3012	1192 1193	Foster		16	72.4	618	15	73.4	639
3013	1212 1213	Glocester	C	23	68.7	799	22	69.0	732
3014	1262	Hopkinton	C	11	73.4	592	11	73.0	586
3015	1272 1273	Jamestown	C	26	68.1	1,139	25	67.3	1,188
3016	1282 1283	Johnston	C	167	74.7	1,002	165	75.0	937
3017	1302 1303	Lincoln		3	66.8	1,759	3	65.8	1,759
3019	1322 1323	Middletown	C	17	64.6	1,338	14	64.1	1,303
3021	1352 1353 13	Newport	B	207	71.4	1,333	204	71.8	1,262
3022	1342 1343	New Shoreham	B	14	74.6	827	13	73.4	826
3023	1372 1373	North Kingstown	C	159	72.4	1,019	155	72.5	951
3024	1382 1383	North Providence		155	74.4	625	156	74.1	606
3025	1392 1393	North Smithfield	B	66	74.9	808	67	74.6	797
3026	1412 1413	Pawtucket	C	478	73.0	989	487	72.6	959
3027	1515	Union Fire District		---	---	---	---	---	---
3029	1452	Richmond		8	74.1	505	9	74.7	500
3030	1462 1463	Scituate	B	55	74.4	895	57	74.2	889
3031	1472 1473	Smithfield	C	81	75.4	657	83	74.4	673
3032	1492 1493	South Kingstown	B	120	72.3	980	116	72.1	924
3033	1532 1533	Tiverton	C	55	75.7	694	57	75.4	662
3034	1562	Warren	C	51	77.9	811	53	77.2	783
3036	1622 1623	Westerly		8	80.2	1,132	8	79.2	1,132
3037	1602	West Greenwich	C	7	68.8	892	7	67.8	860
3039	1632 1633	Woonsocket	B	303	74.9	805	295	74.7	758
3040	1073	Charlho School District	C	40	66.7	1,045	37	66.3	998
3041	1203	Foster/Glocester	B	29	71.0	945	23	71.5	893
3042	1528	Tiogue Fire & Lighting	C,5	---	---	---	---	---	---
3043	1336	Narragansett Housing	C	1	72.8	437	1	71.8	437
3045	1098	Coventry Lighting District	C	1	82.3	5428.9	1	81.3	5275.3
3046	1242	Hope Valley Fire	C	---	---	---	---	---	---
3050	1156	East Greenwich Housing	C	---	---	---	---	---	---
3051	1116	Cranston Housing	C	9	75.8	710	10	76.4	649
3052	1166	East Providence Housing	B	7	75.9	791	9	78.0	737
3053	1416	Pawtucket Housing	B	23	73.0	1,184	22	73.8	1,055
3056	1126	Cumberland Housing	C	4	73.7	843	5	74.5	711

