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

**Employees' Retirement System
Cost-Sharing Plan**

Schedules of Employer Allocations

Schedules of Pension Amounts by Employer

June 30, 2016 Measurement Date

Dennis E. Hoyle, CPA
Auditor General

State of Rhode Island and Providence Plantations
General Assembly
Office of the Auditor General



Office of the Auditor General

State of Rhode Island and Providence Plantations - General Assembly

Dennis E. Hoyle, CPA - Auditor General

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33 Broad Street • Suite 201 • Providence, RI • 02903-4177
tel: 401.222.2435 • fax: 401.222.2111

September 21, 2017

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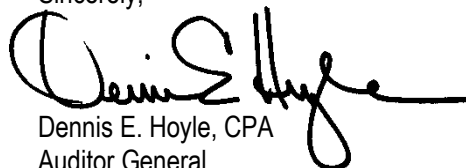
We have completed our audit of the Schedules of Employer Allocations and Schedules of Pension Amounts by Employer for the Employees' Retirement System (ERS) Cost-Sharing Plan of the State of Rhode Island for the fiscal year ended June 30, 2016.

These Schedules will be used by employers participating in the ERS cost-sharing defined benefit plan to meet their fiscal 2017 financial reporting responsibilities under generally accepted accounting principles – specifically the requirements of Governmental Accounting Standards Board Statement No. 68 – *Accounting and Financial Reporting for Pensions*.

Other reports containing similar information for the Teachers' Survivors Benefits Plan and the Municipal Employees' Retirement System Plan will be issued under separate cover.

Our report is contained herein as outlined in the Table of Contents.

Sincerely,



Dennis E. Hoyle, CPA
Auditor General

EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

Employees' Retirement System Cost-Sharing Plan

Schedules of Employer Allocations

Schedules of Pension Amounts by Employer

June 30, 2016 Measurement Date

TABLE OF CONTENTS

	<u>PAGE</u>
I. INTRODUCTION	1
II. INDEPENDENT AUDITOR'S REPORT	2
III. Schedule A - SCHEDULE OF EMPLOYER ALLOCATIONS – STATE EMPLOYEES	4
IV. Schedule B - SCHEDULE OF EMPLOYER AND OTHER NONEMPLOYER ENTITY ALLOCATIONS – TEACHERS	5
V. Schedule C - SCHEDULE OF PENSION AMOUNTS BY EMPLOYER - STATE EMPLOYEES	6
VI. Schedule D - SCHEDULE OF PENSION AMOUNTS BY EMPLOYER – TEACHERS	11
VII. NOTES TO SCHEDULES OF EMPLOYER ALLOCATIONS AND PENSION AMOUNTS BY EMPLOYER	21

EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

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June 30, 2016 Measurement Date

INTRODUCTION

The Employees' Retirement System (ERS) Plan covers state employees, certain employees of quasi-public agencies, and teachers employed by local educational agencies, collaboratives and certain charter schools. ERS is a cost-sharing plan with a special funding situation related to teacher members. Separate actuarial valuations are made for state employee and teacher members; however, separate valuations are not made for individual employers participating in the plan.

For employers with teacher members in ERS, due to the "special funding" situation, the State will report approximately 40% of the net pension liability in its financial statements and the remaining 60% will be reported as a liability in the financial statements of the employer with teacher members in the plan.

As a cost-sharing plan – the net pension liability is apportioned based on proportionate contributions – see Schedules A and B.

The measurement date is June 30, 2016 – the information included herein is intended for use in Fiscal 2017 financial reporting by employers participating in the ERS cost-sharing plan. These include the State of Rhode Island, certain component units of the State of Rhode Island and municipalities, regional school districts, and collaboratives that have teachers participating in the plan.

The net pension liability and other measures included herein have been developed consistent with the requirements of GASB Statement No. 68 – *Accounting and Financial Reporting for Pensions*. Such amounts are intended for accounting and financial reporting by governments which prepare their financial statements in accordance with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board. These amounts may and will likely differ from amounts reported in actuarial valuations used to measure actuarially determined contribution amounts consistent with the plan's adopted funding policies.



Office of the Auditor General

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Dennis E. Hoyle, CPA - Auditor General

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33 Broad Street • Suite 201 • Providence, RI • 02903-4177
tel: 401.222.2435 • fax: 401.222.2111

INDEPENDENT AUDITOR'S REPORT

JOINT COMMITTEE ON LEGISLATIVE SERVICES, GENERAL ASSEMBLY
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS:

RETIREMENT BOARD OF THE EMPLOYEES' RETIREMENT SYSTEM OF THE
STATE OF RHODE ISLAND:

Report on Schedules

We have audited the accompanying Schedules of Employer Allocations (state employees and teachers and other nonemployer entity) of the Employees' Retirement System Plan (the Plan) as of and for the year ended June 30, 2016, and the related notes. We have also audited the total for all entities of the columns titled ending net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense (specified column totals) included in the accompanying Schedules of Pension Amounts by Employer of the Plan (state employees and teachers) as of and for the year ended June 30, 2016, and the related notes.

Management's Responsibility for the Schedules

Management is responsible for the preparation and fair presentation of these schedules in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on the Schedules of Employer Allocations and the specified column totals included in the Schedules of Pension Amounts by Employer based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedules of employer allocations and specified column totals included in the schedules of pension amounts by employer are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedules of employer allocations and specified column totals included in the schedules of pension amounts by employer. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the schedules of employer allocations and specified column totals included in the schedules of pension amounts by employer, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedules of employer allocations and specified column totals included in the schedules of pension amounts by employer in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's

Joint Committee on Legislative Services, General Assembly
Retirement Board of the Employees' Retirement System of the State of Rhode Island

internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedules of employer allocations and specified column totals included in the schedules of pension amounts by employer.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

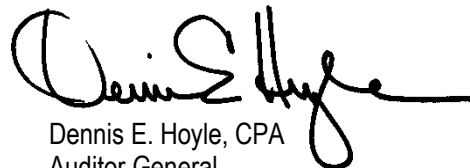
In our opinion, the schedules referred to above present fairly, in all material respects, the employer allocations for state employees and teachers and other nonemployer entity, ending net pension liability, total deferred outflows of resources, total deferred inflows of resources, and total pension expense for the total of all participating state employee and teacher entities for the Employees' Retirement System Plan as of and for the year ended June 30, 2016, in accordance with accounting principles generally accepted in the United States of America.

Other Matter

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the Employees' Retirement System Plan within the Employees' Retirement System of the State of Rhode Island as of and for the year ended June 30, 2016, and our report thereon, dated January 20, 2017 expressed an unmodified opinion on those financial statements.

Restriction on Use

Our report is intended solely for the information and use of the Employees' Retirement System of the State of Rhode Island's management, the Retirement Board of the Employees' Retirement System of the State of Rhode Island, the Employees' Retirement System employers and their auditors and is not intended to be and should not be used by anyone other than these specified parties.



