

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

**Municipal Employees' Retirement System
Multiple-Employer Defined Benefit Agent Plan**

GASB STATEMENT No. 68 REPORTS

FISCAL YEAR ENDED JUNE 30, 2023

(For Fiscal 2024 Employer Reporting)



David A. Bergantino, CPA, CFE Auditor General

Office of the Auditor General

General Assembly

State of Rhode Island



Office of the Auditor General

State of Rhode Island - General Assembly

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June 25, 2024

JOINT COMMITTEE ON LEGISLATIVE SERVICES:

SPEAKER K. Joseph Shekarchi, Chairman

Senator Dominick J. Ruggiero

Senator Jessica de la Cruz

Representative Christopher R. Blazejewski

Representative Michael W. Chippendale

We have completed our audit of the Schedule of Changes in Fiduciary Net Position by Employer - Municipal Employees' Retirement System (MERS) plan for the fiscal year ended June 30, 2023. The Schedule is required for employers participating in the MERS multiple-employer defined benefit agent plan to meet their 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*.

We have also included our report on the MERS plan census data as of June 30, 2022, which was used as the basis for the actuarial valuation of the plan at that date rolled forward to June 30, 2023 – **the plan measurement date for fiscal 2024 financial reporting by participating employers in the MERS plan.**

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

Sincerely,

David A. Bergantino, CPA, CFE
Auditor General

EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

Municipal Employees' Retirement System

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FISCAL YEAR ENDED JUNE 30, 2023

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Municipal Employees' Retirement System

Multiple-Employer Defined Benefit Agent Plan

GASB STATEMENT No. 68 REPORTS

INTRODUCTION

The Municipal Employees' Retirement System (MERS) Plan covers certain employees of municipalities, fire districts, housing authorities, water and sewer districts, and municipal police and fire units that have elected to participate. MERS is an agent plan and accordingly separate actuarial valuations are performed for each employer unit.

We have previously audited the financial statements of the Employees' Retirement System of the State of Rhode Island for the year ended June 30, 2023 which includes the MERS plan financial statements. ERSRI has prepared and we have audited the Schedule of Changes in Fiduciary Net Position by Employer (the Schedule) for the fiscal year ended June 30, 2023. The amounts included in the Schedule are used by the actuary to determine the net pension liability or asset for each MERS participating employer at the June 30, 2023 measurement date.

The net pension liability and other measures for each MERS employer unit have been developed consistent with the requirements of GASB 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.

We have also issued our report on the reliability of the MERS census data at June 30, 2022 used by the actuary to measure the total pension liability for each MERS participating employer. The June 30, 2022 actuarial data, rolled forward to June 30, 2023, was used as the basis for determining the total pension liability at the measurement date (June 30, 2023). **Our report on the census data is intended to be used by each participating employer and their auditors in meeting the employer's fiscal 2024 financial reporting requirements.**

The System's actuary has provided separately issued actuarial valuation reports to each MERS participating employer which contains the beginning net pension liability (asset), ending net pension liability (asset), pension expense and related deferred inflows and outflows. The employer specific actuarial reports also detail actuarial methods and assumptions used by the actuary in measuring the net pension liability (asset) in accordance with the requirements of GASB Statement No. 68.

This audit report and the actuarial valuation reports provided by the actuary will allow employers participating in the MERS agent plan to meet their financial reporting responsibilities pursuant to GASB Statement No. 68.



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INDEPENDENT ACCOUNTANT'S REPORT

JOINT COMMITTEE ON LEGISLATIVE SERVICES, GENERAL ASSEMBLY, STATE OF RHODE ISLAND:
RETIREMENT BOARD OF THE EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND:

We have examined the Employees' Retirement System of Rhode Island's (the System's) management assertions related to the census data it maintained for the Municipal Employees' Retirement System (MERS) which was used by the System's actuary to prepare the actuarial valuations as of June 30, 2022 for the employers participating in MERS. The data in the 2022 valuations was rolled-forward to June 30, 2023 and used to prepare the GASB Statement No. 68 Accounting Valuation Reports as of June 30, 2023 for the employers participating in MERS. Those assertions are presented in accordance with the laws governing MERS (Rhode Island General Law Title 45).

Management's assertions are:

1. The key census data elements as of June 30, 2022 provided by the System to its actuary are complete and accurate based on the accumulation of census data reported by the participating employers for the period July 1, 2021 through June 30, 2022. Key census data elements include: employer code, employer group, member name, gender, year of birth, date of hire, years of service, pensionable wages, retirement date, pension option, year of birth of spouse or beneficiary, employed as (status), and monthly benefit amount for retirees as outlined in Title 45 of the General Laws of the State of Rhode Island.
2. The census data provided to the actuary as of June 30, 2022 properly reflects benefit provisions in effect through the measurement date of June 30, 2023 as outlined in Rhode Island General Law Title 45.
3. The census data provided to the actuary as of June 30, 2022 properly excludes deceased members based on the System's validation of the existence of plan members by cross matching social security numbers of plan members with the social security death file maintained by a private vendor (Pension Benefit Information) on a monthly basis for the period July 1, 2021 through June 30, 2022.

The System's management is responsible for its assertions. Our responsibility is to express an opinion on management's assertions based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertions are fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertions. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertions, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

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

In our opinion, management's assertions referred to above are fairly stated, in all material respects, based on the law governing MERS (Rhode Island General Law Title 45).

Our report is intended solely for the information and use of the Joint Committee on Legislative Services, 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 Municipal Employees' Retirement System agent plan participating employers and their auditors and is not intended to be and should not be used by anyone other than these specified parties.



David A. Bergantino, CPA, CFE
Auditor General

June 25, 2024



Office of the Auditor General

State of Rhode Island - General Assembly

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INDEPENDENT AUDITOR'S REPORT

JOINT COMMITTEE ON LEGISLATIVE SERVICES, GENERAL ASSEMBLY, STATE OF RHODE ISLAND:
RETIREMENT BOARD OF THE EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND:

Report on the Audit of the Schedule of Changes in Fiduciary Net Position by Employer

Opinion

We have audited the fiduciary net position as of June 30, 2023, and the changes in fiduciary net position for the year then ended, included in the accompanying Schedule of Changes in Fiduciary Net Position by Employer ("Schedule") of the Municipal Employees' Retirement System (MERS), and the related notes. We have also audited the fiduciary net position of each individual employer as of June 30, 2023, and the changes in fiduciary net position of each individual employer for the year then ended, included in the accompanying Schedule.

In our opinion, the accompanying Schedule referred to above presents fairly, in all material respects, the fiduciary net position of the Municipal Employees' Retirement System as of June 30, 2023 and the changes in fiduciary net position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Also, in our opinion, the accompanying Schedule referred to above presents fairly, in all material respects, the fiduciary net position of each individual employer as of June 30, 2023, and the changes in fiduciary net position of each individual employer for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedule section of our report. We are required to be independent of the Municipal Employees' Retirement System and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Schedule

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for twelve months beyond the date of the Schedule, including any currently known information that may raise substantial doubt shortly thereafter.

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

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the fiduciary net position and the changes in fiduciary net position included in the Schedule are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the fiduciary net position and the changes in fiduciary net position included in the Schedule.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the fiduciary net position and changes in fiduciary net position included in the Schedule, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Schedule.
- Obtain an understanding of internal control relevant to the audit 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 Municipal Employees' Retirement System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the fiduciary net position and changes in fiduciary net position included in the Schedule.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Emphasis of Matter

The fair values of certain investments (hedge funds, private equity, real estate, infrastructure, crisis protection class - trend following investments, equity options, and emerging markets debt – collective unit trust) representing 45.7% of assets within the pooled investment trust, have been estimated by management in the absence of readily determinable fair values. Management's estimates are based on information provided by the fund managers or general partners.

Our opinion is not modified with respect to these matters.

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

Other Matter

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the Municipal Employees' Retirement System Plan within the Employees' Retirement System of Rhode Island as of and for the year ended June 30, 2023, and our report thereon, dated December 26, 2023, expressed an unmodified opinion on those financial statements.