Retired Member Statistics

Old Unit Number (1)	New Unit Number (2)	Unit (3)	Code(s) (4)	Retirees and Beneficiaries As of June 30, 2008			Retirees and Beneficiaries As of June 30, 2007		
				Number (5)	Average Age (6)	Average Monthly Benefit (7)	Number (8)	Average Age (9)	Average Monthly Benefit (10)
3057	1306	Lincoln Housing	B	6	77.9	1,200	6	76.9	1,174
3059	1016	Bristol Housing		5	74.1	1,069	5	73.1	1,069
3065	1036	Burrillville Housing	B	1	67.0	1,290	1	66.0	1,256
3066	1386	North Providence Housing	B	5	71.0	1,503	5	70.0	1,465
3067	1177	East Smithfield Water	C	3	68.2	899	3	67.2	876
3068	1227	Greenville Water	B	1	62.3	2,687	1	61.3	2,615
3069	1356	Newport Housing	C	24	64.9	1,735	21	64.5	1,754
3071	1566	Warren Housing	B	3	68.6	1,518	4	67.7	1,428
3072	1286	Johnston Housing		3	85.5	560	3	84.5	560
3077	1538	Tiverton Local 2670A	C	13	68.3	907	11	68.6	787
3078	1002 1003 1003	Barrington COLA	C	109	75.4	874	106	76.0	791
3079	1096	Coventry Housing		7	76.4	484	7	75.4	484
3080	1496	South Kingstown Housing	C	---	---	---	1	86.1	246
3081	1403	N. RI Collaborative Adm. Services	C	5	59.0	1,384	4	56.7	1,598
3083	1616	West Warwick Housing	B	3	78.1	900	3	77.1	879
3084	1476	Smithfield Housing		---	---	---	---	---	---
3094	1478	Smithfield COLA	C	18	66.3	1,659	12	66.2	1,737
3096	1056	Central Falls Housing	C	9	70.8	987	11	70.9	1,019
3098	1293	Lime Rock Administrative Services		---	---	---	---	---	---
3099	1063	Central Falls Schools	C	37	66.8	869	33	66.4	851
3100	1023	Bristol/Warren Schools	B	75	67.9	993	70	67.4	970
3101	1157 1158	Town of E. Greenwich-COLA-NCE	C	19	62.7	2,209	17	61.7	2,236
3102	1712	Harrisville Fire District (ADMIN)	C	---	---	---	---	---	---
3103	1702	Albion Fire District (ADMIN)	C	---	---	---	---	---	---
All General Employee Units				3,730	73.1	\$988	3,713	73.0	\$946
Police and Fire Units									
4016	1285	Johnston Fire	D	1	45.2	\$2,557	1	44.2	\$2,557
4029	1454	Richmond Police	6	1	47.8	2,199	1	46.8	2,199
4031	1474	Smithfield Police	C,D	1	80.5	238	1	79.5	238
4042	1555	Valley Falls Fire	D	5	62.1	2,006	4	62.7	1,588
4047	1395 1435	North Smithfield Voluntary Fire	B,D	7	59.4	2,221	7	58.4	2,165
4050	1155	East Greenwich Fire	C,D	19	62.7	2,080	20	65.0	1,829
4054	1154	East Greenwich Police	C,D	17	60.7	2,419	18	60.7	2,285
4055	1375	North Kingstown Fire	C,D	50	65.7	1,951	48	65.3	1,953
4056	1374	North Kingstown Police	C,D	24	55.6	2,845	23	55.2	2,802
4058	1385	North Providence Fire	D	45	55.2	2,295	45	55.7	2,222
4059	1008	Barrington Fire (25)	C	1	62.0	4,012	1	61.0	3,908
4060	1004	Barrington Police	C,D	26	64.3	1,873	25	65.0	1,737
4061	1005	Barrington Fire (20)	C,D	30	67.9	1,530	29	68.6	1,363
4062	1564 1565	Warren Police & Fire	C,D	25	65.7	1,755	26	65.6	1,670
4063	1494	South Kingstown Police	B,I	38	61.3	2,441	34	61.7	2,274
4073	1464	Scituate Police	5	1	79.0	497	1	78.0	497
4076	1394	North Smithfield Police	C,D	12	64.0	2,226	11	63.9	2,069