Dennis E. Hoyle, CPA
Auditor General

September 15, 2017

EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

EMPLOYEES' RETIREMENT SYSTEM COST SHARING PLAN

Schedule of Employer Allocations - State Employees

State, proprietary fund, or component unit	Fiscal 2016 employer contribution	
	Amount	%
State of Rhode Island	\$ 141,512,724	88.93112375%
University of Rhode Island	9,223,974	5.79664018%
Rhode Island College	3,184,670	2.00134853%
Community College of RI	2,306,819	1.44967855%
Lottery	1,219,209	0.76619002%
Division of Higher Education Assistance	147,431	0.09265036%
Narragansett Bay Commission	1,371,555	0.86192934%
RI Commerce Corporation	22,015	0.01383503%
RI Airport Corporation	137,810	0.08660423%
Total	\$ 159,126,207	100.00000000%

See notes to schedules.

EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND
EMPLOYEES' RETIREMENT SYSTEM COST SHARING PLAN
Schedules of Employer and Other Nonemployer Entity Allocations - Teachers

Employer Unit	Employer Contributions at shared rate	Federally Funded 100% local contributions	Fiscal 2016 total actual contributions	Adjustment - if all contributions at shared rate	Adjusted total - equivalent contributions all at shared rate	Percent
State of Rhode Island			\$ 87,997,637	\$ 3,691,092	\$ 91,688,729	40.64764681%
School District or Charter School						
Barrington	\$ 3,304,548	\$ 55,307	\$ 3,359,854	\$ (22,491)	\$ 3,337,364	1.47952730%
Bristol/Warren	2,993,120	197,576	3,190,696	(80,345)	3,110,351	1.37888738%
Burrillville	1,797,718	144,121	1,941,839	(58,668)	1,883,172	0.83485176%
Central Falls	2,493,629	230,523	2,724,152	(93,743)	2,630,409	1.16611845%
Chariho	3,444,410	179,944	3,624,354	(73,175)	3,551,179	1.57431636%
Coventry	4,804,299	235,445	5,039,744	(95,745)	4,943,999	2.19178440%
Cranston	10,009,819	731,171	10,740,991	(297,335)	10,443,656	4.62990426%
Cumberland	4,014,601	208,926	4,223,527	(84,961)	4,138,566	1.83471828%
East Greenwich	2,311,846	36,065	2,347,911	(14,681)	2,333,230	1.03437259%
East Providence	4,391,865	426,960	4,818,824	(173,625)	4,645,199	2.05931970%
Exeter-West Greenwich	1,821,168	80,297	1,901,465	(32,653)	1,868,811	0.82848552%
Foster	222,102	12,388	234,490	(5,038)	229,452	0.10172130%
Foster-Glocester	1,177,547	25,538	1,203,084	(10,385)	1,192,699	0.52875004%
Glocester	528,623	16,349	544,972	(6,648)	538,323	0.23865067%
Jamestown	540,162	47,972	588,134	(19,508)	568,626	0.25208441%
Johnston	3,070,472	188,115	3,258,588	(76,498)	3,182,090	1.41069086%
Lincoln	3,339,549	178,028	3,517,578	(72,396)	3,445,181	1.52732535%
Little Compton	304,597	-	304,597	-	304,597	0.13503440%
Middletown	2,302,244	101,728	2,403,973	(41,368)	2,362,604	1.04739490%
Narragansett	1,645,248	61,682	1,706,931	(25,083)	1,681,847	0.74560016%
New Shoreham	256,856	1,985	258,842	(808)	258,033	0.11439191%
Newport	2,004,816	231,693	2,236,509	(94,219)	2,142,290	0.94972473%
North Kingstown	3,846,648	195,356	4,042,004	(79,442)	3,962,561	1.75669122%
North Providence	3,132,093	276,471	3,408,564	(112,428)	3,296,136	1.46125017%
North Smithfield	1,544,079	31,239	1,575,318	(12,717)	1,562,602	0.69273594%
Northern RI Collaborative	288,201	-	288,201	-	288,201	0.12776580%
Pawtucket	7,081,970	1,023,984	8,105,954	(416,408)	7,689,546	3.40894603%
Portsmouth	2,357,318	82,387	2,439,705	(33,503)	2,406,202	1.06672268%
Providence	20,192,535	1,916,616	22,109,152	(779,402)	21,329,750	9.45595103%
Scituate	1,512,430	39,298	1,551,729	(15,981)	1,535,748	0.68083108%
Smithfield	2,388,758	123,110	2,511,869	(50,063)	2,461,805	1.09137285%
South Kingstown	3,654,997	142,313	3,797,311	(57,872)	3,739,438	1.65777584%
Tiverton	1,776,125	45,990	1,822,114	(18,702)	1,803,412	0.79949274%
Urban Collaborative	142,212	-	142,212	-	142,212	0.06304556%
Warwick	10,235,005	647,774	10,882,779	(263,421)	10,619,358	4.70779698%
West Bay Collaborative	154,035	-	154,035	-	154,035	0.06828716%
West Warwick	2,419,506	168,443	2,587,950	(68,498)	2,519,451	1.11692855%
Westerly	3,361,990	78,630	3,440,621	(31,975)	3,408,645	1.51112797%
Woonsocket	4,515,528	627,995	5,143,523	(255,377)	4,888,146	2.16702340%
Highlander Charter School	339,121	11,368	350,489	(4,623)	345,866	0.15332995%
Paul Cuffee Charter School	654,497	113,902	768,399	(46,319)	722,080	0.32011413%
Kingston Hill Charter School	129,938	-	129,938	-	129,938	0.05760434%
International Charter School	230,477	18,711	249,187	(7,609)	241,578	0.10709702%
Compass School Charter School	111,071	-	111,071	-	111,071	0.04924019%
Blackstone Academy Charter School	161,618	15,081	176,699	(6,133)	170,566	0.07561567%
Beacon Charter School	235,775	-	235,775	-	235,775	0.10452449%
Learning Community Charter School	397,530	71,480	469,010	(29,068)	439,942	0.19503622%
Segue Institute Charter School	159,218	-	159,218	-	159,218	0.07058490%
Greene Charter School	140,631	8,119	148,751	(3,302)	145,449	0.06448081%
Trinity Academy Charter School	134,317	18,022	152,339	(7,329)	145,010	0.06428628%
RI Nurses Charter School	168,169	15,850	184,019	(6,445)	177,574	0.07872243%
Village Green Charter School	124,267	12,542	136,809	(5,100)	131,709	0.05838959%
Sheila Nowell Charter School	96,147	-	96,147	-	96,147	0.04262423%
South Side Charter School	30,008	-	30,008	-	30,008	0.01330320%
	\$ 128,495,456	\$ 9,076,494	\$ 137,571,950	\$ (3,691,092)	\$ 133,880,858	59.35235319%
<i>See notes to schedules.</i>			\$ 225,569,587		\$ 225,569,587	100.00000000%

Employees' Retirement System Plan
State Employees' - Schedule of Pension Amounts by Employer
June 30, 2016 Measurement Date

Schedule C

Participating Employer	FY 2016 Contributions	Proportionate Share	Net Pension Liability Beginning of Year	Total Pension Expense
State of Rhode Island	\$ 141,512,724	88.93112375%	\$ 1,767,095,205	\$ 151,538,466
University of Rhode Island	9,223,974	5.79664018%	113,015,599	10,568,489
Rhode Island College	3,184,670	2.00134853%	39,783,475	3,423,855
Community College of RI	2,306,819	1.44967855%	29,073,002	2,384,810
Lottery	1,219,209	0.76619002%	15,073,593	1,382,915
RI Higher Education Assistance Authority	147,431	0.09265036%	2,953,800	(147,038)
Narragansett Bay Commission	1,371,555	0.86192934%	16,936,520	1,430,832
RI Commerce Corporation	22,015	0.01383503%	270,891	17,717
RI Airport Corporation	137,810	0.08660423%	2,226,207	47,464
Grand Total	\$ 159,126,207	100.00000000%	1,986,428,292	\$ 170,647,509