Restriction on Use

Our report is intended solely for the information and use of the Joint Committee on Legislative Services, 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 Municipal Employees' Retirement System agent plan participating employers and their auditors and is not intended to be and should not be used by anyone other than these specified parties.



David A. Bergantino, CPA, CFE
Auditor General

June 25, 2024

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2023

<i>Employer Unit Type</i>	Barrington				Bristol	
<i>General Employees</i>	Barrington (COLA)	Barrington	Barrington	Barrington	Bristol	Bristol
<i>Police</i>	•				•	
<i>Fire</i>		•		•		•
<i>Police and Fire</i>						
<i>Current Employer Unit Number(s)</i>	1002 1003 1007 1009	1004	1005	1008	1012 1019	1014
<i>Legacy Employer Unit Number</i>	3078	4060	4061	4059	3002	4096

Additions														
Contributions														
Member contributions	\$	229,150	\$	201,108	\$	-	\$	205,797	\$	156,601	\$	338,409	\$	19,038
Employer contributions		1,027,444		616,396		348,940		238,518		854,560		285,599		26,547
Other (net)		-		-		-		-		126		9,702		-
Service credit transfers		122,600		59,811		-		-		8,709		-		-
Net investment income		3,495,365		1,160,512		455,508		548,101		1,850,064		1,262,551		67,726
Total Additions		4,874,559		2,037,827		804,448		992,416		2,870,060		1,896,261		113,311
Deductions														
Retirement benefits and refunds	\$	2,614,384	\$	968,290	\$	786,857	\$	104,574	\$	1,644,807	\$	61,082	\$	44,003
Administrative expense		37,623		12,491		4,903		5,900		19,913		13,590		729
Service credit transfers		28,267		-		-		-		192		-		-
Total Deductions		2,680,274		980,781		791,760		110,474		1,664,912		74,672		44,732
Net Increase (Decrease)		2,194,285		1,057,045		12,688		881,943		1,205,148		1,821,590		68,579
Net position held in trust for pension benefits														
Beginning of year		41,865,278		13,571,123		5,729,256		6,026,552		22,115,141		14,092,287		785,101
End of year	\$	44,059,564	\$	14,628,169	\$	5,741,944	\$	6,908,495	\$	23,320,289	\$	15,913,877	\$	853,680

See notes to schedule.

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2023

<i>Employer Unit Type</i>	Bristol Housing	Bristol/Warren Regional School	Burrillville	Burrillville	Burrillville Housing	Central Coventry Fire District	Central Falls
<i>General Employees</i>	•	•	•		•		•
<i>Police</i>				•			
<i>Fire</i>						•	
<i>Police and Fire</i>							
Current Employer Unit Number(s)	1016	1023	1032 1033	1034	1036	1045 1235 1525 1585	1052
Legacy Employer Unit Number	3059	3100	3003	4090	3065	4102	3004

Additions								
Contributions								
Member contributions	\$ 13,970	\$ 112,621	\$ 178,045	\$ 196,191	\$ 4,986	\$ 179,359	\$ 32,925	
Employer contributions	12,931	841,312	577,647	387,476	33,133	605,161	374,957	
Other (net)	-	-	-	-	-	-	-	
Service credit transfers	-	-	-	-	-	-	-	
Net investment income	206,361	1,608,511	2,805,200	1,201,946	80,633	1,043,054	529,628	
Total Additions	233,262	2,562,444	3,560,892	1,785,613	118,752	1,827,574	937,510	
Deductions								
Retirement benefits and refunds	\$ 136,250	\$ 1,756,405	\$ 2,169,055	\$ 805,799	\$ 93,804	\$ 860,802	\$ 564,498	
Administrative expense	2,221	17,313	30,194	12,937	868	11,227	5,701	
Service credit transfers	-	84,521	153,982	-	-	73,028	6,064	
Total Deductions	138,471	1,858,239	2,353,231	818,736	94,672	945,057	576,263	
Net Increase (Decrease)	94,791	704,204	1,207,661	966,877	24,080	882,517	361,248	
Net position held in trust for pension benefits								
Beginning of year	2,506,445	19,571,523	34,152,689	14,183,667	992,332	12,265,155	6,314,770	
End of year	\$ 2,601,236	\$ 20,275,728	\$ 35,360,351	\$ 15,150,544	\$ 1,016,413	\$ 13,147,672	\$ 6,676,017	

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2023

<i>Employer Unit Type</i>	Central Falls Police and Fire (new)	Central Falls Police and Fire (legacy)	Central Falls School District	Central Falls Housing	Chariho School District	Charlestown	Charlestown
<i>General Employees</i>			•	•	•	•	
<i>Police</i>							•
<i>Fire</i>							
<i>Police and Fire</i>	•	•					
Current Employer Unit Number(s)	1054	1055	1063	1056	1073	1082	1084
Legacy Employer Unit Number	1054	1055	3099	3096	3040	3005	4086

Additions								
Contributions								
Member contributions	\$ 109,699	\$ 467,874	\$ 134,138	\$ 31,274	\$ 141,466	\$ 99,120	\$ 165,992	
Employer contributions	98,290	2,698,126	500,334	178,848	597,422	217,580	600,892	
Other (net)	-	-	-	-	-	-	-	
Service credit transfers	-	-	-	-	957	-	52,421	
Net investment income	51,247	1,607,615	1,588,128	270,887	2,092,672	932,702	1,213,469	
Total Additions	259,236	4,773,615	2,222,600	481,009	2,832,517	1,249,402	2,032,774	
Deductions								
Retirement benefits and refunds	\$ 9,879	\$ 2,880,746	\$ 1,165,826	\$ 194,422	\$ 1,385,823	\$ 375,600	\$ 850,367	
Administrative expense	552	17,304	17,094	2,916	22,525	10,039	13,061	
Service credit transfers	-	-	44,471	-	103,190	-	52,298	
Total Deductions	10,431	2,898,050	1,227,391	197,338	1,511,538	385,639	915,726	
Net Increase (Decrease)	248,805	1,875,566	995,209	283,671	1,320,979	863,763	1,117,048	
Net position held in trust for pension benefits								
Beginning of year	397,012	18,388,008	19,023,344	3,130,816	25,057,432	10,892,871	14,178,638	
End of year	\$ 645,818	\$ 20,263,574	\$ 20,018,553	\$ 3,414,488	\$ 26,378,411	\$ 11,756,634	\$ 15,295,685	

See notes to schedule.

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2023

<i>Employer Unit Type</i>	Coventry Fire District	Coventry Housing	Coventry Lighting District	Cranston	Cranston	Cranston	Cranston Housing
<i>General Employees</i>		•	•	•			•
<i>Police</i>					•		
<i>Fire</i>	•					•	
<i>Police and Fire</i>							
Current Employer Unit Number(s)	1095	1096	1098	1112 1113	1114	1115	1116
Legacy Employer Unit Number	4098	3079	3045	3007	4104	4105	3051

Additions							
Contributions							
Member contributions	\$ 72,748	\$ 6,978	\$ 1,088	\$ 700,588	\$ 1,512,458	\$ 1,870,627	\$ 23,135
Employer contributions	364,465	42,217	-	2,836,907	2,439,269	1,734,745	70,447
Other (net)	-	-	-	-	-	604	-
Service credit transfers	-	-	-	45,651	-	-	-
Net investment income	337,531	165,149	112,487	13,044,345	5,940,858	8,920,553	509,866
Total Additions	774,744	214,344	113,575	16,627,491	9,892,585	12,526,529	603,448
Deductions							
Retirement benefits and refunds	\$ 365,548	\$ 31,187	\$ 66,565	\$ 10,766,813	\$ 1,978,206	\$ 2,995,925	\$ 555,423
Administrative expense	3,633	1,778	1,211	140,403	63,945	96,017	5,488
Service credit transfers	-	-	-	104,823	4,624	-	1,837
Total Deductions	369,181	32,965	67,776	11,012,039	2,046,775	3,091,942	562,748
Net Increase (Decrease)	405,563	181,379	45,799	5,615,452	7,845,810	9,434,587	40,700
Net position held in trust for pension benefits							
Beginning of year	3,848,925	1,900,288	1,372,136	158,812,234	67,036,498	103,007,404	6,386,439
End of year	\$ 4,254,488	\$ 2,081,667	\$ 1,417,935	\$ 164,427,685	\$ 74,882,308	\$ 112,441,991	\$ 6,427,139