Retired Member Statistics

Old Unit Number (1)	New Unit Number (2)	Unit (3)	Code(s) (4)	Retirees and Beneficiaries As of June 30, 2008			Retirees and Beneficiaries As of June 30, 2007		
				Number	Average Age	Average Monthly Benefit	Number	Average Age	Average Monthly Benefit
				(5)	(6)	(7)	(8)	(9)	(10)
4077	1534	Tiverton Fire	C,D	18	63.4	1,640	18	62.4	1,624
4082	1194	Foster Police	C,D	6	59.0	1,930	5	59.1	1,715
4085	1634	Woonsocket Police	C,D	31	45.7	2,740	20	46.5	2,602
4086	1084	Charlestown Police	C,D	10	52.4	2,519	9	51.5	2,359
4087	1264	Hopkinton Police	C,D,6	3	62.3	2,049	3	61.3	1,990
4088	1214	Glocester Police	C,D	9	57.4	1,383	8	56.0	1,476
4089	1604	West Greenwich Police/Rescue	C,D	5	56.7	2,115	5	55.7	2,073
4090	1034	Burrillville Police	C,D,6	7	63.3	2,163	7	62.3	2,126
4091	1148	Cumberland Rescue	C,D	3	48.1	1,404	3	47.1	1,369
4093	1635	Woonsocket Fire	C,D	5	38.9	2,410	5	37.9	2,347
4094	1015	Bristol Fire	D	1	58.9	1,019	1	57.9	1,019
4095	1135	Cumberland Hill Fire	C,D	7	53.5	2,016	6	54.6	2,292
4096	1014	Bristol Police	C,D	---	---	---	---	---	---
4098	1095	Coventry Fire	D	4	51.2	1,907	4	50.2	1,907
4099	1505	South Kingstown EMT	C,D	---	---	---	---	---	---
4101	1365	North Cumberland	C,D	3	52.2	2,135	4	48.0	1,714
4102	1045 1235 15	Central Coventry Fire	C,D	8	55.9	2,105	7	55.8	2,003
4103	1255	Hopkins Hill Fire	C,D	---	---	---	---	---	---
4104	1114	Cranston Police	C,D,4	6	46.5	3,560	5	43.9	3,367
4105	1115	Cranston Fire	C,D,4	2	45.9	3,212	1	44.3	3,561
4106	1125	Cumberland Fire	B,D	6	58.4	2,352	5	59.5	2,184
4107	1305	Lincoln Rescue	C	4	48.9	2,146	3	49.9	2,024
4108	1344	New Shoreham Police	B,D	2	47.2	2,904	2	46.2	2,825
4109	1324	Middletown Police & Fire	C,D	---	---	---	---	---	---
4110	1715	Harrisville Fire District	C,D	---	---	---	---	---	---
4111	1705	Albion Fire District	C	1	66.1	1,717	1	65.1	1,671
All Police & Fire Units				444	59.3	\$2,159	417	59.8	\$2,041
All MERS Units				4,174	71.7	\$1,112	4,130	71.7	\$1,056

B - Municipality has adopted COLA Plan B

C - Municipality has adopted COLA Plan C

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

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

2 - New unit in 2007 valuation.

3 - Closed unit.

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

5 - This unit has no active members.

6 - Special plan provisions apply to this unit.

**Distribution of Active Members by Age and by Years of Service (General Employees)
 As of 06/30/2008**

Attained Age	Years of Credited Service												Total Count & Avg. Comp.
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35 & Over	
	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	
Under 25	14 \$30,563	14 \$29,477	7 \$26,202	8 \$31,482	5 \$30,110	0 \$0	48 \$29,716						
25-29	23 \$32,875	24 \$29,495	33 \$31,896	25 \$31,035	10 \$34,238	45 \$34,438	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	160 \$32,403
30-34	22 \$29,303	23 \$25,008	24 \$35,712	21 \$36,134	15 \$40,091	86 \$38,223	17 \$40,069	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	208 \$35,603
35-39	37 \$28,407	38 \$31,339	41 \$30,175	28 \$37,637	27 \$33,366	157 \$35,386	61 \$37,703	40 \$41,275	0 \$0	0 \$0	0 \$0	0 \$0	429 \$34,826
40-44	44 \$29,079	55 \$25,437	45 \$27,493	51 \$33,224	61 \$29,464	311 \$33,885	103 \$42,050	132 \$43,679	44 \$41,410	1 \$55,557	0 \$0	0 \$0	847 \$35,325
45-49	43 \$29,279	65 \$24,533	76 \$27,911	59 \$27,761	58 \$31,497	403 \$30,500	213 \$35,563	133 \$38,669	77 \$44,891	33 \$41,769	1 \$53,296	0 \$0	1,161 \$33,021
50-54	93 \$27,496	126 \$26,754	98 \$29,152	95 \$31,028	122 \$26,792	514 \$29,993	260 \$34,039	214 \$36,323	105 \$42,159	71 \$47,815	25 \$44,694	1 \$40,936	1,724 \$32,495
55-59	29 \$36,282	40 \$32,610	26 \$30,125	24 \$33,701	32 \$35,554	255 \$31,639	225 \$32,209	245 \$35,152	148 \$40,941	61 \$44,780	38 \$48,386	12 \$48,589	1,135 \$35,441
60-64	7 \$23,630	20 \$40,098	17 \$27,022	19 \$33,711	19 \$30,268	135 \$33,157	140 \$33,125	157 \$34,577	109 \$36,173	52 \$42,295	23 \$50,336	20 \$60,879	718 \$35,797
65-69	4 \$25,534	7 \$22,226	6 \$26,393	8 \$34,606	12 \$25,426	75 \$29,940	66 \$34,326	57 \$36,832	54 \$37,354	34 \$37,283	26 \$36,946	18 \$41,505	367 \$34,335
70 & Over	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0
Total	316 \$29,415	412 \$27,945	373 \$29,347	338 \$32,090	361 \$30,210	1,981 \$32,018	1,085 \$34,919	978 \$37,293	537 \$40,455	252 \$43,759	113 \$45,377	51 \$50,758	6,797 \$34,098