See Notes to Schedules

Employees' Retirement System Plan
State Employees' - Schedule of Pension Amounts by Employer
June 30, 2016 Measurement Date

Schedule C

Collective Deferred Outflows for Plan as a Whole Unrecognized Current Year Deferred Outflow of Resources						
Participating Employer	Differences Between Expected and Actual Experience	Changes of Assumptions	Net Difference Between Projected and Actual Investment Earnings	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Contributions After the Measurement Date	Total Deferred Outflows of Resources
State of Rhode Island	-	-	\$ 195,500,147	-	-	\$ 195,500,147
University of Rhode Island	-	-	12,742,940	2,424,835	-	15,167,775
Rhode Island College	-	-	4,399,629	43,376	-	4,443,005
Community College of RI	-	-	3,186,875	-	-	3,186,875
Lottery	-	-	1,684,340	253,323	-	1,937,663
RI Higher Education Assistance Authority	-	-	203,676	-	-	203,676
Narragansett Bay Commission	-	-	1,894,807	150,169	-	2,044,976
RI Commerce Corporation	-	-	30,414	3,191	-	33,605
RI Airport Corporation	-	-	190,385	15,568	-	205,953
Grand Total	\$ -	\$ -	\$ 219,833,213	\$ 2,890,462	\$ -	\$ 222,723,675

See Notes to Schedules

Employees' Retirement System Plan
State Employees' - Schedule of Pension Amounts by Employer
June 30, 2016 Measurement Date

Schedule C

Participating Employer	Collective Deferred Inflows for Plan as a Whole Unrecognized Current Year Deferred Inflow of Resources						
	Differences Between Expected and Actual Experience	Changes of Assumptions	Net Difference Between Projected and Actual Investment Earnings	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources	Total Deferred (Inflows) and Outflows of Resources	Ending Net Pension Liability
State of Rhode Island	\$ 49,979,844	\$ 9,370,910	\$ 60,778,430	\$ 761,207	\$ 120,890,391	\$ 74,609,756	\$ 1,887,352,309
University of Rhode Island	3,257,748	610,807	3,961,613	-	7,830,168	7,337,607	123,019,948
Rhode Island College	1,124,770	210,887	1,367,787	22,816	2,726,260	1,716,745	42,473,879
Community College of RI	814,728	152,756	990,758	318,272	2,276,514	910,361	30,765,991
Lottery	430,604	80,735	523,639	-	1,034,978	902,685	16,260,567
RI Higher Education Assistance Authority	52,070	9,763	63,320	1,121,878	1,247,031	(1,043,355)	1,966,284
Narragansett Bay Commission	484,410	90,824	589,071	235,729	1,400,034	644,942	18,292,407
RI Commerce Corporation	7,775	1,458	9,455	20,126	38,814	(5,209)	293,616
RI Airport Corporation	48,672	9,126	59,188	410,434	527,420	(321,467)	1,837,970
Grand Total	\$ 56,200,621	\$ 10,537,266	\$ 68,343,261	\$ 2,890,462	\$ 137,971,610	\$ 84,752,065	\$ 2,122,262,971

See Notes to Schedules

Employees' Retirement System Plan
State Employees' - Schedule of Pension Amounts by Employer
June 30, 2016 Measurement Date

Schedule C

Recognition of Existing Deferred Outflows (Inflows) of Resources for Future Years Ending June 30

Participating Employer	2018	2019	2020	2021	2022	Thereafter
State of Rhode Island	\$ 5,930,784	\$ 5,930,785	\$ 38,721,781	\$ 24,026,406	-	-
University of Rhode Island	1,077,599	1,077,599	3,214,404	1,968,005	-	-
Rhode Island College	147,029	147,029	884,937	537,750	-	-
Community College of RI	11,239	11,239	545,837	342,046	-	-
Lottery	128,425	128,425	410,830	235,005	-	-
RI Higher Education Assistance Authority	(298,736)	(298,736)	(264,406)	(181,477)	-	-
Narragansett Bay Commission	19,587	19,587	337,578	268,190	-	-
RI Commerce Corporation	(4,936)	(4,936)	178	4,485	-	-
RI Airport Corporation	(94,334)	(94,334)	(62,415)	(70,384)	-	-
Grand Total	\$ 6,916,657	\$ 6,916,658	\$ 43,788,724	\$ 27,130,026	-	-

See Notes to Schedules

Employees' Retirement System Plan
State Employees' - Schedule of Pension Amounts by Employer
June 30, 2016 Measurement Date

Schedule C

Participating Employer	Discount Rate Sensitivity		
	Ending Net Pension Liability		
	1% Lower 6.50%	7.50%	1% Higher 8.50%
State of Rhode Island	\$ 2,311,138,327	\$ 1,887,352,309	\$ 1,540,416,573
University of Rhode Island	150,642,843	123,019,948	100,406,250
Rhode Island College	52,010,962	42,473,879	34,666,271
Community College of RI	37,674,186	30,765,991	25,110,544
Lottery	19,911,714	16,260,567	13,271,527
RI Higher Education Assistance Authority	2,407,794	1,966,284	1,604,839
Narragansett Bay Commission	22,399,784	18,292,407	14,929,871
RI Commerce Corporation	359,544	293,616	239,643
RI Airport Corporation	2,250,667	1,837,970	1,500,111
Grand Total	\$ 2,598,795,821	\$ 2,122,262,971	\$ 1,732,145,629

See Notes to Schedules

Employees' Retirement System Plan

Schedule D

Schedule of Pension Amounts by Employer - Teachers - June 30, 2016 Measurement Date

Participating Employer	FY 2016 Contributions	Proportionate Share	Net Pension Liability Beginning of Year	Total Pension Expense
State of Rhode Island	\$ 91,688,729	40.64764681%	\$ 1,117,395,495	\$ 101,515,350
Barrington	3,337,364	1.47952730%	39,947,305	4,068,327
Bristol/Warren	3,110,351	1.37888738%	38,327,085	3,450,194
Burrillville	1,883,172	0.83485176%	22,767,283	1,759,155
Central Falls	2,630,409	1.16611845%	31,152,413	3,261,320
Chariho	3,551,179	1.57431636%	46,097,184	4,060,279
Coventry	4,943,999	2.19178440%	60,158,353	5,390,644
Cranston	10,443,656	4.62990426%	124,172,981	12,021,711
Cumberland	4,138,566	1.83471828%	46,697,799	5,228,398
East Greenwich	2,333,230	1.03437259%	26,682,681	2,797,900
East Providence	4,645,199	2.05931970%	54,392,896	5,659,797
Exeter-West Greenwich	1,868,811	0.82848552%	23,035,108	1,555,137
Foster	229,452	0.10172130%	3,071,362	162,644
Foster-Glocester	1,192,699	0.52875004%	14,451,813	1,310,406
Glocester	538,323	0.23865067%	6,755,465	638,118
Jamestown	568,626	0.25208441%	7,055,006	530,864
Johnston	3,182,090	1.41069086%	37,498,898	3,951,269
Lincoln	3,445,181	1.52732535%	42,119,410	3,412,925
Little Compton	304,597	0.13503440%	3,425,297	143,515
Middletown	2,362,604	1.04739490%	28,281,240	2,468,406
Narragansett	1,681,847	0.74560016%	20,752,519	1,959,446
New Shoreham	258,033	0.11439191%	3,155,975	261,323
Newport	2,142,290	0.94972473%	27,960,185	2,054,039
North Kingstown	3,962,561	1.75669122%	46,548,312	4,541,865
North Providence	3,296,136	1.46125017%	39,842,958	4,534,716
North Smithfield	1,562,602	0.69273594%	18,854,306	1,698,902
Northern RI Collaborative	288,201	0.12776580%	4,616,531	197,147
Pawtucket	7,689,546	3.40894603%	91,758,238	8,850,360
Portsmouth	2,406,202	1.06672268%	29,110,693	2,264,317