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2023

<i>Employer Unit Type</i>	Cumberland	Cumberland Fire District	Cumberland Housing	Cumberland Rescue	East Greenwich	East Greenwich	East Greenwich
<i>General Employees</i>	•		•		•		
<i>Police</i>						•	
<i>Fire</i>		•		•			•
<i>Police and Fire</i>							
<i>Current Employer Unit Number(s)</i>	1122 1123	1125 1135 1365	1126	1148	1152 1153	1154	1155
<i>Legacy Employer Unit Number</i>	3008	4106	3056	4091	3009	4054	4050

Additions														
Contributions														
Member contributions	\$	187,297	\$	289,888	\$	12,327	\$	120,726	\$	38,386	\$	258,974	\$	299,340
Employer contributions		1,290,643		779,209		27,553		147,124		116,692		820,951		1,035,781
Other (net)		-		-		15		-		-		-		72
Service credit transfers		97,694		-		-		-		211,568		-		-
Net investment income		2,919,986		1,689,063		159,112		795,828		719,199		1,713,896		1,667,407
Total Additions		4,495,620		2,758,160		199,007		1,063,678		1,085,845		2,793,821		3,002,600
Deductions														
Retirement benefits and refunds	\$	2,200,617	\$	1,115,110	\$	53,359	\$	416,386	\$	436,738	\$	1,271,883	\$	1,173,710
Administrative expense		31,429		18,180		1,713		8,566		7,741		18,448		17,947
Service credit transfers		468,361		-		104		-		687		-		-
Total Deductions		2,700,407		1,133,290		55,176		424,952		445,166		1,290,331		1,191,657
Net Increase (Decrease)		1,795,213		1,624,870		143,832		638,727		640,678		1,503,490		1,810,943
Net position held in trust for pension benefits														
Beginning of year		35,011,631		19,665,589		1,861,769		9,392,700		8,424,782		20,100,094		19,206,394
End of year	\$	36,806,844	\$	21,290,459	\$	2,005,601	\$	10,031,427	\$	9,065,461	\$	21,603,584	\$	21,017,337

See notes to schedule.

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2023

<i>Employer Unit Type</i>	East Greenwich Housing	East Greenwich (COLA)	East Greenwich (Fire)	East Providence	East Providence Housing	East Smithfield Water	Exeter/West Greenwich School District
<i>General Employees</i>	•	•	•	•	•	•	•
<i>Police</i>							
<i>Fire</i>							
<i>Police and Fire</i>							
<i>Current Employer Unit Number(s)</i>	1156	1157 1158	1159	1162 1163	1166	1177	1183
<i>Legacy Employer Unit Number</i>	3050	3101	3150	3010	3052	3067	3011

Additions														
Contributions														
Member contributions	\$	10,215	\$	175,651	\$	870	\$	500,502	\$	18,825	\$	-	\$	71,014
Employer contributions		57,105		395,405		15,726		4,630,205		107,773		5,938		410,869
Other (net)		-		-		-		-		-		-		-
Service credit transfers		-		49,636		-		15,625		-		-		22,167
Net investment income		162,329		2,342,731		12,346		6,317,696		299,414		57,719		1,093,221
Total Additions		229,649		2,963,423		28,942		11,464,028		426,012		63,657		1,597,271
Deductions														
Retirement benefits and refunds	\$	74,812	\$	1,465,884	\$	21,636	\$	7,928,354	\$	240,186	\$	52,916	\$	905,899
Administrative expense		1,747		25,216		133		68,001		3,223		621		11,767
Service credit transfers		-		94,886		-		19,636		-		-		-
Total Deductions		76,559		1,585,986		21,769		8,015,991		243,409		53,537		917,666
Net Increase (Decrease)		153,090		1,377,437		7,173		3,448,037		182,603		10,120		679,605
Net position held in trust for pension benefits														
Beginning of year		1,893,052		28,153,085		148,452		76,187,781		3,591,551		717,460		13,100,603
End of year	\$	2,046,142	\$	29,530,523	\$	155,626	\$	79,635,818	\$	3,774,154	\$	727,581	\$	13,780,208

See notes to schedule.

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2023

<i>Employer Unit Type</i>	Foster	Foster	Foster/Glocester Regional School District	Glocester	Glocester	Greenville Water	Hope Valley - Wyoming Fire District
<i>General Employees</i>	•		•	•		•	•
<i>Police</i>		•			•		
<i>Fire</i>							
<i>Police and Fire</i>							
Current Employer Unit Number(s)	1192 1193	1194	1203	1212 1213	1214	1227	1242
Legacy Employer Unit Number	3012	4082	3041	3013	4088	3068	3046

Additions

Contributions

Member contributions	\$ 29,591	\$ 42,836	\$ 51,589	\$ 90,995	\$ 138,227	\$ 6,821	\$ 3,628
Employer contributions	179,737	119,253	274,670	356,084	341,006	11,835	-
Other (net)	-	-	-	-	-	-	-
Service credit transfers	-	-	-	-	-	-	-
Net investment income	398,380	292,531	733,219	970,058	799,817	143,608	46,656
Total Additions	607,708	454,620	1,059,478	1,417,137	1,279,050	162,264	50,284

Deductions

Retirement benefits and refunds	\$ 286,175	\$ 354,870	\$ 603,436	\$ 604,134	\$ 478,885	\$ 72,759	\$ 22,998
Administrative expense	4,288	3,149	7,892	10,441	8,609	1,546	502
Service credit transfers	9,921	49,600	-	31,726	-	-	-
Total Deductions	300,384	407,619	611,328	646,301	487,494	74,305	23,500

Net Increase (Decrease)	307,324	47,001	448,150	770,836	791,556	87,959	26,784
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**Net position held in trust
for pension benefits**

Beginning of year	4,714,263	3,640,489	8,794,187	11,456,761	9,290,039	1,722,239	561,327
End of year	\$ 5,021,587	\$ 3,687,490	\$ 9,242,337	\$ 12,227,597	\$ 10,081,595	\$ 1,810,199	\$ 588,112

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2023

<i>Employer Unit Type</i>	Hopkins Hill Fire District	Hopkinton	Hopkinton	Jamestown	Johnston	Johnston	Johnston
<i>General Employees</i>		•		•	•		
<i>Police</i>			•			•	
<i>Fire</i>	•						•
<i>Police and Fire</i>							
<i>Current Employer Unit Number(s)</i>	1255	1262	1264	1272 1273	1282 1283	1284	1285
<i>Legacy Employer Unit Number</i>	4103	3014	4087	3015	3016	1284	4016

Additions								
Contributions								
Member contributions	\$ 96,627	\$ 46,498	\$ 121,166	\$ 128,866	\$ 186,665	\$ 173,456	\$ 505,478	
Employer contributions	100,396	67,776	416,206	452,804	1,595,008	161,120	645,337	
Other (net)	-	-	-	-	-	-	-	-
Service credit transfers	-	-	-	-	55,974	4,624	-	-
Net investment income	423,283	575,935	621,866	1,531,348	2,932,269	213,815	1,448,386	
Total Additions	620,306	690,209	1,159,238	2,113,018	4,769,916	553,015	2,599,201	
Deductions								
Retirement benefits and refunds	\$ 117,040	\$ 367,859	\$ 577,177	\$ 1,046,628	\$ 3,579,795	\$ 73,787	\$ 427,213	
Administrative expense	4,556	6,199	6,693	16,483	31,562	2,301	15,590	
Service credit transfers	-	-	52,421	34,691	11,497	50,998	-	
Total Deductions	121,596	374,058	636,291	1,097,802	3,622,854	127,086	442,803	
Net Increase (Decrease)	498,710	316,151	522,946	1,015,216	1,147,063	425,929	2,156,398	
Net position held in trust for pension benefits								
Beginning of year	4,836,661	6,943,627	7,315,656	18,287,587	35,815,115	2,269,026	16,099,782	
End of year	\$ 5,335,371	\$ 7,259,778	\$ 7,838,603	\$ 19,302,803	\$ 36,962,177	\$ 2,694,955	\$ 18,256,180	