**Distribution of Active Members by Age and by Years of Service (Police & Fire)
 As of 06/30/2008**

Attained Age	Years of Credited Service												Total Count & Avg. Comp.	
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35 & Over		
	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.	Count & Avg. Comp.		
Under 25	14 \$36,755	6 \$37,604	8 \$44,386	3 \$50,650	2 \$50,165	0 \$0	33 \$40,835							
25-29	15 \$35,962	29 \$39,669	32 \$44,038	19 \$47,449	21 \$48,970	41 \$49,798	0 \$0	157 \$45,036						
30-34	6 \$36,303	14 \$40,137	16 \$45,663	13 \$43,461	14 \$47,550	109 \$52,969	19 \$55,585	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	191 \$50,109
35-39	9 \$35,467	8 \$40,171	14 \$45,398	13 \$46,572	6 \$46,840	104 \$52,216	99 \$55,501	35 \$56,760	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	288 \$52,341
40-44	10 \$37,645	17 \$41,431	23 \$45,669	13 \$44,001	19 \$48,638	58 \$51,474	65 \$55,243	122 \$58,346	45 \$61,644	0 \$0	0 \$0	0 \$0	0 \$0	372 \$54,021
45-49	1 \$35,446	1 \$35,316	2 \$45,742	1 \$51,451	3 \$54,362	20 \$51,121	34 \$54,863	82 \$57,704	65 \$60,400	13 \$69,495	2 \$63,332	0 \$0	0 \$0	224 \$57,823
50-54	0 \$0	0 \$0	1 \$37,968	0 \$0	2 \$46,555	5 \$52,463	6 \$54,875	18 \$53,810	21 \$58,480	20 \$60,110	6 \$72,981	0 \$0	0 \$0	79 \$57,714
55-59	0 \$0	1 \$87,520	0 \$0	0 \$0	0 \$0	3 \$43,614	3 \$64,527	9 \$55,668	0 \$0	8 \$56,072	5 \$63,910	0 \$0	0 \$0	29 \$57,968
60-64	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	2 \$58,188	1 \$66,451	2 \$43,557	1 \$70,925	2 \$55,632	0 \$0	1 \$51,205	1 \$0	9 \$55,926
65-69	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	0 \$0	1 \$88,251	0 \$0	0 \$0	0 \$0	1 \$88,251
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
Total	55 \$36,417	76 \$40,611	96 \$44,899	62 \$45,925	67 \$48,593	342 \$51,939	227 \$55,490	268 \$57,437	132 \$60,598	44 \$62,585	13 \$68,008	1 \$0	1 \$0	1,383 \$52,743

Membership Data (General Employee Units)

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
	(1)	(2)
1. Active members		
a. Number	6,797	6,963
b. Number vested	3,016	2,927
c. Total payroll supplied by ERSRI	\$231,839,725	\$227,821,351
d. Average salary	\$34,109	\$32,719
e. Average age	50.3	50.3
f. Average service	10.9	10.3
2. Inactive members		
a. Number	2,205	2,077
3. Service retirees		
a. Number	3,133	3,119
b. Total annual benefits	\$38,596,080	\$36,688,083
c. Average annual benefit	\$12,319	\$11,763
d. Average age	73.8	73.7
4. Disabled retirees		
a. Number	259	253
b. Total annual benefits	\$3,111,800	\$3,001,426
c. Average annual benefit	\$12,015	\$11,863
d. Average age	63.0	62.1
5. Beneficiaries and spouses		
a. Number	338	341
b. Total annual benefits	\$2,501,725	\$2,446,490
c. Average annual benefit	\$7,402	\$7,174
d. Average age	74.9	65.2