Employees' Retirement System Plan

Schedule D

Schedule of Pension Amounts by Employer - Teachers - June 30, 2016 Measurement Date

Participating Employer	FY 2016 Contributions	Proportionate Share	Net Pension Liability Beginning of Year	Total Pension Expense
Providence	21,329,750	9.45595103%	260,697,201	23,425,297
Scituate	1,535,748	0.68083108%	19,767,003	1,441,865
Smithfield	2,461,805	1.09137285%	29,391,343	3,276,540
South Kingstown	3,739,438	1.65777584%	44,674,781	4,220,876
Tiverton	1,803,412	0.79949274%	21,734,853	2,440,256
Urban Collaborative	142,212	0.06304556%	1,808,371	170,219
Warwick	10,619,358	4.70779698%	133,250,179	10,644,333
West Bay Collaborative	154,035	0.06828716%	1,749,712	240,656
West Warwick	2,519,451	1.11692855%	44,563,281	1,379,551
Westerly	3,408,645	1.51112797%	42,148,536	3,458,083
Woonsocket	4,888,146	2.16702340%	58,882,764	5,397,270
Highlander Charter School	345,866	0.15332995%	3,768,327	495,264
Paul Cuffee Charter School	722,080	0.32011413%	8,602,645	738,911
Kingston Hill Charter School	129,938	0.05760434%	1,556,583	162,529
International Charter School	241,578	0.10709702%	3,367,239	196,956
Compass School Charter School	111,071	0.04924019%	1,569,667	99,386
Blackstone Academy Charter School	170,566	0.07561567%	1,301,962	319,057
Beacon Charter School	235,775	0.10452449%	2,185,796	433,175
Learning Community Charter School	439,942	0.19503622%	5,538,188	454,194
Segue Institute Charter School	159,218	0.07058490%	2,089,479	159,078
Greene Charter School	145,449	0.06448081%	1,530,138	189,160
Trinity Academy Charter School	145,010	0.06428628%	1,825,257	201,546
RI Nurses Charter School	177,574	0.07872243%	2,167,499	255,644
Village Green Charter School	131,709	0.05838959%	1,308,022	230,509
Sheila Nowell Charter School	96,147	0.04262423%	1,193,699	115,790
South Side Charter School	30,008	0.01330320%	245,372	83,360
Grand Total	\$ 225,569,587	100.00000000%	\$ 2,753,002,688	\$ 249,977,979

Employees' Retirement System Plan

Schedule D

Schedule of Pension Amounts by Employer - Teachers - June 30, 2016 Measurement Date

Participating Employer	Collective Deferred Outflows for Plan as a Whole Unrecognized Current Year Deferred Outflow of Resources					
	Differences Between Expected and Actual Experience	Changes of Assumptions	Net Difference Between Projected and Actual Investment Earnings	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Contributions After the Measurement Date	Total Deferred Outflows of Resources
State of Rhode Island	\$ -	\$ -	\$ 137,235,116	\$ 1,453,977	\$ -	\$ 138,689,093
Barrington	-	-	4,995,199	2,097,919	-	7,093,118
Bristol/Warren	-	-	4,655,418	308,493	-	4,963,911
Burrillville	-	-	2,818,637	192,234	-	3,010,871
Central Falls	-	-	3,937,064	1,985,073	-	5,922,137
Chariho	-	-	5,315,227	2,869,190	-	8,184,417
Coventry	-	-	7,399,931	161,400	-	7,561,331
Cranston	-	-	15,631,543	2,923,760	-	18,555,303
Cumberland	-	-	6,194,400	3,876,752	-	10,071,152
East Greenwich	-	-	3,492,262	1,594,731	-	5,086,993
East Providence	-	-	6,952,702	3,020,523	-	9,973,225
Exeter-West Greenwich	-	-	2,797,144	-	-	2,797,144
Foster	-	-	343,433	-	-	343,433
Foster-Glocester	-	-	1,785,173	93,081	-	1,878,254
Glocester	-	-	805,736	374,296	-	1,180,032
Jamestown	-	-	851,091	-	-	851,091
Johnston	-	-	4,762,793	2,451,875	-	7,214,668
Lincoln	-	-	5,156,576	-	-	5,156,576
Little Compton	-	-	455,905	259,801	-	715,706
Middletown	-	-	3,536,228	492,185	-	4,028,413
Narragansett	-	-	2,517,305	702,311	-	3,219,616
New Shoreham	-	-	386,211	-	-	386,211
Newport	-	-	3,206,473	-	-	3,206,473
North Kingstown	-	-	5,930,964	1,612,354	-	7,543,318
North Providence	-	-	4,933,492	4,860,465	-	9,793,957
North Smithfield	-	-	2,338,824	192,700	-	2,531,524
Northern RI Collaborative	-	-	431,365	203,328	-	634,693
Pawtucket	-	-	11,509,328	1,998,357	-	13,507,685
Portsmouth	-	-	3,601,483	227,800	-	3,829,283

Employees' Retirement System Plan

Schedule D

Schedule of Pension Amounts by Employer - Teachers - June 30, 2016 Measurement Date

Participating Employer	Collective Deferred Outflows for Plan as a Whole Unrecognized Current Year Deferred Outflow of Resources					Total Deferred Outflows of Resources
	Differences Between Expected and Actual Experience	Changes of Assumptions	Net Difference Between Projected and Actual Investment Earnings	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Contributions After the Measurement Date	
Providence	-	-	31,925,305	-	-	31,925,305
Scituate	-	-	2,298,631	-	-	2,298,631
Smithfield	-	-	3,684,707	3,061,830	-	6,746,537
South Kingstown	-	-	5,597,004	856,954	-	6,453,958
Tiverton	-	-	2,699,258	2,442,207	-	5,141,465
Urban Collaborative	-	-	212,855	126,705	-	339,560
Warwick	-	-	15,894,526	-	-	15,894,526
West Bay Collaborative	-	-	230,552	395,087	-	625,639
West Warwick	-	-	3,770,989	3,232,737	-	7,003,726
Westerly	-	-	5,101,890	-	-	5,101,890
Woonsocket	-	-	7,316,333	689,461	-	8,005,794
Highlander Charter School	-	-	517,675	655,833	-	1,173,508
Paul Cuffee Charter School	-	-	1,080,774	186,807	-	1,267,581
Kingston Hill Charter School	-	-	194,485	104,159	-	298,644
International Charter School	-	-	361,582	-	-	361,582
Compass School Charter School	-	-	166,245	40,176	-	206,421
Blackstone Academy Charter School	-	-	255,295	785,940	-	1,041,235
Beacon Charter School	-	-	352,897	1,006,419	-	1,359,316
Learning Community Charter School	-	-	658,484	-	-	658,484
Segue Institute Charter School	-	-	238,310	21,034	-	259,344
Greene Charter School	-	-	217,701	217,851	-	435,552
Trinity Academy Charter School	-	-	217,044	267,391	-	484,435
RI Nurses Charter School	-	-	265,784	322,113	-	587,897
Village Green Charter School	-	-	197,136	491,126	-	688,262
Sheila Nowell Charter School	-	-	143,908	66,604	-	210,512
South Side Charter School	-	-	44,914	285,620	-	330,534
Grand Total	\$ -	\$ -	\$ 337,621,307	\$ 49,208,659	\$ -	\$ 386,829,966