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2023

<i>Employer Unit Type</i>	Johnston Housing	Lime Rock Fire District (Administrative)	Lime Rock Fire	Lincoln	Lincoln Rescue	Lincoln Housing	Middletown
<i>General Employees</i>	•	•		•		•	•
<i>Police</i>							
<i>Fire</i>			•		•		
<i>Police and Fire</i>							
<i>Current Employer Unit Number(s)</i>	1286	1293	1295	1302 1303	1305	1306	1322 1323
<i>Legacy Employer Unit Number</i>	3072	3098	1295	3017	4107	3057	3019

Additions								
Contributions								
Member contributions	\$ 4,349	\$ 5,360	\$ 81,974	\$ 7,901	\$ 95,624	\$ 14,374	\$ 140,408	
Employer contributions	59,235	15,103	96,564	95,129	285,247	73,667	587,365	
Other (net)	-	-	-	-	-	-	-	-
Service credit transfers	-	-	-	-	2,094	-	88,826	
Net investment income	115,325	43,866	102,414	263,090	450,906	160,539	2,012,178	
Total Additions	178,909	64,329	280,952	366,120	833,871	248,580	2,828,777	
Deductions								
Retirement benefits and refunds	\$ 143,143	\$ 14,541	\$ -	\$ 180,746	\$ 358,029	\$ 146,872	\$ 1,373,480	
Administrative expense	1,241	472	1,102	2,832	4,853	1,728	21,658	
Service credit transfers	-	-	-	211,568	-	-	13,049	
Total Deductions	144,384	15,013	1,102	395,146	362,882	148,600	1,408,187	
Net Increase (Decrease)	34,524	49,316	279,849	(29,025)	470,988	99,981	1,420,590	
Net position held in trust for pension benefits								
Beginning of year	1,419,189	503,605	1,010,931	3,345,460	5,212,598	1,923,645	23,943,073	
End of year	\$ 1,453,713	\$ 552,921	\$ 1,290,780	\$ 3,316,435	\$ 5,683,586	\$ 2,023,625	\$ 25,363,663	

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2023

<i>Employer Unit Type</i>	Middletown	Narragansett Housing	New Shoreham	New Shoreham	Newport	Newport Housing	Newport Police Department
<i>General Employees</i>		•	•		•	•	
<i>Police</i>				•			•
<i>Fire</i>							
<i>Police and Fire</i>	•						
<i>Current Employer Unit Number(s)</i>	1324	1336	1342 1343	1344	1352 1353 1354	1356	1364
<i>Legacy Employer Unit Number</i>	4109	3043	3022	4108	3021	3069	1364

Additions								
Contributions								
Member contributions	\$ 521,985	\$ 4,468	\$ 63,458	\$ 35,752	\$ 417,975	\$ 40,370	\$ 149,595	
Employer contributions	400,956	7,573	218,472	68,501	3,512,807	389,892	131,478	
Other (net)	4,219	-	-	-	-	-	-	
Service credit transfers	52,298	-	3,201	-	160,940	-	-	
Net investment income	1,400,866	83,846	810,515	182,766	5,034,954	622,357	181,486	
Total Additions	2,380,324	95,887	1,095,646	287,019	9,126,676	1,052,619	462,559	
Deductions								
Retirement benefits and refunds	\$ 54,366	\$ -	\$ 598,231	\$ 122,025	\$ 5,355,899	\$ 763,860	\$ 9,417	
Administrative expense	15,078	902	8,724	1,967	54,194	6,699	1,953	
Service credit transfers	31,807	-	4,188	-	105,439	-	-	
Total Deductions	101,251	902	611,143	123,992	5,515,532	770,559	11,370	
Net Increase (Decrease)	2,279,072	94,984	484,503	163,027	3,611,144	282,060	451,189	
Net position held in trust for pension benefits								
Beginning of year	15,378,005	961,872	9,732,170	2,140,727	59,854,838	7,562,916	1,836,225	
End of year	\$ 17,657,078	\$ 1,056,857	\$ 10,216,673	\$ 2,303,754	\$ 63,465,981	\$ 7,844,976	\$ 2,287,414	

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2023

<i>Employer Unit Type</i>	North Kingstown	North Kingstown	North Kingstown	North Providence	North Providence	North Providence Housing	North Smithfield
<i>General Employees</i>	•			•		•	•
<i>Police</i>		•					
<i>Fire</i>			•		•		
<i>Police and Fire</i>							
Current Employer Unit Number(s)	1372 1373	1374	1375	1382 1383	1385	1386	1392 1393
Legacy Employer Unit Number	3023	4056	4055	3024	4058	3066	3025

Additions								
Contributions								
Member contributions	\$ 315,923	\$ 455,621	\$ 545,817	\$ 140,037	\$ 634,229	\$ 6,837	\$ 104,927	
Employer contributions	2,376,326	1,307,175	1,646,139	663,831	2,009,102	120,223	275,434	
Other (net)	11	-	13,498	-	-	-	-	
Service credit transfers	153,232	48,564	-	194,102	-	-	462,344	
Net investment income	4,812,191	2,652,965	3,665,093	2,849,405	3,672,495	76,700	1,560,954	
Total Additions	7,657,683	4,464,325	5,870,547	3,847,375	6,315,826	203,760	2,403,659	
Deductions								
Retirement benefits and refunds	\$ 4,758,822	\$ 1,773,057	\$ 2,564,219	\$ 2,248,926	\$ 3,667,891	\$ 146,999	\$ 1,106,247	
Administrative expense	51,796	28,555	39,449	30,670	39,529	826	16,801	
Service credit transfers	42,802	26,004	-	-	-	-	-	
Total Deductions	4,853,420	1,827,616	2,603,668	2,279,596	3,707,420	147,825	1,123,048	
Net Increase (Decrease)	2,804,263	2,636,709	3,266,879	1,567,779	2,608,406	55,936	1,280,611	
Net position held in trust for pension benefits								
Beginning of year	57,854,236	30,803,572	42,931,420	34,349,529	43,683,687	910,877	18,395,210	
End of year	\$ 60,658,499	\$ 33,440,281	\$ 46,198,299	\$ 35,917,308	\$ 46,292,093	\$ 966,813	\$ 19,675,821	

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2023

<i>Employer Unit Type</i>	North Smithfield	North Smithfield Fire and Rescue	Northern RI Collaborative	Pawtucket	Pawtucket Housing	Portsmouth	Portsmouth
<i>General Employees</i>			•	•	•		
<i>Police</i>	•					•	
<i>Fire</i>		•					•
<i>Police and Fire</i>							
Current Employer Unit Number(s)	1394	1395 1435	1403	1412 1413	1416	1424	1425
Legacy Employer Unit Number	4076	4047	3081	3026	3053	1424	1425

Additions								
Contributions								
Member contributions	\$ 228,088	\$ 167,993	\$ 23,439	\$ 646,809	\$ 95,887	\$ 184,305	\$ 165,874	
Employer contributions	514,989	280,718	113,784	3,364,152	-	156,842	137,511	
Other (net)	314	-	-	25	-	-	-	
Service credit transfers	-	-	-	31,557	6,365	-	-	
Net investment income	1,111,527	903,302	291,722	9,172,098	1,526,213	213,243	186,715	
Total Additions	1,854,918	1,352,013	428,945	13,214,641	1,628,465	554,390	490,100	
Deductions								
Retirement benefits and refunds	\$ 800,678	\$ 502,380	\$ 214,840	\$ 8,036,823	\$ 762,008	\$ 35,645	\$ -	
Administrative expense	11,964	9,723	3,140	98,724	16,427	2,295	2,010	
Service credit transfers	-	-	3,124	22,442	3,763	-	-	
Total Deductions	812,642	512,103	221,104	8,157,989	782,198	37,940	2,010	
Net Increase (Decrease)	1,042,276	839,910	207,841	5,056,651	846,266	516,450	488,090	
Net position held in trust for pension benefits								
Beginning of year	12,968,420	10,546,130	3,469,331	110,559,437	18,391,937	2,171,226	1,865,217	
End of year	\$ 14,010,696	\$ 11,386,040	\$ 3,677,172	\$ 115,616,089	\$ 19,238,203	\$ 2,687,675	\$ 2,353,307	

See notes to schedule.