Membership Data (Police & Fire Units)

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
	(1)	(2)
1. Active members		
a. Number	1,383	1,370
b. Number vested	685	655
c. Total payroll supplied by ERSRI	\$72,943,546	\$70,413,220
d. Average salary	\$52,743	\$51,397
e. Average age	39.1	39.5
f. Average service	11.1	10.8
2. Inactive members		
a. Number	108	102
3. Service retirees		
a. Number	319	304
b. Total annual benefits	\$8,421,307	\$7,579,146
c. Average annual benefit	\$26,399	\$24,931
d. Average age	61.5	61.9
4. Disabled retirees		
a. Number	101	92
b. Total annual benefits	\$2,782,893	\$2,362,511
c. Average annual benefit	\$27,553	\$25,679
d. Average age	52.5	52.5
5. Beneficiaries and spouses		
a. Number	24	21
b. Total annual benefits	\$294,329	\$272,771
c. Average annual benefit	\$12,264	\$12,989
d. Average age	59.7	60.8

Membership Data (All MERS Units)

	<u>June 30, 2008</u>	<u>June 30, 2007</u>
	(1)	(2)
1. Active members		
a. Number	8,180	8,333
b. Number vested	3,701	3,582
c. Total payroll supplied by ERSRI	\$304,783,271	\$298,234,571
d. Average salary	\$37,260	\$35,790
e. Average age	48.4	48.5
f. Average service	10.9	10.4
2. Inactive members		
a. Number	2,313	2,179
3. Service retirees		
a. Number	3,452	3,423
b. Total annual benefits	\$47,017,387	\$44,267,229
c. Average annual benefit	\$13,620	\$12,932
d. Average age	72.7	72.7
4. Disabled retirees		
a. Number	360	345
b. Total annual benefits	\$5,894,693	\$5,363,937
c. Average annual benefit	\$16,374	\$15,548
d. Average age	60.1	59.5
5. Beneficiaries and spouses		
a. Number	362	362
b. Total annual benefits	\$2,796,054	\$2,719,261
c. Average annual benefit	\$7,724	\$7,512
d. Average age	73.9	64.9

Summary of Assumptions and Methods

I. Valuation Date

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

II. Actuarial Cost Method

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

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

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

The amortization contribution rate is the level percentage of payroll required to reduce the UAAL to zero over the remaining amortization period. The UAAL is being amortized over the remainder of a closed 30-year period from June 30, 1999. The employer contribution rate determined by this valuation will not be effective until two years after the valuation date. The determination of the contribution rate reflects this deferral. The unfunded actuarial accrued liability (UAAL) and covered payroll are projected forward for two years, and we then determine the amortization charge required to amortize the UAAL over the remaining amortization period from that point. In projecting the UAAL, we increase the UAAL for interest at the assumed rate and we decrease it for the amortization payments. The amortization payments for these two years are determined by subtracting the current employer normal cost from the known contribution rates for these years, based on the two prior actuarial valuations. Contributions are assumed to be made monthly throughout the year.

III. Actuarial Value of Assets

The actuarial value of assets is based on the market value of assets with a five-year phase-in of actual investment return in excess of (less than) expected investment income. Expected investment income is determined using the assumed investment return rate and the market value of assets (adjusted for receipts and disbursements during the year). The returns are computed net of administrative and investment expenses. The actuarial value is calculated in the aggregate for all units combined, and then it is allocated to each unit in ratio to that unit's market value.

IV. Actuarial Assumptions

A. Economic Assumptions

1. Investment return: 8.25% per year, compounded annually, composed of an assumed 3.00% inflation rate and a 5.25% net real rate of return. This rate represents the assumed return, net of all investment and administrative expenses.
2. Salary increase rate: For general employees, the sum of (i) a 4.50% wage inflation assumption (composed of a 3.00% price inflation assumption and a 1.50% additional general increase), and (ii) a service-related component as shown below:

General Employees		
Years of Service	Service-Related Component	Total Increase
0	4.00%	8.50%
1	3.50	8.00
2	3.00	7.50
3	2.75	7.25
4	2.50	7.00
5	2.25	6.75
6	1.50	6.00
7	1.00	5.50
8	0.75	5.25
9	0.50	5.00
10 or more	0.00	4.50