Employees' Retirement System Plan

Schedule D

Schedule of Pension Amounts by Employer - Teachers - June 30, 2016 Measurement Date

Participating Employer	Collective Deferred Inflows for Plan as a Whole Unrecognized Current Year Deferred Inflow of Resources					Total Deferred (Inflows) and Outflows of Resources	Ending Net Pension Liability
	Differences Between Expected and Actual Experience	Changes of Assumptions	Net Difference Between Projected and Actual Investment Earnings	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources		
State of Rhode Island	\$ 23,928,311	\$ 25,121,566	\$ 42,597,404	\$ 1,815,763	\$ 93,463,044	\$ 45,226,049	\$ 1,212,754,055
Barrington	870,963	914,396	1,550,496	-	3,335,855	3,757,263	44,142,844
Bristol/Warren	811,718	852,197	1,445,029	325,663	3,434,607	1,529,304	41,140,174
Burrillville	491,457	515,965	874,897	1,964,337	3,846,656	(835,785)	24,908,450
Central Falls	686,466	720,699	1,222,054	-	2,629,219	3,292,918	34,792,048
Charlho	926,763	972,979	1,649,832	2,450,580	6,000,154	2,184,263	46,970,949
Coventry	1,290,252	1,354,594	2,296,919	627,144	5,568,909	1,992,422	65,393,587
Cranston	2,725,515	2,861,431	4,851,989	158,483	10,597,418	7,957,885	138,136,783
Cumberland	1,080,055	1,133,915	1,922,725	-	4,136,695	5,934,457	54,740,242
East Greenwich	608,911	639,276	1,083,989	262,238	2,594,414	2,492,579	30,861,308
East Providence	1,212,273	1,272,726	2,158,100	-	4,643,099	5,330,126	61,441,400
Exeter-West Greenwich	487,710	512,031	868,226	2,843,380	4,711,347	(1,914,203)	24,718,508
Foster	59,881	62,867	106,601	527,172	756,521	(413,088)	3,034,934
Foster-Glocester	311,263	326,785	554,113	145,145	1,337,306	540,948	15,775,667
Glocester	140,488	147,494	250,098	164,846	702,926	477,106	7,120,328
Jamestown	148,396	155,796	264,176	554,108	1,122,476	(271,385)	7,521,134
Johnston	830,440	871,853	1,478,358	-	3,180,651	4,034,017	42,089,055
Lincoln	899,100	943,937	1,600,587	2,222,303	5,665,927	(509,351)	45,568,936
Little Compton	79,492	83,456	141,512	1,293,090	1,597,550	(881,844)	4,028,856
Middletown	616,577	647,324	1,097,636	1,258,725	3,620,262	408,151	31,249,839
Narragansett	438,917	460,805	781,365	201,051	1,882,138	1,337,478	22,245,559
New Shoreham	67,340	70,698	119,879	135,375	393,292	(7,081)	3,412,971
Newport	559,080	586,961	995,281	1,924,439	4,065,761	(859,288)	28,335,774
North Kingstown	1,034,123	1,085,692	1,840,955	615,280	4,576,050	2,967,268	52,412,244
North Providence	860,203	903,100	1,531,343	-	3,294,646	6,499,311	43,597,532
North Smithfield	407,797	428,133	725,965	351,243	1,913,138	618,386	20,668,314
Northern RI Collaborative	75,213	78,963	133,894	977,253	1,265,323	(630,630)	3,811,992
Pawtucket	2,006,766	2,106,839	3,572,464	-	7,686,069	5,821,616	101,708,548
Portsmouth	627,954	659,269	1,117,891	2,403,347	4,808,461	(979,178)	31,826,498

Employees' Retirement System Plan

Schedule D

Schedule of Pension Amounts by Employer - Teachers - June 30, 2016 Measurement Date

Participating Employer	Collective Deferred Inflows for Plan as a Whole Unrecognized Current Year Deferred Inflow of Resources					Total Deferred (Inflows) and Outflows of Resources	Ending Net Pension Liability
	Differences Between Expected and Actual Experience	Changes of Assumptions	Net Difference Between Projected and Actual Investment Earnings	Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	Total Deferred Inflows of Resources		
Providence	5,566,495	5,844,085	9,909,528	1,198,143	22,518,251	9,407,054	282,125,630
Scituate	400,789	420,776	713,489	1,520,497	3,055,551	(756,920)	20,313,123
Smithfield	642,465	674,504	1,143,723	-	2,460,692	4,285,845	32,561,955
South Kingstown	975,893	1,024,559	1,737,295	344,515	4,082,262	2,371,696	49,461,027
Tiverton	470,642	494,112	837,842	-	1,802,596	3,338,869	23,853,486
Urban Collaborative	37,113	38,964	66,070	64,660	206,807	132,753	1,881,013
Warwick	2,771,369	2,909,571	4,933,618	6,497,571	17,112,129	(1,217,603)	140,460,773
West Bay Collaborative	40,199	42,204	71,563	-	153,966	471,673	2,037,400
West Warwick	657,509	690,298	1,170,505	12,282,368	14,800,680	(7,796,954)	33,324,429
Westerly	889,565	933,926	1,583,613	1,799,386	5,206,490	(104,600)	45,085,674
Woonsocket	1,275,675	1,339,291	2,270,970	723,493	5,609,429	2,396,365	64,654,823
Highlander Charter School	90,262	94,763	160,685	-	345,710	827,798	4,574,718
Paul Cuffee Charter School	188,444	197,841	335,469	501,967	1,223,721	43,860	9,550,853
Kingston Hill Charter School	33,910	35,601	60,367	-	129,878	168,766	1,718,670
International Charter School	63,045	66,189	112,234	427,176	668,644	(307,062)	3,195,323
Compass School Charter School	28,987	30,432	51,602	190,344	301,365	(94,944)	1,469,119
Blackstone Academy Charter School	44,513	46,733	79,243	-	170,489	870,746	2,256,052
Beacon Charter School	61,531	64,600	109,538	-	235,669	1,123,647	3,118,569
Learning Community Charter School	114,813	120,539	204,392	198,606	638,350	20,134	5,819,057
Segue Institute Charter School	41,552	43,624	73,971	130,055	289,202	(29,858)	2,105,955
Greene Charter School	37,958	39,851	67,574	41,363	186,746	248,806	1,923,835
Trinity Academy Charter School	37,844	39,731	67,370	49,305	194,250	290,185	1,918,031
RI Nurses Charter School	46,342	48,653	82,499	238	177,732	410,165	2,348,745
Village Green Charter School	34,373	36,087	61,190	-	131,650	556,612	1,742,099
Sheila Nowell Charter School	25,092	26,343	44,669	18,007	114,111	96,401	1,271,727
South Side Charter School	7,831	8,222	13,941	-	29,994	300,540	396,911
Grand Total	\$ 58,867,635	\$ 61,803,246	\$ 104,796,738	\$ 49,208,659	\$ 274,676,278	\$ 112,153,688	\$ 2,983,577,526