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2023

<i>Employer Unit Type</i>	Richmond	Richmond	Scituate	Scituate	Smithfield	Smithfield	Smithfield
<i>General Employees</i>	•		•			•	
<i>Police</i>		•		•			•
<i>Fire</i>					•		
<i>Police and Fire</i>							
<i>Current Employer Unit Number(s)</i>	1452	1454	1462 1463	1464	1465	1472 1473	1474
<i>Legacy Employer Unit Number</i>	3029	4029	3030	4073	1465	3031	4031

Additions														
Contributions														
Member contributions	\$	21,529	\$	93,591	\$	104,780	\$	-	\$	269,138	\$	91,628	\$	387,195
Employer contributions		134,388		111,998		582,877		-		223,116		408,452		461,924
Other (net)		-		-		-		-		-		-		-
Service credit transfers		-		-		2,923		-		-		16,418		-
Net investment income		285,578		317,982		1,124,462		25,525		351,487		1,244,828		2,105,264
Total Additions		441,495		523,571		1,815,042		25,525		843,741		1,761,326		2,954,383
Deductions														
Retirement benefits and refunds	\$	200,213	\$	26,392	\$	870,999	\$	3,609	\$	38,386	\$	902,469	\$	558,824
Administrative expense		3,074		3,423		12,103		275		3,783		13,399		22,660
Service credit transfers		15,257		-		70,902		-		-		24,247		-
Total Deductions		218,544		29,815		954,004		3,884		42,169		940,115		581,484
Net Increase (Decrease)		222,952		493,756		861,038		21,641		801,572		821,211		2,372,899
Net position held in trust for pension benefits														
Beginning of year		3,376,771		3,514,234		13,312,849		300,096		3,628,539		14,869,988		24,163,476
End of year	\$	3,599,723	\$	4,007,991	\$	14,173,887	\$	321,738	\$	4,430,111	\$	15,691,199	\$	26,536,375

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2023

<i>Employer Unit Type</i>	Smithfield Housing	Smithfield (COLA)	Scituate	South Kingstown	South Kingstown	South Kingstown Housing	South Kingstown (EMT)
<i>General Employees</i>	•	•		•		•	
<i>Police</i>			•		•		
<i>Fire</i>							•
<i>Police and Fire</i>							
Current Employer Unit Number(s)	1476	1478	1484	1492 1493	1494	1496	1505
Legacy Employer Unit Number	3084	3094	1484	3032	4063	3080	4099

Additions								
Contributions								
Member contributions	\$ 7,545	\$ 133,971	\$ 78,417	\$ 343,105	\$ 444,616	\$ 4,341	\$ 109,523	
Employer contributions	4,737	475,882	65,792	1,749,400	1,215,289	-	54,214	
Other (net)	-	-	-	-	6,124	-	-	
Service credit transfers	-	22,956	-	165,712	31,807	-	-	
Net investment income	71,151	1,684,629	63,926	5,562,139	2,620,556	55,018	512,987	
Total Additions	83,433	2,317,438	208,135	7,820,356	4,318,392	59,359	676,724	

Deductions								
Retirement benefits and refunds	\$ -	\$ 1,015,942	\$ -	\$ 4,789,233	\$ 2,245,807	\$ 21,797	\$ 178,394	
Administrative expense	766	18,133	688	59,868	28,206	592	5,522	
Service credit transfers	-	22,214	-	16,402	-	-	-	
Total Deductions	766	1,056,289	688	4,865,503	2,274,013	22,389	183,916	

Net Increase (Decrease)	82,667	1,261,149	207,446	2,954,853	2,044,379	36,970	492,808	
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Net position held in trust for pension benefits								
Beginning of year	814,175	19,973,677	598,220	67,157,083	30,987,803	656,539	5,973,334	
End of year	\$ 896,842	\$ 21,234,826	\$ 805,667	\$ 70,111,936	\$ 33,032,182	\$ 693,508	\$ 6,466,142	

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2023

<i>Employer Unit Type</i>	Union Fire District	Tiogue Lighting and Fire District	Tiverton	Tiverton	Tiverton (Local 2670A)	Valley Falls Fire District	Warren
<i>General Employees</i>	•	•	•		•		•
<i>Police</i>							
<i>Fire</i>				•		•	
<i>Police and Fire</i>							
Current Employer Unit Number(s)	1515	1528	1532 1533	1534	1538	1555	1562
Legacy Employer Unit Number	3027	3042	3033	4077	3077	4042	3034

Additions														
Contributions														
Member contributions	\$	4,080	\$	-	\$	92,052	\$	207,695	\$	23,784	\$	64,331	\$	68,434
Employer contributions		27,905		-		174,459		477,091		80,506		206,001		283,263
Other (net)		-		-		-		-		-		-		-
Service credit transfers		-		-		-		49,232		-		-		-
Net investment income		93,018		4,768		1,348,059		1,178,983		390,177		404,059		661,707
Total Additions		125,003		4,768		1,614,570		1,913,001		494,467		674,391		1,013,404
Deductions														
Retirement benefits and refunds	\$	70,996	\$	2,201	\$	897,150	\$	853,966	\$	312,053	\$	275,444	\$	443,841
Administrative expense		1,001		51		14,510		12,690		4,200		4,349		7,122
Service credit transfers		-		-		305,110		-		-		-		-
Total Deductions		71,997		2,252		1,216,770		866,656		316,253		279,793		450,963
Net Increase (Decrease)		53,006		2,516		397,800		1,046,345		178,215		394,598		562,441
Net position held in trust for pension benefits														
Beginning of year		1,119,503		57,590		16,594,996		13,814,678		4,740,077		4,698,517		7,778,360
End of year	\$	1,172,509	\$	60,106	\$	16,992,796	\$	14,861,024	\$	4,918,292	\$	5,093,115	\$	8,340,800

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2023

<i>Employer Unit Type</i>	Warren	Warren Housing	West Greenwich	West Greenwich	West Warwick (legacy)	West Warwick School District (legacy)	West Warwick (new)
<i>General Employees</i>		•	•		•	•	•
<i>Police</i>							
<i>Fire</i>							
<i>Police and Fire</i>	•			•			
Current Employer Unit Number(s)	1564 1565	1566	1602	1604	1609	1610	1612
Legacy Employer Unit Number	4062	3071	3037	4089	1609	1610	1612

Additions							
Contributions							
Member contributions	\$ 212,444	\$ 9,194	\$ 37,405	\$ 135,515	\$ 656,907	\$ 508,788	\$ 20,440
Employer contributions	582,844	29,098	214,205	289,596	1,951,717	2,311,616	66,433
Other (net)	-	-	-	-	-	-	-
Service credit transfers	192	-	106,126	26,004	-	5,887	21,456
Net investment income	1,273,401	98,195	375,911	595,603	750,514	1,064,550	15,738
Total Additions	2,068,881	136,487	733,647	1,046,718	3,359,138	3,890,841	124,067
Deductions							
Retirement benefits and refunds	\$ 924,386	\$ 118,256	\$ 226,924	\$ 375,264	\$ 3,318,951	\$ 1,879,489	\$ -
Administrative expense	13,706	1,057	4,046	6,411	8,725	12,238	169
Service credit transfers	-	-	-	-	-	-	-
Total Deductions	938,092	119,313	230,970	381,675	3,327,676	1,891,727	169
Net Increase (Decrease)	1,130,788	17,174	502,677	665,043	31,463	1,999,114	123,897
Net position held in trust for pension benefits							
Beginning of year	14,920,360	1,220,615	4,235,538	6,842,403	9,150,170	11,082,130	74,394
End of year	\$ 16,051,148	\$ 1,237,789	\$ 4,738,215	\$ 7,507,446	\$ 9,181,633	\$ 13,081,244	\$ 198,291