For police/fire employees, the sum of (i) a 4.75% wage inflation assumption (composed of a 3.00% price inflation assumption and a 1.75% additional general increase), and (ii) a service-related component as shown below:

Police/Fire Employees		
Years of Service	Service-Related Component	Total Increase
0	10.00%	14.75%
1	8.50	13.25
2	5.00	9.75
3	2.00	6.75
4	1.75	6.50
5	1.50	6.25
6	0.50	5.25
7	0.25	5.00
8	0.25	5.00
9	0.25	5.00
10 or more	0.00	4.75

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

3. Payroll growth rate: In the amortization of the unfunded actuarial accrued liability, payroll is assumed to increase 4.25% per year. This increase rate is solely due to the effect of wage inflation on salaries, with no allowance for future membership growth.

B. Demographic Assumptions

1. Post-retirement mortality rates:

- a. Male employees: Based on the 1994 Group Annuity Mortality Tables for males set forward one year.
- b. Female employees: Based on the 1994 Group Annuity Mortality Tables for females.
- c. Disabled males – 65% of the PBGC Table Va for disabled males eligible for Social Security disability benefits
- d. Disabled females – 100% of the PBGC Table VIa for disabled females eligible for Social Security disability benefits.

Sample rates are shown below:

Number of Deaths per 100				
Age	Healthy Males	Healthy Females	Disabled Males	Disabled Females
50	0.29	0.14	2.49	2.57
55	0.49	0.23	3.13	2.95
60	0.90	0.44	3.92	3.31
65	1.62	0.86	4.41	3.70
70	2.60	1.37	4.80	4.11
75	4.09	2.27	5.47	4.92
80	6.86	3.94	7.33	7.46

2. Pre-retirement mortality (combined ordinary and duty): 65% multiplier of the post-retirement mortality. Sample rates are shown below:

Number of Deaths per 100		
Age	Males	Females
25	0.05	0.02
30	0.05	0.02
35	0.06	0.03
40	0.08	0.05
45	0.11	0.06
50	0.19	0.09
55	0.32	0.15
60	0.58	0.29
65	1.06	0.56

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

Age	Number of Disabilities per 1,000					
	General Employees, Ordinary, Males	General Employees, Accidental, Males	General Employees, Ordinary, Females	General Employees, Accidental, Females	Police & Fire, Ordinary, Males and Females	Police & Fire, Accidental, Males and Females
25	0.63	0.23	0.27	0.09	0.43	2.98
30	0.77	0.28	0.33	0.11	0.55	3.85
35	1.05	0.38	0.45	0.15	0.73	5.08
40	1.54	0.55	0.66	0.22	1.10	7.70
45	2.52	0.90	1.08	0.36	1.80	12.60
50	4.27	1.53	1.83	0.61	3.03	21.18
55	7.07	2.53	3.03	1.01	3.03	21.18
60	9.87	3.53	4.23	1.41	3.03	21.18
65	0.00	0.00	0.00	0.00	3.03	21.18

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

Service	Male General Employees	Female General Employees	Police & Fire, Males & Females
0	0.1750	0.1800	0.1000
1	0.0959	0.1069	0.0528
2	0.0825	0.0906	0.0481
3	0.0713	0.0769	0.0436
4	0.0618	0.0653	0.0394
5	0.0541	0.0558	0.0354
6	0.0480	0.0481	0.0316
7	0.0431	0.0420	0.0281
8	0.0395	0.0374	0.0249
9	0.0368	0.0341	0.0219
10	0.0350	0.0318	0.0191
11	0.0338	0.0304	0.0166
12	0.0330	0.0297	0.0143
13	0.0326	0.0295	0.0123
14	0.0323	0.0295	0.0105
15	0.0319	0.0297	0.0090
16	0.0312	0.0297	0.0077
17	0.0302	0.0295	0.0067
18	0.0285	0.0287	0.0059
19	0.0261	0.0273	0.0000
20	0.0227	0.0250	0.0000
21	0.0182	0.0217	0.0000
22	0.0124	0.0170	0.0000
23	0.0052	0.0110	0.0000
24	0.0052	0.0032	0.0000