Employees' Retirement System Plan

Schedule D

Schedule of Pension Amounts by Employer - Teachers - June 30, 2016 Measurement Date

Participating Employer	Recognition of Existing Deferred Outflows (Inflows) of Resources for Future Years Ending June 30					
	2018	2019	2020	2021	2022	Thereafter
State of Rhode Island	\$ 7,869,470	\$ 7,869,470	\$ 29,168,169	\$ 13,405,193	\$ (9,081,359)	\$ (4,004,894)
Barrington	659,724	659,724	1,434,973	861,218	42,734	98,890
Bristol/Warren	273,450	273,450	995,965	461,238	(301,571)	(173,228)
Burrillville	(164,215)	(164,215)	273,233	(50,519)	(512,364)	(217,705)
Central Falls	574,762	574,762	1,185,789	733,574	88,469	135,562
Chariho	433,297	433,297	1,258,213	647,700	(223,222)	(365,022)
Coventry	341,111	341,111	1,489,570	639,605	(572,904)	(246,071)
Cranston	1,355,125	1,355,125	3,781,119	1,985,663	(575,631)	56,484
Cumberland	1,001,492	1,001,492	1,962,855	1,251,359	236,381	480,878
East Greenwich	414,866	414,866	956,861	555,736	(16,486)	166,736
East Providence	915,443	915,443	1,994,493	1,195,898	56,669	252,180
Exeter-West Greenwich	(353,566)	(353,566)	80,547	(240,736)	(699,060)	(347,822)
Foster	(71,706)	(71,706)	(18,406)	(57,853)	(114,126)	(79,291)
Foster-Glocester	92,246	92,246	369,303	164,256	(128,252)	(48,851)
Glocester	88,303	88,303	213,352	120,804	(11,219)	(22,437)
Jamestown	(49,901)	(49,901)	82,187	(15,570)	(155,025)	(83,175)
Johnston	701,256	701,256	1,440,435	893,375	112,972	184,723
Lincoln	(105,797)	(105,797)	694,497	102,207	(742,719)	(351,742)
Little Compton	(167,584)	(167,584)	(96,828)	(149,193)	(223,895)	(76,760)
Middletown	55,370	55,370	604,188	198,013	(381,413)	(123,377)
Narragansett	241,699	241,699	632,381	343,241	(69,230)	(52,312)
New Shoreham	(2,220)	(2,220)	57,720	13,359	(49,923)	(23,797)
Newport	(133,980)	(133,980)	363,660	(4,639)	(530,033)	(420,316)
North Kingstown	494,719	494,719	1,415,197	733,960	(237,853)	66,526
North Providence	1,168,222	1,168,222	1,933,893	1,367,227	558,854	302,893
North Smithfield	102,945	102,945	465,928	197,288	(185,938)	(64,782)
Northern RI Collaborative	(97,206)	(97,206)	(30,259)	(79,806)	(150,487)	(175,666)
Pawtucket	996,674	996,674	2,782,906	1,460,931	(424,920)	9,351
Portsmouth	(193,249)	(193,249)	365,696	(47,974)	(638,092)	(272,310)

Employees' Retirement System Plan

Schedule D

Schedule of Pension Amounts by Employer - Teachers - June 30, 2016 Measurement Date

Participating Employer	Recognition of Existing Deferred Outflows (Inflows) of Resources for Future Years Ending June 30					
	2018	2019	2020	2021	2022	Thereafter
Providence	1,640,247	1,640,247	6,595,011	2,928,035	(2,303,059)	(1,093,427)
Scituate	(126,664)	(126,664)	230,081	(33,943)	(410,583)	(289,147)
Smithfield	762,184	762,184	1,334,046	910,816	307,062	209,553
South Kingstown	401,617	401,617	1,270,265	627,387	(289,706)	(39,484)
Tiverton	598,348	598,348	1,017,269	707,229	264,945	152,730
Urban Collaborative	24,971	24,971	58,006	33,557	(1,320)	(7,432)
Warwick	(201,705)	(201,705)	2,265,104	439,441	(2,164,943)	(1,353,795)
West Bay Collaborative	83,334	83,334	119,115	92,634	54,857	38,399
West Warwick	(1,193,680)	(1,193,680)	(608,428)	(1,041,568)	(1,659,460)	(2,100,138)
Westerly	(23,322)	(23,322)	768,484	182,475	(653,490)	(355,425)
Woonsocket	404,784	404,784	1,540,269	699,906	(498,905)	(154,473)
Highlander Charter School	142,016	142,016	222,359	162,898	78,075	80,434
Paul Cuffee Charter School	1,417	1,417	169,151	45,012	(132,077)	(41,060)
Kingston Hill Charter School	29,817	29,817	60,001	37,662	5,795	5,674
International Charter School	(49,779)	(49,779)	6,338	(35,194)	(94,440)	(84,208)
Compass School Charter School	(14,056)	(14,056)	11,745	(7,350)	(34,590)	(36,637)
Blackstone Academy Charter School	144,849	144,849	184,471	155,147	113,316	128,114
Beacon Charter School	192,367	192,367	247,136	206,602	148,779	136,396
Learning Community Charter School	4,860	4,860	107,056	31,422	(76,473)	(51,591)
Segue Institute Charter School	(3,539)	(3,539)	33,446	6,074	(32,974)	(29,326)
Greene Charter School	40,608	40,608	74,395	49,390	13,719	30,086
Trinity Academy Charter School	53,441	53,441	87,126	62,196	26,632	7,349
RI Nurses Charter School	74,278	74,278	115,528	84,999	41,450	19,632
Village Green Charter School	95,988	95,988	126,583	103,940	71,639	62,474
Sheila Nowell Charter School	17,591	17,591	39,925	23,395	(185)	(1,916)
South Side Charter School	52,711	52,711	59,681	54,522	47,163	33,752
Grand Total	\$ 19,593,433	\$ 19,593,433	\$ 71,991,800	\$ 33,212,239	\$ (22,108,416)	\$ (10,128,801)

Employees' Retirement System Plan

Schedule D

Schedule of Pension Amounts by Employer - Teachers - June 30, 2016 Measurement Date