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2023

<i>Employer Unit Type</i>	West Warwick School District (new)	West Warwick (new)	West Warwick (new)	West Warwick Housing	West Warwick (legacy)	West Warwick (legacy)	West Warwick Library (legacy)
<i>General Employees</i>	•			•			•
<i>Police</i>		•			•		
<i>Fire</i>			•			•	
<i>Police and Fire</i>							
<i>Current Employer Unit Number(s)</i>	1613	1614	1615	1616	1617	1618	1619
<i>Legacy Employer Unit Number</i>	1613	1614	1615	3083	1617	1618	1619

Additions

Contributions

Member contributions	\$ 25,691	\$ 48,666	\$ 75,255	\$ 16,296	\$ 382,548	\$ 603,565	\$ 32,369
Employer contributions	83,502	51,099	79,017	70,259	2,857,176	2,822,616	215,463
Other (net)	-	-	-	657	-	-	-
Service credit transfers	8,146	8,937	73,028	-	-	-	-
Net investment income	14,271	12,444	100,983	155,611	1,051,645	1,359,220	77,424
Total Additions	131,610	121,146	328,283	242,823	4,291,369	4,785,401	325,256

Deductions

Retirement benefits and refunds	\$ -	\$ -	\$ 32,892	\$ 154,078	\$ 3,525,685	\$ 3,224,629	\$ 254,197
Administrative expense	154	134	1,087	1,675	12,176	15,760	895
Service credit transfers	4,310	-	-	-	-	-	-
Total Deductions	4,464	134	33,979	155,753	3,537,861	3,240,389	255,092

Net Increase (Decrease)	127,147	121,012	294,304	87,070	753,508	1,545,012	70,164
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**Net position held in trust
for pension benefits**

Beginning of year	52,659	35,765	978,428	1,874,458	12,132,584	15,100,423	878,959
End of year	\$ 179,806	\$ 156,778	\$ 1,272,732	\$ 1,961,529	\$ 12,886,092	\$ 16,645,435	\$ 949,123

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2023

<i>Employer Unit Type</i>	Westerly	Woonsocket	Woonsocket	Woonsocket	Albion Fire District	Albion Fire District	Harrisville Fire District
<i>General Employees</i>	•	•			•		•
<i>Police</i>			•				
<i>Fire</i>				•		•	
<i>Police and Fire</i>							
<i>Current Employer Unit Number(s)</i>	1622 1623	1632 1633	1634	1635	1702	1705 1815	1712
<i>Legacy Employer Unit Number</i>	3036	3039	4085	4093	3103	4111	3102

Additions														
Contributions														
Member contributions	\$	-	\$	345,599	\$	740,834	\$	762,977	\$	-	\$	51,364	\$	11,484
Employer contributions		-		1,757,443		2,355,384		1,131,873		-		67,235		12,211
Other (net)		-		-		-		-		-		-		-
Service credit transfers		-		29,455		-		4,658		-		-		-
Net investment income		53,133		5,714,812		4,595,052		5,601,529		12,255		144,425		116,779
Total Additions		53,133		7,847,309		7,691,270		7,501,037		12,255		263,024		140,474
Deductions														
Retirement benefits and refunds	\$	124,425	\$	5,313,598	\$	3,284,981	\$	2,941,668	\$	9,474	\$	87,321	\$	25,690
Administrative expense		572		61,512		49,459		60,292		132		1,555		1,257
Service credit transfers		-		52,091		-		127,978		-		49,232		-
Total Deductions		124,997		5,427,201		3,334,440		3,129,938		9,606		138,108		26,947
Net Increase (Decrease)		(71,864)		2,420,108		4,356,830		4,371,098		2,649		124,917		113,527
Net position held in trust for pension benefits														
Beginning of year		741,694		69,616,752		53,563,357		66,236,322		151,831		1,695,558		1,358,455
End of year	\$	669,830	\$	72,036,860	\$	57,920,187	\$	70,607,420	\$	154,480	\$	1,820,475	\$	1,471,982

See notes to schedule.

Municipal Employees' Retirement System
Schedule of Changes in Fiduciary Net Position by Employer
As of and for the Fiscal Year Ended June 30, 2023

<i>Employer Unit Type</i>	Harrisville Fire District	Pascoag Fire District (Administrative)	Pascoag Fire District	Total
<i>General Employees</i>		•		
<i>Police</i>				
<i>Fire</i>	•		•	
<i>Police and Fire</i>				
<i>Current Employer Unit Number(s)</i>	1715	1802	1805	
<i>Legacy Employer Unit Number</i>	4110	1802	1805	

Additions

Contributions				
Member contributions	\$ 59,627	\$ 252	\$ 26,462	\$ 23,424,658
Employer contributions	27,548	1,079	58,162	75,853,452
Other (net)	-	-	-	35,367
Service credit transfers	-	-	-	2,523,897
Net investment income	248,581	9,220	81,311	171,972,428
Total Additions	335,756	10,551	165,935	273,809,802

Deductions

Retirement benefits and refunds	\$ -	\$ -	\$ 35,949	\$ 137,507,900
Administrative expense	2,676	99	875	1,854,509
Service credit transfers	-	-	-	2,633,754
Total Deductions	2,676	99	36,824	141,996,163

Net Increase (Decrease)

	333,080	10,452	129,111	131,813,639
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**Net position held in trust
for pension benefits**

Beginning of year	2,800,186	105,767	895,767	2,034,405,626
End of year	\$ 3,133,266	\$ 116,219	\$ 1,024,877	\$ 2,166,219,265

EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

Municipal Employees' Retirement System - Multiple-Employer Defined Benefit Agent Plan

Notes to Schedule of Changes in Fiduciary Net Position by Employer

As of and for the Fiscal Year Ended June 30, 2023

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 Municipal Employees' Retirement System (MERS) was established by Rhode Island General Law and placed under the management of the Retirement Board to provide retirement allowances to employees of municipalities, housing authorities, water and sewer districts, and municipal police and fire persons that have elected to participate. MERS is a multiple-employer defined benefit agent plan.

2. Plan Membership and Benefit Provisions

Participating employers are summarized below:

Municipalities, housing authorities, water and sewer districts	71
Municipal police and fire departments	<u>53</u>
Total participating units as of the actuarial valuation at June 30, 2022	<u>124</u>

Plan members (as of the June 30, 2022 valuation date):

	<i>Retirees and beneficiaries</i>	<i>Terminated plan members entitled to but not yet receiving benefits</i>	<i>Active Vested</i>	<i>Active Non-vested</i>	<i>Total by Plan</i>
MERS					
General Employees	5,113	3,874	3,793	2,141	14,921
Public Safety	1,103	306	1,295	517	3,221
Total by type	6,216	4,180	5,088	2,658	18,142

Plan vesting provisions – after five years of service.

Retirement eligibility and plan benefits – For general employees prior to June 30, 2012 the plan provided retirement benefits equal to 2% of a member's final average salary multiplied by the number of years of total service up to a maximum of 75%. Such benefits are available to members at least age 58 with 10 years of service or after 30 years of service at any age. Benefits accrued at June 30, 2012 are protected under the Rhode Island Retirement Security Act until it is exceeded by the member's full years of service credit, including service after June 30, 2012, multiplied by the average of five consecutive years of compensation. Effective July 1, 2012 the retirement age mirrors the Social Security Normal Retirement Age not to exceed age 67. Members will receive a benefit accrual of 1.0% per year based on the five-year average compensation.

Municipal Employees' Retirement System - Multiple-Employer Defined Benefit Agent Plan

Notes to Schedule of Changes in Fiduciary Net Position by Employer

As of and for the Fiscal Year Ended June 30, 2023

2. Plan Membership and Benefit Provisions (continued)

Effective July 1, 2015 general employees with more than 20 years of service at July 1, 2012 will increase their employee contribution rates to 8.25% (9.25% for units with a cost of living adjustment provision) and will participate solely in the defined benefit plan. Members will receive a benefit accrual of 2% per year based on the three or five-year average compensation.