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

General Employees							
Males				Females			
Service (00/30)		Age (58/10)		Service (00/30)		Age (58/10)	
Service	Ret. Rate	Age	Ret. Rate	Service	Ret. Rate	Age	Ret. Rate
30	30.0%	58	15.0%	30	20.0%	58	15.0%
31	25.0%	59	10.0%	31	15.0%	59	10.0%
32	15.0%	60	10.0%	32	7.5%	60	10.0%
33	15.0%	61	10.0%	33	7.5%	61	10.0%
34	15.0%	62	30.0%	34	7.5%	62	20.0%
35	25.0%	63	25.0%	35	15.0%	63	15.0%
36	25.0%	64	25.0%	36	20.0%	64	15.0%
37	25.0%	65	25.0%	37	20.0%	65	20.0%
38	25.0%	66	30.0%	38	15.0%	66	20.0%
39	25.0%	67	30.0%	39	15.0%	67	20.0%
40	100.0%	68	30.0%	40	100.0%	68	20.0%
		69	30.0%			69	20.0%
		70	20.0%			70	20.0%
		71	20.0%			71	20.0%
		72	20.0%			72	20.0%
		73	20.0%			73	20.0%
		74	20.0%			74	20.0%
		75	100.0%			75	100.0%

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

Police and Fire		
Service	Units with the Optional 20-year retirement election*	Units without the Optional 20-year retirement election
20	15.0%	
21	10.0%	
22	5.0%	
23	5.0%	
24	10.0%	
25	12.0%	50.0%
26	12.0%	12.0%
27	14.0%	14.0%
28	16.0%	16.0%
29	18.0%	18.0%
30+	35.0%	35.0%

* These rates were used for Richmond Police for service from 22 to 32 years.

C. Other Assumptions

1. Percent married: 85% 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. Recovery from disability: None assumed.
6. Remarriage: It is assumed that no surviving spouse will remarry and there will be no children's benefit.
7. 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.
8. Investment and administrative expenses: The assumed investment return rate represents the anticipated net return after payment of all investment and administrative expenses.
9. Inactive members: Liabilities for inactive members are approximated as a multiple of their member contribution account balances. For nonvested inactive members, the multiple is 1.0. For vested inactive members, the multiple is 8.0 for members with 25 or more years of service, 3.0 for vested inactive members age 45 or older with less than 25 years of service, and 1.0 for other vested inactive members younger than age 45.
10. Decrement timing: For all members, decrements are assumed to occur at the middle of the year.

V. Participant Data

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

The data for an active members included birthdate, sex, service, 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 year preceding the valuation date. This salary was adjusted by the salary increase rate for one year. However, for members with less than one year of service, the current rate of salary was used. This salary was adjusted by the salary increase rate for one year.

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

Summary of Benefit Provisions

1. Authority: The Municipal Employees' Retirement System (MERS) covers employees of certain participating Rhode Island municipalities and other local governmental units, such as housing authorities, water districts, etc. Benefits are described in Rhode Island General Laws, Title 45, Chapters 19, 19.1, 21, 21.1, 21.2, and 21.3.
2. Plan Year: A twelve-month period ending June 30th.
3. Administration: MERS is administered by the State of Rhode Island Retirement Board. However, the State Treasurer is responsible for the investment of the trust assets, including the establishment of the asset allocation policy.
4. Type of Plan: MERS is a qualified governmental defined benefit retirement plan. Separate contribution rates are determined for each participating governmental unit. For Governmental Accounting Standards Board purposes, it is an agent multiple-employer plan.
5. Eligibility: General employees, police officers and firefighters employed by electing municipalities participate in MERS. Teachers and administrators are covered by the separate Employees' Retirement System of Rhode Island, but other school employees may be covered by MERS. Eligible employees become members at their date of employment. Anyone employed by a municipality at the time the municipality joins MERS may elect not to be covered. Elected officials may opt to be covered by MERS. Employees covered under another plan maintained by the municipality may not become members of MERS. Police officers and/or firefighters may be 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 and the member has attained 20 years of service, 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. Members are not eligible for an ordinary disability benefit if they are eligible for unreduced retirement.
- b. Ordinary Disability Benefit: The benefit payable under the retirement formula, using FAC and service at the time of disability, but not less than 10 years of service.
- c. Occupational Disability Benefit: An annual annuity equal to two-thirds of salary at the time of disability.
- d. Payment Form: The disability benefit commences immediately upon the member's retirement. Benefits cease upon recovery or reemployment. Disability benefits are payable as a monthly life annuity with a guarantee that, at the member's death, the sum of the member's contributions plus interest as of the date of retirement will be paid in a lump-sum to the member's beneficiary. All alternative forms of payment except for the Social Security Option are permitted in the case of disability retirement.