Participating Employer	Discount Rate Sensitivity		
	Ending Net Pension Liability		
	1% Lower 6.50%	7.50%	1% Higher 8.50%
State of Rhode Island	\$ 1,497,645,140	\$ 1,212,754,055	\$ 979,527,984
Barrington	54,512,550	44,142,844	35,653,685
Bristol/Warren	50,804,515	41,140,174	33,228,462
Burrillville	30,759,756	24,908,450	20,118,278
Central Falls	42,965,135	34,792,048	28,101,151
Chariho	58,005,012	46,970,949	37,937,914
Coventry	80,755,358	65,393,587	52,817,674
Cranston	170,586,840	138,136,783	111,571,546
Cumberland	67,599,409	54,740,242	44,213,086
East Greenwich	38,111,015	30,861,308	24,926,336
East Providence	75,874,752	61,441,400	49,625,536
Exeter-West Greenwich	30,525,194	24,718,508	19,964,864
Foster	3,747,878	3,034,934	2,451,282
Foster-Glocester	19,481,569	15,775,667	12,741,831
Glocester	8,792,982	7,120,328	5,751,010
Jamestown	9,287,942	7,521,134	6,074,736
Johnston	51,976,300	42,089,055	33,994,863
Lincoln	56,273,649	45,568,936	36,805,524
Little Compton	4,975,284	4,028,856	3,254,062
Middletown	38,590,816	31,249,839	25,240,148
Narragansett	27,471,319	22,245,559	17,967,491
New Shoreham	4,214,721	3,412,971	2,756,619
Newport	34,992,201	28,335,774	22,886,490
North Kingstown	64,724,536	52,412,244	42,332,788
North Providence	53,839,137	43,597,532	35,213,242
North Smithfield	25,523,559	20,668,314	16,693,568
Northern RI Collaborative	4,707,476	3,811,992	3,078,903
Pawtucket	125,601,157	101,708,548	82,148,865
Portsmouth	39,302,940	31,826,498	25,705,909

Employees' Retirement System Plan

Schedule D

Schedule of Pension Amounts by Employer - Teachers - June 30, 2016 Measurement Date

Participating Employer	Discount Rate Sensitivity		
	Ending Net Pension Liability		
	1% Lower 6.50%	7.50%	1% Higher 8.50%
Providence	348,400,466	282,125,630	227,869,739
Scituate	25,084,930	20,313,123	16,406,684
Smithfield	40,211,165	32,561,955	26,299,930
South Kingstown	61,080,041	49,461,027	39,949,123
Tiverton	29,456,967	23,853,486	19,266,195
Urban Collaborative	2,322,887	1,881,013	1,519,274
Warwick	173,456,764	140,460,773	113,448,607
West Bay Collaborative	2,516,011	2,037,400	1,645,586
West Warwick	41,152,754	33,324,429	26,915,771
Westerly	55,676,863	45,085,674	36,415,199
Woonsocket	79,843,049	64,654,823	52,220,983
Highlander Charter School	5,649,377	4,574,718	3,694,949
Paul Cuffee Charter School	11,794,468	9,550,853	7,714,118
Kingston Hill Charter School	2,122,407	1,718,670	1,388,151
International Charter School	3,945,944	3,195,323	2,580,827
Compass School Charter School	1,814,234	1,469,119	1,186,591
Blackstone Academy Charter School	2,786,027	2,256,052	1,822,188
Beacon Charter School	3,851,160	3,118,569	2,518,834
Learning Community Charter School	7,186,026	5,819,057	4,699,988
Segue Institute Charter School	2,600,670	2,105,955	1,700,957
Greene Charter School	2,375,768	1,923,835	1,553,860
Trinity Academy Charter School	2,368,600	1,918,031	1,549,172
RI Nurses Charter School	2,900,494	2,348,745	1,897,055
Village Green Charter School	2,151,339	1,742,099	1,407,074
Sheila Nowell Charter School	1,570,471	1,271,727	1,027,160
South Side Charter School	490,151	396,911	320,581
Grand Total	3,684,457,175	2,983,577,526	2,409,802,443

EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

Employees' Retirement System Cost-Sharing Plan

NOTES TO THE SCHEDULES OF EMPLOYER ALLOCATIONS AND PENSION AMOUNTS BY EMPLOYER
June 30, 2016 Measurement Date

1. Plan Description and Governance

The Employees' Retirement System of the State of Rhode Island (the System) acts as a common investment and administrative agent for pension benefits to be provided through various defined benefit and defined contribution retirement plans. The System is administered by the State of Rhode Island Retirement Board which was authorized, created and established as an independent retirement board to hold and administer, in trust, the funds of the retirement system.

Each plan's assets are accounted for separately and may be used only for the payment of benefits to the members of that plan, in accordance with the terms of that plan.

The Employees' Retirement System (ERS) Plan (the Plan) was established and placed under the management of the Retirement Board for the purpose of providing retirement allowances for employees of the State of Rhode Island under the provisions of chapters 8 to 10, inclusive, of Title 36, and public school teachers under the provisions of chapters 15 to 17, inclusive, of Title 16 of the Rhode Island General Laws.

The Plan covers most State employees other than certain personnel at the State colleges and university (principally faculty and administrative personnel). The plan also covers teachers, including superintendents, principals, school nurses, and certain other school officials in the public schools in the cities and towns. Membership in the plan is mandatory for all covered state employees and teachers. Elected officials may become members on an optional basis and legislators may participate if elected to office prior to January 1, 1995.

Certain employees of the Rhode Island Airport Corporation (hired before July 1, 1993), the Rhode Island Commerce Corporation (active contributing members and employees of the Department of Economic Development before October 31, 1995 who elected to continue membership) and, the Narragansett Bay Water Quality District Commission (members of a collective bargaining unit) are also covered and have the same benefits as State employees.

2. Schedules of Employer Allocations

The Schedules of Employer Allocations reflect employer contributions recognized for the fiscal year ended June 30, 2016 consistent with contributions reflected within the Plan's financial statements. Contribution classification and presentation differences are reconciled on the next page.

The Schedule of Employer and Other Nonemployer Entity Allocations for Teachers reflects a special funding situation wherein the State of Rhode Island, by statute, has assumed responsibility to fund 40% of the required employer contribution for teachers. The actual proportionate share of employer contributions as shown in the Schedule and to be borne by the State varies slightly from 40% due to local education agency employers not participating in a component of the actuarially determined contribution that relates to interest on certain contributions withdrawn, but subsequently restored, to the Plan.

The Schedule of Employer Allocations and Other Nonemployer Entity Allocations for Teachers also includes an adjustment to determine equivalent contributions from local educational agencies if all had been shared on a consistent basis. The employer contribution for certain teachers funded by federal programs is borne 100% by the local education agency using federal funds and consequently there is no State share. The adjustment converts the actual contribution amounts by local educational agency employers to an equivalent basis for the purpose of determining each employer's proportionate share of the net pension liability, pension expense and deferred inflows and outflows of resources.

EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

Employees' Retirement System Cost-Sharing Plan

**NOTES TO THE SCHEDULES OF EMPLOYER ALLOCATIONS AND PENSION AMOUNTS BY EMPLOYER
June 30, 2016 Measurement Date**

2. Schedules of Employer Allocations (continued)

	State employees	Teachers Local Share	Teachers State share	Total ERS Plan
Employer Contributions included in the Schedules of Employer Allocations	\$ 159,126,207	\$ 133,880,858	\$ 91,688,729	\$ 384,695,794
Adjustment for equivalent contributions if all shared at same rate		3,691,092	(3,691,092)	-
Other contribution related additions included in financial reporting amounts	46,185	893,226		939,411
Employer contributions reported on ERS Plan Fiscal 2016 financial statements	\$ 159,172,392	\$ 138,465,176	\$ 87,997,637	\$ 385,635,205
per ERSRI fiscal 2016 financial statements		Employer contributions	\$ 297,637,568	
		State contributions for teachers	87,997,637	
		Total employer contributions	\$ 385,635,205	

The percentages included in the Schedules of Employer Allocations have been rounded to 8 decimal places.