Effective July 1, 2015 general employees are eligible to retire upon the attainment of: age 65 with 30 years of service, 64 with 31 years of service, 63 with 32 years of service, or 62 with 33 years of service. Members may retire earlier if their RIRSA date is earlier or are eligible under a transition rule.

Joint and survivor options are available. For members with 10 years of service as of July 1, 2005, the Service Retirement Allowance (SRA) Plus option provides for the payment of a larger benefit before the attainment of age sixty-two (62) and a reduced amount thereafter. The reduced amount is equal to the benefit before age sixty-two (62), including cost-of-living increases, minus the member's estimated social security benefit payable at age sixty-two (62).

Prior to June 30, 2012, police and fire personnel may retire at age 55 if they have 10 years of service or after 25 years of service at any age. An option may be elected to provide a 20-year service pension with a benefit equal to 2.5% for each year of service up to a maximum of 75% for police and fire personnel. Benefits are based on the average of the highest three consecutive years' earnings, exclusive of overtime.

From June 30, 2012 to June 30, 2015, retirement age for police and fire personnel is 55 years old with 25 years of total service or for members with five years of service but less than 25 years of service the new retirement age will mirror the Social Security Normal Retirement Age not to exceed 67. Police officers or firefighters, that are at least 45 years old, have 10 or more years of contributing service and are eligible to retire prior to age 52 under the law in effect on June 30, 2012, may retire at age 52. Effective July 1, 2015, police and fire personnel may retire at age 50 with 25 years of service, or any age with 27 years of service. MERS police and fire personnel will contribute 9.00% (10.00% for units with a cost of living adjustment).

As of June 30, 2012, members will continue to have a frozen benefit accrual of 2.0% per year for a standard 25 year with any age and out plan; 2.5% for a standard 20 year with any age and out plan. Effective July 1, 2012 the optional 20 and 25 year with retirement at any age plans have been eliminated. The benefit accrual for all plans will be 2.0% per year based on the five-year average compensation, exclusive of overtime. Police and fire employees may retire with a reduced pension benefit if they have 20 years of service and are within five years of their retirement eligibility. The actuarially reduced benefit will be calculated based on how close the member is to the eligibility date that is prescribed in the Rhode Island Retirement Security Act.

The plan also provides survivor's benefits; and certain lump sum death benefits.

Cost of Living Adjustments – An optional cost-of-living provision may be elected for police and fire personnel and general employees. The Cost of Living Adjustment (COLA) has been suspended for any unit whose funding level is less than 80%. The COLA provision will be reviewed in a four-year interval while the plans are less than 80% funded. When the funding level of a plan exceeds 80% funded eligible retirees may receive a COLA annually effective on the date of their retirement plus one month.

The COLA calculation is represented by the following formula: 50% of the COLA is calculated by taking the previous 5-year average investment return, less 5% (5-year return – 5.0%, with a max of 4%) and 50% calculated using the increase in the CPI-U from the prior September 30 (max of 3%) for a total maximum COLA of 3.5%.

Municipal Employees' Retirement System - Multiple-Employer Defined Benefit Agent Plan

Notes to Schedule of Changes in Fiduciary Net Position by Employer

As of and for the Fiscal Year Ended June 30, 2023

2. Plan Membership and Benefit Provisions (continued)

The benefit adjustments are provided to all retirees entitled to receive a benefit adjustment as of June 30, 2012 under the law then in effect, and for all other retirees the benefit adjustments shall commence upon the third anniversary of the date of retirement or the date on which the retiree reaches his or her Social Security retirement age, whichever is later. For police and fire employees that retired under the provisions of §45-21.2-5(b)(1)(A), the benefit adjustment provided shall commence on the later of the third anniversary of the date of retirement or the date on which the retiree reaches age fifty-five (55); or for police and fire employees retiring under the provisions of §45-21.2-5(b)(1)(B), the benefit adjustment shall commence on the later of the third anniversary of the date of retirement or the date on which the retiree reaches age fifty (50). For all present and former employees, active and retired members, and beneficiaries receiving any retirement, disability or death allowance or benefit of any kind, the annual benefit adjustment provided in any calendar year is equal to the lesser of either the member's retirement allowance or the first \$28,878 (indexed as of January 1, 2023) of retirement allowance, multiplied by the percentage resulting from the COLA calculation as outlined in the preceding paragraph. The retirement amount subject to the COLA calculation is indexed annually in the same percentage as the COLA determination and is run annually regardless of the collective funding status.

For members and/or beneficiaries of members who retired on or before June 30, 2015, the current indexed amount of \$28,878 is replaced with \$34,653 (indexed as of January 1, 2023) until the municipal plan's funded ratio, calculated by the system's actuary, exceeds eighty percent (80%). At such time, the benefit adjustments will then be provided on the lower amount (currently indexed at \$28,878).

The actual COLA paid to retirees effective January 1, 2023 within MERS units that had achieved an 80% funding status was 3.11%. Retirees within 76 MERS units received the COLA.

Disability retirement provisions - The plan also provides nonservice-connected disability benefits after 5 years of service and service-connected disability pensions with no minimum service requirement.

3. Relationship to the Plan Financial Statements

Contributions, benefits and net position are maintained for each MERS employer unit. Certain costs which are common to the administration of the overall pension system are allocated first to each plan and then to each MERS employer unit.

This report was prepared to provide participating employers with additional information needed to comply with the financial reporting requirements of GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*. Additional financial information for the Employees' Retirement System of Rhode Island (including the MERS plan) is available in the System's audited financial statements for the fiscal year ended June 30, 2023 which are a component of the ERSRI Annual Report at www.ersri.org.

Certain additions and deductions are presented differently on the Schedule of Changes in Fiduciary Net Position by Employer from the presentation in the System's audited financial statements for the fiscal year ended June 30, 2023.

Rounding results in minor differences between the Schedule of Changes in Fiduciary Net Position by Employer and the System's audited financial statements for the fiscal year ended June 30, 2023. In addition, due to the use of rounded amounts in the Schedule, certain columns and rows may not add.

Municipal Employees' Retirement System - Multiple-Employer Defined Benefit Agent Plan

Notes to Schedule of Changes in Fiduciary Net Position by Employer

As of and for the Fiscal Year Ended June 30, 2023

4. Summary of Significant Accounting Policies

Basis of Accounting –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.

These financial statements were prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is responsible for establishing generally accepted accounting principles for defined benefit and defined contribution plans established and administered by governmental entities.

Cash and Cash Equivalents - Cash represents cash held in trust in a financial institution. Cash equivalents are highly liquid investments with a maturity of three months or less at the time of purchase.

Investments - Investment transactions are recorded on a trade date basis. Gains or losses on foreign currency exchange contracts are included in income consistent with changes in the underlying exchange rates. Dividend income is recorded on the ex-dividend date. MERS holds units in the System's Pooled Investment Trust. The number of units held by each plan within the System is a function of each plans' respective contribution to, or withdrawals from, the trust. Investment expense is allocated to each plan based on the plan's units in the Pooled Trust at the end of each month.

Method Used to Value Investments - Investments are recorded in the financial statements at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Short-term investments are generally carried at cost or amortized cost, which approximates fair value.

The fair value of fixed income securities and domestic and international equity securities is generally based on published market prices and quotations from national security exchanges and securities pricing services.

Commingled funds and collective unit trusts include institutional international equity index funds and an emerging markets debt fund. The fair value of these funds is based on the reported net asset value (NAV) based upon the fair value of the underlying securities or assets held in the fund.

Derivative investments (e.g., futures contracts and credit default and total return swaps) are valued at the settlement price established each day by the board of trade or exchange on which they are traded.

The System also trades in foreign exchange contracts to manage exposure to foreign currency risks. Such contracts are used to purchase and sell foreign currency at a guaranteed future price. The change in the estimated fair value of these contracts, which reflects current foreign exchange rates, is included in the determination of the fair value of the System's investments.