13. Deferred Termination Benefit

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

- e. **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.
 - f. **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).

18. Special Provisions Applying to Specific Units: Some units have specific provisions that apply only to that unit. The following summarizes those provisions:
- a. Rhode Island General Law §45-21.2-22.1 contains special provisions that apply to employees of Burrillville Police, but only if adopted by the Town of Burrillville. The Town adopted these provisions effective July 1, 2006. Under these special provisions, the retirement benefit for a member with 20 or more years of service is improved. The new formula is 60.00% x Final Average Compensation (FAC), plus 1.50% x FAC x Years of Service in Excess of 20, with a maximum benefit equal to 75% of FAC. In addition to this benefit change, the member contribution rate increased from 9.00% to 10.20%.
 - b. Rhode Island General Law § 45-21.2-6.1, § 45-21.2-5(5), and § 45-21.2-14(d) contain special provisions that apply to members of the South Kingstown police department. Under these special provisions, the member receives a retirement allowance which is a life annuity terminable at the death of the annuitant, and is an amount equal to the sum of two and one-half percent (2.5%) of final compensation multiplied by the years of service accrued after July 1, 1993 and two percent (2%) of final compensation multiplied by the years of service accrued prior to July 1, 1993. The annual retirement allowance in no event shall exceed seventy-five percent (75%) of final compensation. The member contribution rate is 8.00%, plus 1.00% for the adoption of the optional COLA, for a total of 9.00%.
 - c. Rhode Island General Law § 45-21.2-5 (9) contains special provisions that apply to members of the Hopkinton police department. Under these special provisions, the final compensation for benefit computation is based on the members' highest year of earnings. In addition, the members shall receive a three percent (3%) escalation of their pension payment compounded each year on January 1st following the year of retirement and continuing on an annual basis on that date. The member contribution rate is 9.00%. Compensation for benefit purposes includes base, longevity, and holiday pay.
 - d. Rhode Island General Law § 45-21.2-5 (7) and § 45-21.2-14 contain special provisions that apply to members of the Cranston fire department hired after July 1, 1995 or with less than 5 years of service at that date. Under these special provisions, the final compensation for benefit computation is based on the members' highest year of earnings. In addition, the members shall receive a three percent (3%) escalation of their pension payment compounded each year on January 1st following the year of retirement and continuing on an annual basis on that date. The member contribution rate is 10.00%. Compensation for benefit purposes includes base, longevity, and holiday pay.

- e. Rhode Island General Law §§ 45-21.2-5 (8) and § 45-21.2-14 contain special provisions that apply to members of the Cranston police department hired after July 1, 1995 or with less than 5 years of service at that date. Under these special provisions, the final compensation for benefit computation is based on the members' highest year of earnings. In addition, the members shall receive a three percent (3%) escalation of their pension payment compounded each year on January 1st following the year of retirement and continuing on an annual basis on that date. The member contribution rate is 10.00%. Compensation for benefit purposes includes base, longevity, and holiday pay.

- f. Rhode Island General Law §§ 45-21.2-6.3 contains special provisions that apply to employees of Richmond Police. The Town adopted these provisions on April 3, 2008, effective July 1, 2008. Under these special provisions, members are eligible to retire after attaining 22 years of service. The retirement benefit for a member with 22 or more years of service was improved to $50.00\% \times \text{Final Average Compensation (FAC)}$, plus $2.2727\% \times \text{FAC} \times \text{Years of Service in Excess of 22}$, with a maximum benefit equal to 75% of FAC.

Glossary

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

GASB: Governmental Accounting Standards Board.

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

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

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

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

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