3. Schedules of Pension Amounts by Employer

The Schedules of Pension Amounts by Employer were prepared by the Plan's actuary using amounts from (1) the Plan's fiscal 2016 financial statements, (2) Required Supplementary Information Schedules prepared in accordance with the requirements of GASB Statement No. 67, and (3) certain data from the actuarial valuation of the Plan performed at June 30, 2015 rolled-forward to June 30, 2016. These schedules utilize the proportionate employer contribution schedules detailed in the Schedules of Employer Allocations to apportion each employer's amounts for the cost-sharing plan.

The Schedules of Pension Amounts by Employer include the sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the employers calculated using the discount rate of 7.5 percent, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

Employees' Retirement System Cost-Sharing Plan

**NOTES TO THE SCHEDULES OF EMPLOYER ALLOCATIONS AND PENSION AMOUNTS BY EMPLOYER
June 30, 2016 Measurement Date**

3. Schedules of Pension Amounts by Employer (continued)

Net Pension Liability – Sensitivity Analysis

	1.00% Decrease (6.50%)	Current Discount Rate (7.5%)	1.00% Increase (8.50%)
ERS - State employees	\$ 2,598,795,821	\$ 2,122,262,971	\$ 1,732,145,629
ERS - Teachers	\$ 3,684,457,175	\$ 2,983,577,526	\$ 2,409,802,443

4. Relationship to the Plan Financial Statements

The components associated with pension expense and deferred outflows and inflows of resources have been determined based on the net increase in fiduciary net position as reflected for the ERS Plan in the System's financial statements and consistent with the requirements of GASB Statements No. 67 and 68.

The Schedules of Employer Allocations as included herein have been restated compared to the schedules originally included as supplementary information in the System's fiscal 2016 audited financial statements. See note 2 which more fully describes how employer contribution amounts are utilized in the Schedules of Employer Allocations.

5. Summary of Significant Accounting Policies

Basis of Accounting – The underlying information to prepare the allocation schedules is based on the System's financial statements as of and for the year ended June 30, 2016. The financial statements of the System are prepared on the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when incurred. Plan member contributions are recognized in the period in which the wages, subject to required contributions, are earned for the performance of duties for covered employment. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions.

6. Net Pension Liability

The components of the net pension liability of the employers participating in the ERS Plan at June 30, 2016 were as follows:

	ERS	
	State Employees	Teachers
Fiscal year ended June 30, 2016		
Total pension liability	\$ 4,410,709,110	\$ 6,494,164,064
Plan Fiduciary net position	2,288,446,139	3,510,586,538
Employers' Net Pension Liability	\$ 2,122,262,971	\$ 2,983,577,526
Plan Fiduciary Net Position as a percentage of total pension liability	51.88%	54.06%

EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

Employees' Retirement System Cost-Sharing Plan

**NOTES TO THE SCHEDULES OF EMPLOYER ALLOCATIONS AND PENSION AMOUNTS BY EMPLOYER
June 30, 2016 Measurement Date**

7. Actuarial methods and assumptions

The total pension liability was determined by actuarial valuations performed as of June 30, 2015 and rolled forward to June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement.

The actuarial assumptions used in the June 30, 2015 valuations and the calculation of the total pension liability at June 30, 2016 (measurement date) were consistent with the results of an actuarial experience study performed as of June 30, 2013.

Actuarial Cost Method - Entry Age Normal - the Individual Entry Age Actuarial Cost methodology is used.

Amortization Method - Level Percent of Payroll – Closed

State Employees - Equivalent Single Remaining Amortization Period - 20 years at June 30, 2015

Teachers - Equivalent Single Remaining Amortization Period – 22.3 years at June 30, 2015

Investment Rate of Return - 7.50%

Projected Salary Increases – state employees - 3.50% to 6.50%

Projected Salary Increases – teachers - 3.50% to 13.5%

Mortality – state employees:

- Male Employees, 115% of RP-2000 Combined Healthy for Males with White Collar adjustments, projected with Scale AA from 2000.
- Female Employees: 95% of RP-2000 Combined Healthy for Females with White Collar adjustments, projected with Scale AA from 2000.

Mortality – teachers: Male and female teachers: 97% and 92%, respectively of rates in a GRS table based on male and female teacher experience, projected with Scale AA from 2000.

Inflation - 2.75%

Post-retirement Benefit Increase: Post-retirement benefit increases are assumed to be 2.2%, per annum, while the plan has a funding level that exceeds 80%; however, an interim COLA will be granted in four-year intervals while the COLA is suspended. The first such COLA will be applicable in Calendar Year 2017. As of June 30, 2015, it is assumed that the COLAs will be suspended for 12 years due to the current funding level of the plans. The actual amount of the COLA is determined based on 50% of the plan's five-year average investment rate of return minus 5.5% which will range from zero to 4.0%, and 50% of the lesser of 3% or last year's CPI-U increase for a total maximum increase of 3.50%.

The long-term expected rate of return best-estimate on pension plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of pension plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from 35 sources. These return assumptions are then weighted by the target asset allocation percentage, factoring in correlation effects, to develop the overall long-term expected rate of return best-estimate on an arithmetic basis.

EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

Employees' Retirement System Cost-Sharing Plan

NOTES TO THE SCHEDULES OF EMPLOYER ALLOCATIONS AND PENSION AMOUNTS BY EMPLOYER
June 30, 2016 Measurement Date

8. Discount rate

The discount rate used to measure the total pension liability of the ERS plan was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

9. Deferred Outflows and Inflows of Resources

Consistent with the requirements of GASB Statement No. 68, differences between expected and actual experience and changes in assumptions are recognized in pension expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan (active employees and inactive employees) determined as of the beginning of the measurement period.

Differences between projected and actual earnings on pension plan investments are to be recognized in pension expense using a systematic and rational method over a closed five-year period. Projected earnings of the plan reflect the plan's investment return assumption or discount rate of 7.5%.

Changes in proportion between the June 30, 2015 and June 30, 2016 measurement dates are also recognized in pension expense using the expected remaining service lives of state employee or teachers as applicable.

For state employees, the average of the expected remaining service lives for purposes of recognizing the applicable deferred inflows/outflows of resources established in fiscal 2016 is 4.8897 years (4.9977 years as of the June 30, 2015 measurement date).

For teachers, the average of the expected remaining service lives for purposes of recognizing the applicable deferred inflows/outflows of resources established in fiscal 2016 is 7.1302 years (7.4694 years as of the June 30, 2015 measurement date).

10. Subsequent Event

In May 2017, the Employees' Retirement System of Rhode Island Board voted to lower the investment rate of return assumption from 7.5% to 7.0 % which will be reflected in the determination of the net pension liability (asset) for the various plans administered by the System beginning with the June 30, 2017 measurement date valuations.