Other investments that are not traded on a national security exchange (primarily private equity, real estate, hedge funds, infrastructure investments, Crisis Protection Class – trend following, equity options, and emerging markets debt) are valued based on the reported Net Asset Value (NAV) by the fund manager or general partner. Publicly traded investments held by the funds or partnerships are valued based on quoted market prices. If not publicly traded, the fair value is determined by the general partner following U.S. generally accepted accounting principles. Financial Accounting Standards Board ASC Topic 820, Fair Value Measurements and Disclosures, requires the limited partnership general partners for these investment types to value non-publicly traded assets at current fair value, taking into consideration the financial performance of the issuer, cash flow analysis, recent sales prices, market comparable transactions, a new round of financing, a change in economic conditions, and other pertinent information.

Municipal Employees' Retirement System - Multiple-Employer Defined Benefit Agent Plan

Notes to Schedule of Changes in Fiduciary Net Position by Employer

As of and for the Fiscal Year Ended June 30, 2023

4. Summary of Significant Accounting Policies (continued)

Hedge funds, private equity, real estate, infrastructure, crisis protection class – trend following investments, equity options and emerging markets debt represented 7.2%, 21.1%, 5.6%, 3.9%, 4.4%, 1.9% and 1.6% respectively of the total reported fair value of all pooled trust investments at June 30, 2023.

Investment expenses – Investment expenses include investment consultant fees, custodial fees, direct investment expenses paid to managers, and certain indirect expenses allocated by managers to fund or partnership investors. Certain Office of the General Treasurer expenses associated with oversight of the pooled investment trust are also allocated and included as investment expenses. When indirect investment expenses for certain types of investments (e.g., hedge funds, private equity, real estate, infrastructure, equity options, emerging markets debt and crisis protection class), are not reported separately to System management and the investment custodian, additional information is obtained to allow reporting of the System's share of such indirect investment expenses on a gross fee basis.

Contributions - Plan member contributions for the defined benefit plans 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 each defined benefit plan are recognized when due and the employer has made a formal commitment to provide the contributions.

Benefits - Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies. These estimates are subject to a certain amount of uncertainty in the near term, which could result in changes in the values reported for those assets and liabilities in the statements of fiduciary net position. Because of the inherent uncertainty in the valuation of privately held securities, the fair value may differ from the values that would have been used if a ready market for such securities existed, and the difference can be material. Estimates also affect the reported amounts of income/additions and expenses/deductions during the reporting period. Actual results could differ from these estimates.

5. Contributions

Contribution requirements for plan members and employers are established pursuant to Rhode Island General Laws. Employers are required to contribute at an actuarially determined rate for the defined benefit plans. Plan member contributions for the defined benefit plan are fixed by statute. Member and employer contribution rates are subject to amendment by the General Assembly.

EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND

Municipal Employees' Retirement System - Multiple-Employer Defined Benefit Agent Plan

Notes to Schedule of Changes in Fiduciary Net Position by Employer

As of and for the Fiscal Year Ended June 30, 2023

5. Contributions (continued)

(a). Funding Policy

The funding policies, as set forth in Rhode Island General Law, Section 36-10-2 and 45-21-42 provide for actuarially determined periodic contributions to the plans. The actuarial valuation uses the Entry Age Normal 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 liability. The valuation is prepared on the projected benefit basis, under which the present value, at the assumed rate of return (currently 7.0 percent), of each participant's expected benefit payable at retirement or death is determined, based on age, service, gender and compensation.

The employer contributions required to support the benefits of the Plan are determined following a level funding approach and consist of a normal contribution and an accrued liability contribution. The normal contribution is determined using the "entry age normal" method. Under this method, a calculation is made to determine the rate of contribution which, if applied to the compensation of each individual member during the entire period of anticipated covered service, would be required to meet the cost of all benefits payable on his behalf. This method is commonly referred to as the Individual Entry Age Actuarial Cost Method.

The unfunded actuarial accrued liability (UAAL) is amortized as a level percent of payroll over a closed period. For underfunded plans, the period is 25 years as measured from June 30, 2010, or 21 years as of the current valuation date for any existing UAAL. Beginning with the June 30, 2014 actuarial valuation, new experience gains and losses for underfunded plans are amortized over individual closed periods of 20 years using the process of "laddering". Overfunded plans will have an amortization rate calculated using a single base amortized over an open period of 20 years.

(b). Contribution rates

Employer contribution rates for fiscal 2023 for MERS employers were developed based on actuarial valuations performed as of June 30, 2020. Employee contribution rates are statutorily determined. The table below displays the contribution rates for the year ended June 30, 2023:

Plan	Employee	Employer
General Employees	1.00% (additional 1% with a cost-of-living adjustment) Effective July 1, 2015, members with 20 or more years of service at June 30, 2012 contribute an additional 7.25%	71 Municipalities, housing authorities, water and sewer districts contributed various actuarially determined rates.
Public Safety	9.00% (additional 1% with a cost-of-living adjustment)	53 Municipal police and fire departments contributed various actuarially determined rates.

Municipal Employees' Retirement System - Multiple-Employer Defined Benefit Agent Plan

Notes to Schedule of Changes in Fiduciary Net Position by Employer

As of and for the Fiscal Year Ended June 30, 2023

6. Administrative Expenses

Pursuant to General Law section 36-8-10.1, administrative costs of the System are financed through investment earnings up to a maximum of 0.175% of the average total investments before lending activities as reported in the annual report of the Auditor General for the next preceding five (5) fiscal years. Such amounts are transferred to a restricted receipt account within the State's general fund. Any unencumbered funds on June 30 of any fiscal year are credited to the plans in the same proportion as their contributions to the restricted receipt account.

Administrative expenses of the System, financed as described in the preceding paragraph, include expenses within the Office of General Treasurer related to oversight of the System's investment portfolio. Consistent with generally accepted accounting principles, these expenses have been included with net investment income (loss) on the Schedule of Changes in Fiduciary Net Position by Employer.

7. Commitments

The State Investment Commission has committed to fund certain private equity, real estate, and infrastructure investment managers at a predetermined subscription amount. Outstanding unfunded investment commitments at June 30, 2023 totaled \$1.5 billion for the pooled investment trust. These commitments will be funded through cash available within the pooled investment trust generated through investment income and/or liquidation of other investments.

The system's investments in hedge funds are generally subject to "lock-up" provisions that limit (subject to certain exceptions) the ability to withdraw amounts previously invested for a period of one to three years after the initial investment. The System's investments in hedge fund assets are available for redemption either on a monthly, quarterly, semi-annual or annual basis, and are subject to notice periods which vary by fund and range from 30 days to 75 days. Some funds limit redemptions to 25% of invested capital on any one redemption date. At June 30, 2023 \$369,860 was in liquidation.

The System is committed under a ten-year development and operating agreement to design, transition, and implement new line-of-business, general ledger accounting system, and payroll administration systems. The contract requires monthly payments through fiscal 2025. Total payments over the contract period are estimated at \$22 million. This contract includes termination provisions for both the System and the vendor.

8. Subsequent Events

The fiscal year 2025 enacted budget included retirement benefit changes which affected four main provisions. (1) The Final Average Salary (FAS) Formula for State employees, teachers and municipal employees changed from the average highest five consecutive years of compensation to the average highest three consecutive years of compensation for employees with retirement dates on or after July 1, 2024. (2) The full Cost of Living Adjustments (COLAs) for retired State employees, teachers and municipal employees (including municipal public safety) who retired on or before June 30, 2012 was provided rather than the 0.25% of the COLA calculation. Additionally, the minimum funded requirement for COLA restoration is reduced from 80% to 75%, effective July 1, 2024, for State employees, teachers, municipal employees (including municipal public safety), judges and state police officers who retired on or after July 1, 2012. (3) The Post-Retirement Employment Cap is waived effective June 21, 2024 through June 30, 2025 with the local education authority (LEA) required to make employer contributions after the retiree exceeds the statutory cap of 90 days for teachers and 75 days for administrators. The Post-Retirement Earnings Cap was also increased for Retired Professors. (4) Various State Public Safety Professionals will receive benefit accruals and eligibility that aligns with Municipal Employees effective January 1, 2025.

The System has evaluated subsequent events through June 25, 2024, the dates the Schedules were available to be issued.